

TELENOR ASA
Form 6-K
November 01, 2006

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934
Date: 26th October, 2006, for 3rd Quarter, 2006**

TELENOR ASA

(Registrant's Name)

Snarøyveien 30,

1331 Fornebu,

Norway

(Registrant's Address)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F : Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No :

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Telenor ASA

By: /s/ Trond Westlie

Name: Trond Westlie
(sign.)

Title: CFO

Date: 26th October, 2006

TELENOR ASA THIRD QUARTER 2006 RESULTS

In the third quarter of 2006, Telenor`s revenues increased by 35 per cent compared to the third quarter of 2005, reaching NOK 23.9 billion. The underlying revenue growth was 12 per cent. The reported EBITDA was NOK 9.1 billion while profit before taxes was NOK 6.1 billion. During the quarter, the total number of mobile subscriptions increased by nine million, reaching 105 million.

Highlights third quarter 2006:

Revenue growth of 35% underlying growth of 12% Record high EBITDA margin Improved results in Nordic mobile operations Continued impressive performance in Kyivstar Telenor Serbia consolidated from 1 September

Outlook for 2006:

Based upon the strong results and positive development in the third quarter of 2006, the outlook for the full year has been adjusted compared to the report for the second quarter of 2006.

The strong growth in mobile subscriptions gives Telenor a solid foundation for further growth in revenues. We expect a growth in reported revenues of around 35%.

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 around 36%.

We expect high capital expenditure to continue, and capital expenditure as a proportion of revenues is expected to be around 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.

Telenor Mobile Norway

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 1 846 | 1 968 | 2 044 | 2 021 | 1 927 | 2 003 | 2 098 | 2 120 | 2 023 | 2 170 | 2 264 | |
| Interconnection revenues | 378 | 402 | 403 | 430 | 407 | 452 | 441 | 454 | 446 | 474 | 443 | |
| Mobile revenues company s subscriptions | 2 224 | 2 370 | 2 447 | 2 451 | 2 334 | 2 455 | 2 539 | 2 574 | 2 469 | 2 644 | 2 707 | |
| Other mobile revenues | 304 | 405 | 434 | 370 | 362 | 453 | 484 | 526 | 532 | 505 | 624 | |
| Total mobile revenues | 2 528 | 2 775 | 2 881 | 2 821 | 2 696 | 2 908 | 3 023 | 3 100 | 3 001 | 3 149 | 3 331 | |
| Non-mobile revenues | 276 | 179 | 128 | 142 | 142 | 141 | 98 | 135 | 104 | 124 | 127 | |
| Total revenues ¹⁾ | 2 804 | 2 954 | 3 009 | 2 963 | 2 838 | 3 049 | 3 121 | 3 235 | 3 105 | 3 273 | 3 458 | |
| ¹⁾ Of which internal revenues | 311 | 315 | 311 | 289 | 278 | 313 | 299 | 281 | 266 | 257 | 221 | |
| EBITDA | 1 002 | 1 081 | 1 103 | 1 119 | 1 001 | 1 066 | 1 218 | 1 186 | 1 323 | 1 365 | 1 513 | |
| Depreciation and amortization ¹⁾ | 239 | 275 | 267 | 281 | 213 | 230 | 224 | 222 | 216 | 215 | 206 | |
| Write-downs ²⁾ | | 1 | 3 | 11 | -2 | 12 | 4 | 2 | | 33 | | |
| Operating profit | 763 | 805 | 833 | 827 | 790 | 824 | 990 | 962 | 1 107 | 1 117 | 1 307 | |
| ¹⁾ Of which amortization of Telenor s net excess values | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | 35.7 | 36.6 | 36.7 | 37.8 | 35.3 | 35.0 | 39.0 | 36.7 | 42.6 | 41.7 | 43.8 | |
| Operating profit/Total revenues (%) | 27.2 | 27.3 | 27.7 | 27.9 | 27.8 | 27.0 | 31.7 | 29.7 | 35.7 | 34.1 | 37.8 | |
| Capex | 214 | 255 | 332 | 172 | 194 | 343 | 220 | 461 | 129 | 143 | 220 | |

Investments in
businesses

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| No. of mobile subscriptions (in thousands) | 2 378 | 2 451 | 2 562 | 2 645 | 2 635 | 2 687 | 2 736 | 2 731 | 2 722 | 2 709 | 2 711 |
| of which prepaid | 1 091 | 1 118 | 1 178 | 1 228 | 1 218 | 1 267 | 1 285 | 1 222 | 1 185 | 1 133 | 1 097 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 179 | 187 | 187 | 182 | 175 | 191 | 186 | 184 | 186 | 196 | 199 |
| Average revenue per subscription per month (ARPU) in the quarter | 315 | 332 | 328 | 318 | 297 | 308 | 314 | 317 | 305 | 324 | 331 |
| of which contract | 464 | 491 | 499 | 491 | 453 | 465 | 475 | 472 | 446 | 461 | 469 |
| of which prepaid | 147 | 146 | 129 | 119 | 117 | 129 | 133 | 136 | 126 | 141 | 134 |

Sonofon Denmark

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|-------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 274 | 496 | 541 | 502 | 571 | 595 | 600 | 595 | 622 | 630 | 693 | |
| Interconnection revenues | 140 | 280 | 274 | 292 | 300 | 328 | 325 | 347 | 348 | 338 | 327 | |
| Mobile revenues company s subscriptions | 414 | 776 | 815 | 794 | 871 | 923 | 925 | 942 | 970 | 968 | 1 020 | |
| Other mobile revenues | 97 | 161 | 170 | 143 | 143 | 158 | 181 | 156 | 145 | 152 | 169 | |
| Total mobile revenues | 511 | 937 | 985 | 937 | 1 014 | 1 081 | 1 106 | 1 098 | 1 115 | 1 120 | 1 189 | |
| Non-mobile revenues | 159 | 288 | 281 | 306 | 179 | 227 | 250 | 236 | 238 | 227 | 239 | |
| Total revenues ¹⁾ | 670 | 1 225 | 1 266 | 1 243 | 1 193 | 1 308 | 1 356 | 1334 | 1 353 | 1 347 | 1 428 | |
| ¹⁾ Of which internal revenues | 4 | 8 | 21 | 20 | 20 | 35 | 43 | 34 | 30 | 48 | 55 | |
| EBITDA | 167 | 238 | 260 | 16 | 253 | 308 | 307 | 308 | 305 | 307 | 390 | |
| Depreciation and amortization ¹⁾ | 189 | 355 | 369 | 277 | 353 | 328 | 308 | 296 | 286 | 271 | 280 | |
| Write-downs ²⁾ | | | | 3 290 | | | | | | | | |
| Operating profit / (loss) | (22) | (117) | (109) | (3,551) | (100) | (20) | (1) | 12 | 19 | 36 | 110 | |
| ¹⁾ Of which amortization of Telenor s net excess values | 75 | 160 | 160 | 156 | 157 | 134 | 131 | 133 | 137 | 132 | 138 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | 3075 | | | | | | | | |
| EBITDA/Total revenues (%) | 24.9 | 19.4 | 20.5 | 1.3 | 21.2 | 23.5 | 22.6 | 23.1 | 22.5 | 22.8 | 27.3 | |
| Operating profit/Total revenues (%) | nm | nm | nm | nm | nm | nm | nm | 0.9 | 1.4 | 2.7 | 7.7 | |
| Capex | 66 | 144 | 102 | 76 | 28 | 140 | 137 | 757 | 109 | 170 | 168 | |

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Investments in businesses | 3 641 | 145 | | | | | | 4 | | | |
| No. of mobile subscriptions (in thousands) | 987 | 1 203 | 1 253 | 1 275 | 1 232 | 1 250 | 1 261 | 1 284 | 1 299 | 1 310 | 1 342 |
| of which prepaid | 250 | 451 | 485 | 462 | 413 | 420 | 420 | 425 | 429 | 436 | 464 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 147 | 157 | 139 | 151 | 153 | 182 | 183 | 195 | 200 | 209 | 203 |
| Average revenue per subscription per month (ARPU) in the quarter | 250 | 233 | 219 | 207 | 229 | 253 | 243 | 246 | 250 | 248 | 257 |
| of which contract | 287 | 291 | 281 | 267 | 284 | 306 | 292 | 285 | 292 | 290 | 306 |
| of which prepaid | 135 | 111 | 120 | 111 | 126 | 146 | 146 | 166 | 164 | 163 | 161 |

Telenor Mobile Sweden

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|-------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 32 | 34 | 37 | 38 | 37 | 33 | 34 | 26 | 902 | 972 | 1 050 | |
| Interconnection revenues | 9 | 15 | 13 | 15 | 15 | 18 | 15 | 12 | 206 | 235 | 219 | |
| Mobile revenues company s subscriptions | 41 | 49 | 50 | 53 | 52 | 51 | 49 | 38 | 1 108 | 1 207 | 1 269 | |
| Other mobile revenues | 5 | 6 | 11 | 8 | 11 | 14 | 19 | 10 | 89 | 96 | 133 | |
| Total mobile revenues | 46 | 55 | 61 | 61 | 63 | 65 | 68 | 48 | 1 197 | 1 303 | 1 402 | |
| Non-mobile revenues | | | | | | | | | 104 | 127 | 148 | |
| Total revenues ¹⁾ | 46 | 55 | 61 | 61 | 63 | 65 | 68 | 48 | 1 301 | 1 430 | 1 550 | |
| ¹⁾ Of which internal revenues | 14 | 21 | 27 | 25 | 28 | 33 | 39 | 24 | 48 | 27 | 42 | |
| EBITDA | (25) | (36) | (45) | (619) | (10) | (18) | (139) | (309) | 170 | 241 | 371 | |
| Depreciation and amortization ¹⁾ | 8 | 7 | 8 | 26 | | | | | 358 | 395 | 435 | |
| Write-downs ²⁾ | | | | 75 | | | | | | | 6 | |
| Operating profit / (loss) | (33) | (43) | (53) | (720) | (10) | (18) | (139) | (309) | (188) | (154) | (70) | |
| ¹⁾ Of which amortization of Telenor s net excess values | | | | | | | | | 52 | 64 | 260 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | nm | nm | nm | nm | nm | nm | nm | nm | 13.1 | 16.9 | 23.9 | |
| Operating profit/Total revenues (%) | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | |
| Capex | 4 | 4 | 3 | 6 | | | | | 135 | 137 | 112 | |

| | | | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-------|-------|-------|
| Investments in businesses | | | | | | | | | 7739 | 8 | |
| No. of mobile subscriptions (in thousands) | 84 | 92 | 96 | 105 | 107 | 99 | 97 | 95 | 1 660 | 1 676 | 1 708 |
| of which prepaid | 48 | 55 | 56 | 57 | 56 | 51 | 50 | 48 | 575 | 571 | 571 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 73 | 96 | 104 | 108 | 113 | 141 | 144 | 129 | 160 | 185 | 184 |
| Average revenue per subscription per month (ARPU) in the quarter | 169 | 181 | 182 | 169 | 164 | 167 | 164 | 136 | 229 | 242 | 249 |
| of which contract | 252 | 262 | 265 | 241 | 215 | 216 | 215 | 183 | 330 | 340 | 346 |
| of which prepaid | 106 | 122 | 125 | 117 | 121 | 121 | 115 | 90 | 49 | 54 | 58 |

Kyivstar Ukraine

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 610 | 703 | 838 | 810 | 807 | 1 158 | 1 437 | 1 720 | 1 749 | 1 952 | 2 321 | |
| Interconnection revenues | 186 | 236 | 319 | 327 | 313 | 428 | 541 | 606 | 528 | 562 | 606 | |
| Mobile revenues company s subscriptions | 796 | 939 | 1 157 | 1 137 | 1 120 | 1 586 | 1 978 | 2 326 | 2 277 | 2 514 | 2 927 | |
| Other mobile revenues | 16 | 27 | 54 | 25 | 23 | 30 | 72 | 33 | 36 | 50 | 82 | |
| Total mobile revenues | 812 | 966 | 1 211 | 1 162 | 1 143 | 1 616 | 2 050 | 2 359 | 2 313 | 2 564 | 3 009 | |
| Non-mobile revenues | 13 | 15 | 18 | 22 | 20 | 27 | 26 | 31 | 16 | 16 | 16 | |
| Total revenues ¹⁾ | 825 | 981 | 1 229 | 1 184 | 1 163 | 1 643 | 2 076 | 2 390 | 2 329 | 2 580 | 3 025 | |
| ¹⁾ Of which internal revenues | | | 1 | 1 | 1 | 2 | 2 | 1 | | 1 | 5 | |
| EBITDA | 505 | 592 | 772 | 712 | 632 | 911 | 1 148 | 1 359 | 1 432 | 1 596 | 1 827 | |
| Depreciation and amortization ¹⁾ | 125 | 128 | 145 | 157 | 231 | 331 | 322 | 325 | 379 | 381 | 395 | |
| Write-downs ²⁾ | | | | | | | | 15 | | | 13 | |
| Operating profit | 380 | 464 | 627 | 555 | 401 | 580 | 826 | 1 019 | 1 053 | 1 215 | 1 419 | |
| ¹⁾ Of which amortization of Telenor s net excess values | 24 | 24 | 24 | 21 | 22 | 23 | 24 | 24 | 24 | 23 | 23 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | 61.2 | 60.3 | 62.8 | 60.1 | 54.3 | 55.4 | 55.3 | 56.9 | 61.5 | 61.9 | 60.4 | |
| Operating profit/Total revenues (%) | 46.1 | 47.3 | 51.0 | 46.9 | 34.5 | 35.3 | 39.8 | 42.6 | 45.2 | 47.1 | 46.9 | |
| Capex | 331 | 566 | 687 | 1024 | 735 | 919 | 1 106 | 890 | 830 | 770 | 992 | |

Investments in
businesses

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| No. of mobile subscriptions (100% in thousands) | 3 221 | 3 610 | 4 856 | 6 252 | 7 662 | 9 335 | 10 943 | 13 925 | 14 965 | 16 005 | 17 709 |
| - of which prepaid | 2 675 | 3 031 | 4 211 | 5 532 | 6 892 | 8 500 | 10 021 | 12 901 | 13 895 | 14 886 | 16 535 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 68 | 74 | 95 | 95 | 91 | 90 | 103 | 108 | 110 | 118 | 123 |
| Average revenue per subscription per month (ARPU) in the quarter | 84 | 93 | 95 | 68 | 53 | 62 | 66 | 64 | 53 | 54 | 57 |
| - of which contract | 191 | 213 | 223 | 184 | 165 | 187 | 200 | 197 | 175 | 180 | 197 |
| - of which prepaid | 62 | 69 | 72 | 52 | 40 | 49 | 53 | 53 | 43 | 45 | 47 |

Pannon Hungary

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 872 | 872 | 1005 | 920 | 880 | 903 | 1025 | 960 | 926 | 913 | 940 | |
| Interconnection revenues | 423 | 443 | 423 | 442 | 430 | 458 | 416 | 431 | 400 | 400 | 415 | |
| Mobile revenues company s subscriptions | 1 295 | 1 315 | 1 428 | 1 362 | 1 310 | 1 361 | 1 441 | 1 391 | 1 326 | 1 313 | 1 355 | |
| Other mobile revenues | 25 | 39 | 46 | 32 | 28 | 44 | 52 | 20 | 23 | 35 | 45 | |
| Total mobile revenues | 1 320 | 1 354 | 1 474 | 1 394 | 1 338 | 1 405 | 1 493 | 1 411 | 1 349 | 1 348 | 1 400 | |
| Non-mobile revenues | 81 | 90 | 78 | 116 | 77 | 93 | 90 | 154 | 64 | 79 | 64 | |
| Total revenues ¹⁾ | 1 401 | 1 444 | 1 552 | 1 510 | 1 415 | 1 498 | 1 583 | 1 565 | 1 413 | 1 427 | 1 464 | |
| ¹⁾ Of which internal revenues | 1 | 2 | | 3 | 2 | 2 | 2 | 4 | 3 | 2 | 3 | |
| EBITDA | 556 | 556 | 561 | 420 | 517 | 484 | 650 | 534 | 540 | 567 | 581 | |
| Depreciation and amortization ¹⁾ | 331 | 326 | 326 | 312 | 316 | 276 | 294 | 285 | 279 | 254 | 251 | |
| Write-downs ²⁾ | | | | 21 | | 2 | 1 | 4 | | 33 | | |
| Operating profit | 225 | 230 | 235 | 87 | 201 | 206 | 355 | 245 | 261 | 280 | 330 | |
| ¹⁾ Of which amortization of Telenor s net excess values | 89 | 89 | 91 | 89 | 90 | 85 | 86 | 84 | 84 | 79 | 79 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | 39.7 | 38.5 | 36.1 | 27.8 | 36.5 | 32.3 | 41.1 | 34.1 | 38.2 | 39.7 | 39.7 | |
| Operating profit/Total revenues (%) | 16.1 | 15.9 | 15.1 | 5.8 | 14.2 | 13.8 | 22.4 | 15.7 | 18.5 | 19.6 | 22.5 | |
| Capex | 104 | 121 | 121 | 820 | 109 | 243 | 150 | 261 | 71 | 235 | 168 | |

Investments in
businesses

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| No. of mobile subscriptions (in thousands) | 2 596 | 2 588 | 2 595 | 2 770 | 2 792 | 2 824 | 2 856 | 2 929 | 2 939 | 2 947 | 2 981 |
| - of which prepaid | 1 977 | 1 935 | 1 886 | 1 991 | 1 955 | 1 915 | 1 894 | 1 904 | 1 878 | 1 854 | 1 848 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 111 | 121 | 127 | 131 | 125 | 143 | 145 | 149 | 143 | 159 | 157 |
| Average revenue per subscription per month (ARPU) in the quarter | 165 | 170 | 184 | 171 | 157 | 162 | 166 | 162 | 150 | 148 | 150 |
| - of which contract | 399 | 389 | 400 | 356 | 327 | 316 | 314 | 299 | 272 | 254 | 248 |
| - of which prepaid | 92 | 96 | 103 | 96 | 84 | 89 | 89 | 86 | 80 | 86 | 87 |

Promonte Montenegro

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------|----|-----|-----|------|-----|-----|-----|------|-----|-----|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Total revenues | | | 82 | 118 | 104 | 123 | 180 | 112 | 114 | 139 | 211 | |
| EBITDA | | | 45 | 46 | 55 | 60 | 98 | 47 | 55 | 65 | 122 | |
| Operating profit 1)2) | | | 26 | (2) | 12 | 18 | 58 | 7 | 16 | 27 | 84 | |
| 1) Of which amortization of Telenor s net excess values | | | 7 | 25 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | |
| 2) Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| Capex | | | 3 | 13 | 5 | 4 | 8 | 21 | 4 | 7 | 24 | |
| No. of mobile subscriptions (in thousands) | | | 340 | 279 | 279 | 303 | 394 | 310 | 324 | 363 | 479 | |
| - of which prepaid | | | 297 | 234 | 235 | 263 | 352 | 265 | 276 | 309 | 424 | |
| Average traffic minutes per subscription per month (AMPU) in the quarter | | | 113 | 87 | 91 | 105 | 109 | 92 | 104 | 121 | 120 | |
| Average revenue per subscription per month (ARPU) in the quarter | | | 139 | 107 | 115 | 129 | 126 | 95 | 111 | 120 | 125 | |
| - of which contract | | | 309 | 284 | 288 | 338 | 339 | 269 | 284 | 297 | 303 | |
| - of which prepaid | | | 111 | 79 | 82 | 97 | 103 | 71 | 81 | 90 | 100 | |

DTAC Thailand

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------|----|----|----|------|----|----|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | | | | | | | | 1 074 | 1 852 | 1 760 | 1 887 | |
| Interconnection revenues | | | | | | | | 25 | 33 | 33 | 41 | |
| Mobile revenues company s subscriptions | | | | | | | | 1 099 | 1 885 | 1 793 | 1 928 | |
| Other mobile revenues | | | | | | | | 74 | 131 | 85 | 93 | |
| Total mobile revenues | | | | | | | | 1 173 | 2 016 | 1 878 | 2 021 | |
| Non-mobile revenues | | | | | | | | 18 | 16 | 15 | 20 | |
| Total revenues ¹⁾ | | | | | | | | 1 191 | 2 032 | 1 893 | 2 041 | |
| ¹⁾ Of which internal revenues | | | | | | | | 6 | 11 | 8 | 6 | |
| EBITDA | | | | | | | | 445 | 719 | 698 | 732 | |
| Depreciation and amortization ¹⁾ | | | | | | | | 220 | 337 | 335 | 356 | |
| Write-downs ²⁾ | | | | | | | | | | | | |
| Operating profit | | | | | | | | 225 | 382 | 363 | 376 | |
| ¹⁾ Of which amortization of Telenor s net excess values | | | | | | | | 35 | 51 | 50 | 51 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | | | | | | | | 37.4 | 35.4 | 36.9 | 35.9 | |
| Operating profit/Total revenues (%) | | | | | | | | 18.9 | 18.8 | 19.2 | 18.4 | |
| Capex | | | | | | | | 146 | 605 | 543 | 565 | |
| | | | | | | | | 2 664 | 85 | 31 | | |

Investments in
businesses

| | | | | |
|--|-------|-------|--------|--------|
| No. of mobile subscriptions (100% in thousands) | 8 677 | 9 823 | 10 622 | 11 241 |
| - of which prepaid | 7 212 | 8 185 | 8 806 | 9 274 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 231 | 295 | 327 | 314 |
| Average revenue per subscription per month (ARPU) in the quarter | 66 | 69 | 59 | 58 |
| - of which contract | 141 | 150 | 126 | 123 |
| - of which prepaid | 51 | 53 | 45 | 44 |

DiGi Malaysia

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 642 | 662 | 751 | 739 | 792 | 924 | 1 035 | 1 198 | 1 279 | 1 331 | 1 355 | |
| Interconnection revenues | 147 | 137 | 144 | 143 | 137 | 143 | 155 | 159 | 166 | 127 | 138 | |
| Mobile revenues company s subscriptions | 789 | 799 | 895 | 882 | 929 | 1 067 | 1 190 | 1 357 | 1 445 | 1 458 | 1 493 | |
| Other mobile revenues | 17 | 18 | 17 | 13 | 14 | 15 | 18 | 18 | 21 | 20 | 33 | |
| Total mobile revenues | 806 | 817 | 912 | 895 | 943 | 1 082 | 1 208 | 1 375 | 1 466 | 1 478 | 1 526 | |
| Non-mobile revenues | 130 | 141 | 136 | 109 | 91 | 79 | 77 | 77 | 80 | 66 | 58 | |
| Total revenues ¹⁾ | 936 | 958 | 1 048 | 1 004 | 1 034 | 1 161 | 1 285 | 1 452 | 1 546 | 1 544 | 1 584 | |
| ¹⁾ Of which internal revenues | 1 | 1 | 1 | | 1 | | 1 | 2 | 2 | 1 | 2 | |
| EBITDA | 426 | 410 | 453 | 443 | 451 | 499 | 560 | 632 | 700 | 700 | 721 | |
| Depreciation and amortization ¹⁾ | 229 | 226 | 231 | 215 | 257 | 253 | 255 | 273 | 252 | 227 | 296 | |
| Write-downs ²⁾ | | | | | 1 | | 1 | 3 | | 7 | 1 | |
| Operating profit | 197 | 184 | 222 | 228 | 193 | 246 | 304 | 356 | 448 | 466 | 424 | |
| ¹⁾ Of which amortization of Telenor s net excess values | 19 | 18 | 18 | 17 | 17 | 17 | 13 | 4 | 4 | 4 | 3 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | 45.5 | 42.8 | 43.2 | 44.1 | 43.6 | 43.0 | 43.6 | 43.5 | 45.3 | 45.3 | 45.5 | |
| Operating profit/Total revenues (%) | 21.0 | 19.2 | 21.2 | 22.7 | 18.7 | 21.2 | 23.7 | 24.5 | 29.0 | 30.2 | 26.8 | |
| Capex | 103 | 162 | 228 | 427 | 108 | 178 | 310 | 574 | 226 | 199 | 371 | |

Investments in
businesses

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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 | 5 440 | 5 590 |
| - of which prepaid | 2 301 | 2 453 | 2 653 | 3 067 | 3 259 | 3 525 | 3 880 | 4 441 | 4 704 | 5 018 | 5 126 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 167 | 164 | 170 | 165 | 163 | 170 | 175 | 169 | 162 | 163 | 162 |
| Average revenue per subscription per month (ARPU) in the quarter | 113 | 107 | 110 | 98 | 92 | 99 | 100 | 102 | 97 | 93 | 90 |
| - of which contract | 312 | 312 | 297 | 238 | 233 | 216 | 192 | 174 | 172 | 180 | 163 |
| - of which prepaid | 104 | 97 | 100 | 90 | 84 | 93 | 93 | 97 | 92 | 86 | 84 |

GrameenPhone Bangladesh

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Subscription and traffic | 470 | 500 | 565 | 529 | 598 | 659 | 715 | 769 | 871 | 911 | 1 032 | |
| Interconnection revenues | 9 | 20 | 26 | 35 | 34 | 39 | 52 | 63 | 73 | 78 | 94 | |
| Mobile revenues company s subscriptions | 479 | 520 | 591 | 564 | 632 | 698 | 767 | 832 | 944 | 989 | 1 126 | |
| Other mobile revenues | 7 | 6 | 5 | 6 | 5 | 5 | 6 | 6 | 6 | 5 | 3 | |
| Total mobile revenues | 486 | 526 | 596 | 570 | 637 | 703 | 773 | 838 | 950 | 994 | 1 129 | |
| Non-mobile revenues | 3 | 3 | 2 | | 3 | 2 | 2 | 12 | 5 | 3 | 4 | |
| Total revenues ¹⁾ | 489 | 529 | 598 | 570 | 640 | 705 | 775 | 850 | 955 | 997 | 1 133 | |
| ¹⁾ Of which internal revenues | | | | | | | | 1 | | 1 | | |
| EBITDA | 283 | 309 | 383 | 338 | 329 | 334 | 441 | 455 | 659 | 488 | 645 | |
| Depreciation and amortization ¹⁾ | 34 | 51 | 58 | 72 | 77 | 89 | 107 | 166 | 159 | 148 | 169 | |
| Write-downs ²⁾ | | | | 3 | | | | | | | | |
| Operating profit | 249 | 258 | 325 | 263 | 252 | 245 | 334 | 289 | 500 | 340 | 476 | |
| ¹⁾ Of which amortization of Telenor s net excess values | | | | | | | | | | | | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | 57.9 | 58.4 | 64.0 | 59.3 | 51.4 | 47.4 | 56.9 | 53.5 | 69.0 | 48.9 | 56.9 | |
| Operating profit/Total revenues (%) | 50.9 | 48.8 | 54.3 | 46.1 | 39.4 | 34.8 | 43.1 | 34.0 | 52.4 | 34.1 | 42.0 | |
| Capex | 160 | 258 | 418 | 482 | 496 | 357 | 590 | 1 153 | 389 | 516 | 435 | |
| | | | | 298 | | | | | | | | |

Investments in
businesses

| | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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 | 8 459 | 9 404 |
| - of which prepaid | 1 258 | 1 501 | 1 730 | 2 092 | 2 625 | 3 375 | 3 860 | 5 159 | 6 030 | 8 015 | 8 904 |
| Average traffic minutes per subscription per month (AMPU) in the quarter | 239 | 246 | 249 | 241 | 237 | 223 | 223 | 250 | 196 | 213 | 214 |
| Average revenue per subscription per month (ARPU) in the quarter | 120 | 106 | 103 | 87 | 81 | 69 | 65 | 56 | 51 | 45 | 41 |
| - of which contract | 331 | 287 | 302 | 257 | 288 | 284 | 282 | 258 | 258 | 234 | 220 |
| - of which prepaid | 71 | 69 | 67 | 60 | 54 | 47 | 45 | 39 | 37 | 33 | 31 |

Telenor Pakistan

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|------|-------|------|------|-------|-------|-------|-------|-------|-------|-------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Total revenues | | | | | 1 | 48 | 76 | 140 | 215 | 265 | 333 | |
| EBITDA | | (13) | (20) | (45) | (133) | (172) | (134) | (133) | (77) | (117) | (87) | |
| Operating profit / (loss) ¹⁾²⁾ | | (13) | (20) | (45) | (147) | (232) | (201) | (218) | (175) | (220) | (199) | |
| ¹⁾ Of which amortization of Telenor's net excess values | | | | | | | | | | | | |
| ²⁾ Of which write-downs of Telenor's net excess values | | | | | | | | | | | | |
| Capex | | 1,821 | 19 | 153 | 1,139 | (91) | 299 | 496 | 351 | 754 | 701 | |
| No. of mobile subscriptions (in thousands) | | | | | 344 | 836 | 1,200 | 1,868 | 2,527 | 3,205 | 4,597 | |
| - of which prepaid | | | | | 342 | 829 | 1,183 | 1,836 | 2,495 | 3,165 | 4,555 | |
| Average traffic minutes per subscription per month (AMPU) in the quarter | | | | | | 74 | 93 | 131 | 136 | 146 | 123 | |
| Average revenue per subscription per month (ARPU) in the quarter | | | | | | 22 | 25 | 30 | 32 | 30 | 27 | |
| - of which contract | | | | | | 154 | 99 | 72 | 59 | 59 | 51 | |
| - of which prepaid | | | | | | 21 | 24 | 29 | 31 | 30 | 27 | |

FIXED

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Revenues | | | | | | | | | | | | |
| Norway | 4,483 | 4,427 | 4,282 | 4,353 | 4,163 | 4,367 | 4,151 | 4,186 | 4,178 | 3,983 | 3,796 | |
| Other operations | 469 | 474 | 419 | 467 | 436 | 418 | 840 | 887 | 919 | 1,047 | 1,056 | |
| Eliminations | (29) | (24) | (26) | (39) | (28) | (32) | (27) | (48) | (30) | (31) | (11) | |
| Total revenues ¹⁾ | 4,923 | 4,877 | 4,675 | 4,781 | 4,571 | 4,753 | 4,964 | 5,025 | 5,067 | 4,999 | 4,841 | |
| ¹⁾ Of which internal revenues | | | | | | | | | | | | |
| EBITDA | 1,632 | 1,631 | 1,515 | 1,560 | 1,408 | 1,504 | 1,430 | 1,543 | 1,559 | 1,567 | 1,671 | |
| Depreciation and amortization ¹⁾ | 954 | 897 | 855 | 867 | 783 | 729 | 874 | 850 | 761 | 733 | 769 | |
| Write-downs ²⁾ | | | | 40 | (22) | 2 | (2) | 609 | | 15 | 9 | |
| Operating profit | 678 | 734 | 660 | 653 | 647 | 773 | 558 | 84 | 798 | 819 | 893 | |
| ¹⁾ Of which amortization of Telenor's net excess values | | | 1 | 6 | 1 | 2 | 69 | (6) | 33 | 41 | 44 | |
| ²⁾ Of which write-downs of Telenor's net excess values | | | | (22) | (31) | | (3) | 10 | | | | |
| EBITDA/Total revenues (%) | 33.2 | 33.4 | 32.4 | 32.6 | 30.8 | 31.6 | 28.8 | 30.7 | 30.8 | 31.3 | 34.5 | |
| Operating profit/Total revenues (%) | 13.8 | 15.1 | 14.1 | 13.7 | 14.2 | 16.3 | 11.2 | 1.7 | 15.7 | 16.4 | 18.4 | |
| Capex | 378 | 385 | 419 | 609 | 381 | 556 | 602 | 1,237 | 617 | 643 | 561 | |
| Investments in businesses | 86 | 10 | | 9 | 43 | 1 | 5,792 | (20) | 461 | 75 | 2 | |

Fixed Norway

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Revenues | | | | | | | | | | | | |
| Telephony | 2,183 | 2,117 | 1,959 | 2,009 | 1,871 | 1,867 | 1,743 | 1,751 | 1,703 | 1,627 | 1,501 | |
| xDSL/Internet | 426 | 417 | 444 | 466 | 461 | 508 | 534 | 536 | 568 | 581 | 579 | |
| Data services | 247 | 267 | 259 | 249 | 232 | 243 | 250 | 238 | 215 | 199 | 204 | |
| Other revenues | 456 | 386 | 428 | 386 | 342 | 400 | 357 | 366 | 357 | 315 | 285 | |
| Total retail revenues | 3,312 | 3,187 | 3,090 | 3,110 | 2,906 | 3,018 | 2,884 | 2,891 | 2,843 | 2,722 | 2,569 | |
| Wholesale revenues | 1,171 | 1,240 | 1,192 | 1,243 | 1,257 | 1,349 | 1,267 | 1,295 | 1,335 | 1,261 | 1,227 | |
| Total revenues ¹⁾ | 4,483 | 4,427 | 4,282 | 4,353 | 4,163 | 4,367 | 4,151 | 4,186 | 4,178 | 3,983 | 3,796 | |
| ¹⁾ Of which internal revenues | 438 | 454 | 428 | 522 | 463 | 522 | 582 | 623 | 545 | 510 | 517 | |
| EBITDA | 1,631 | 1,606 | 1,523 | 1,570 | 1,438 | 1,532 | 1,354 | 1,377 | 1,390 | 1,417 | 1,460 | |
| Depreciation and amortization ¹⁾ | 880 | 819 | 778 | 774 | 705 | 658 | 652 | 692 | 602 | 561 | 540 | |
| Write-downs ²⁾ | | | | 2 | (22) | | (2) | (1) | | 13 | | |
| Operating profit | 751 | 787 | 745 | 794 | 755 | 874 | 704 | 686 | 788 | 843 | 920 | |
| ¹⁾ Of which amortization of Telenor's net excess values | | | 1 | 1 | | | | | | | | |
| ²⁾ Of which write-downs of Telenor's net excess values | | | | 2 | (31) | | (3) | (2) | | | | |
| EBITDA/Total revenues (%) | 36.4 | 36.3 | 35.6 | 36.1 | 34.5 | 35.1 | 32.6 | 32.9 | 33.3 | 35.6 | 38.5 | |
| Operating profit/Total revenues (%) | 16.8 | 17.8 | 17.4 | 18.2 | 18.1 | 20.0 | 17.0 | 16.4 | 18.9 | 21.2 | 24.2 | |
| Capex | 355 | 315 | 346 | 457 | 337 | 503 | 412 | 917 | 479 | 371 | 354 | |
| Investments in businesses | | 1 | | 1 | 43 | 1 | | | 1 | | | |
| Retail market | | | | | | | | | | | | |
| | 1,932 | 1,886 | 1,838 | 1,800 | 1,757 | 1,705 | 1,664 | 1,622 | 1,577 | 1,545 | 1,513 | |

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| | | | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| No. of Telephony subscriptions (in thousands) | | | | | | | | | | | |
| - of which PSTN subscriptions | 1,248 | 1,219 | 1,196 | 1,182 | 1,165 | 1,139 | 1,118 | 1,089 | 1,054 | 1,017 | 991 |
| - of which ISDN subscriptions | 684 | 667 | 642 | 618 | 592 | 562 | 538 | 509 | 479 | 454 | 434 |
| - of which VoIP subscriptions | | | | | | 4 | 8 | 24 | 44 | 74 | 88 |
| No. of xDSL subscriptions (in thousands) | 208 | 235 | 270 | 326 | 385 | 415 | 444 | 475 | 511 | 527 | 542 |
| Telephony generated traffic (million minutes) | 3,725 | 3,279 | 2,851 | 3,171 | 2,848 | 2,644 | 2,289 | 2,502 | 2,277 | 1,997 | 1,721 |
| Wholesale market | | | | | | | | | | | |
| No. of Telephony subscriptions (in thousands) | 227 | 266 | 285 | 301 | 309 | 316 | 316 | 314 | 316 | 308 | 296 |
| - of which PSTN subscriptions | 151 | 170 | 180 | 188 | 192 | 200 | 202 | 202 | 203 | 201 | 194 |
| - of which ISDN subscriptions | 76 | 96 | 105 | 113 | 117 | 116 | 114 | 112 | 113 | 107 | 102 |
| No. of xDSL subscriptions (in thousands) | 76 | 86 | 90 | 91 | 77 | 87 | 97 | 109 | 117 | 123 | 130 |
| No. of LLUB (in thousands) | 96 | 108 | 123 | 145 | 172 | 192 | 209 | 235 | 254 | 265 | 276 |

Fixed Sweden

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|-------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|------------|-------------|-------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| External revenues | 403 | 404 | 350 | 400 | 367 | 342 | 622 | 650 | 724 | 876 | 893 | |
| Internal revenues | 23 | 26 | 26 | 22 | 25 | 32 | 32 | 26 | 3 | (10) | (36) | |
| Tota revenues | 426 | 430 | 376 | 422 | 392 | 374 | 654 | 676 | 727 | 866 | 857 | |
| EBITDA | (3) | 24 | (9) | (3) | (29) | (27) | 31 | 183 | 109 | 100 | 128 | |
| Depreciation and amortization ¹⁾ | 61 | 65 | 65 | 71 | 64 | 63 | 165 | 124 | 113 | 115 | 172 | |
| Write-downs ²⁾ | | | | 36 | | | | 608 | | 2 | 9 | |
| Operating profit / (loss) | (64) | (41) | (74) | (110) | (93) | (90) | (134) | (549) | (4) | (17) | (53) | |
| ¹⁾ Of which amortization of Telenor's net excess values | | | | 5 | 1 | 2 | 69 | (25) | 23 | 32 | 35 | |
| ²⁾ Of which write-downs of Telenor's net excess values | | | | (24) | | | | 12 | | | | |
| EBITDA/Total revenues (%) | nm | 5.6 | nm | nm | nm | nm | 4.7 | 27.1 | 15.0 | 11.5 | 14.9 | |
| Operating profit/Total revenues (%) | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | |
| Capex | 15 | 72 | 58 | 134 | 40 | 48 | 142 | 255 | 83 | 230 | 155 | |
| Investments in businesses | 78 | 9 | | 6 | | | 4,479 | (27) | 460 | 75 | 2 | |

Bredbandsbolaget

| | | | | | | | | | | | | |
|--|--|--|--|--|--|--|-----|-----|-----|-----|-----|--|
| No. of xDSL subscriptions (in thousands) | | | | | | | 200 | 214 | 229 | 242 | 264 | |
| No. of LAN subscriptions (in thousands) | | | | | | | 156 | 155 | 156 | 158 | 165 | |
| No. of VoIP subscriptions (in thousands) | | | | | | | 91 | 104 | 119 | 134 | 147 | |

Glocalnet

| | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|-----|-----|-----|--|
| No. of xDSL subscriptions (in thousands) | | | | | | | | | 113 | 117 | 119 | |
| No. of PSTN subscriptions (in thousands) | | | | | | | | | 285 | 284 | 273 | |

Fixed Denmark

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|---|------|----|----|----|------|----|------------|------------|------------|------------|------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| External revenues | | | | | | | 142 | 164 | 174 | 180 | 197 | |
| Internal revenues | | | | | | | | | | 1 | 2 | |
| Tota revenues | | | | | | | 142 | 164 | 174 | 181 | 199 | |
| EBITDA | | | | | | | 48 | 49 | 55 | 59 | 61 | |
| Depreciation and amortization ¹⁾ | | | | | | | 46 | 22 | 43 | 57 | 56 | |
| Write-downs ²⁾ | | | | | | | | | | | | |
| Operating profit | | | | | | | 2 | 27 | 12 | 2 | 5 | |
| ¹⁾ Of which amortization of Telenor s net excess values | | | | | | | | 19 | 10 | 9 | 9 | |
| ²⁾ Of which write-downs of Telenor s net excess values | | | | | | | | | | | | |
| EBITDA/Total revenues (%) | | | | | | | 33.8 | 29.9 | 31.6 | 32.6 | 30.7 | |
| Operating profit/Total revenues (%) | | | | | | | 1.4 | 16.5 | 6.9 | 1.1 | 2.5 | |
| Capex | | | | | | | 40 | 57 | 55 | 42 | 52 | |
| Investments in businesses | | | | | | | 1,313 | 7 | | | | |
| No. of xDSL subscriptions (in thousands) | | | | | | | 109 | 122 | 138 | 152 | 164 | |
| No. of VoIP subscriptions (in thousands) | | | | | | | 18 | 26 | 37 | 41 | 52 | |

OTHER UNITS

| (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Revenues | | | | | | | | | | | | |
| EDB Business | | | | | | | | | | | | |
| Partner | 1,047 | 1,044 | 1,042 | 1,154 | 1,231 | 1,285 | 1,217 | 1,258 | 1,335 | 1,449 | 1,350 | |
| Satellite Services | 601 | 616 | 595 | 573 | 589 | 592 | 610 | 637 | 607 | 596 | 632 | |
| Venture | 217 | 245 | 213 | 226 | 116 | 125 | 123 | 126 | 133 | 146 | 140 | |
| Corporate functions and Group activities | | | | | | | | | | | | |
| | 529 | 552 | 515 | 558 | 582 | 603 | 517 | 564 | 522 | 568 | 507 | |
| Other | 70 | 62 | 28 | 14 | 18 | 9 | (1) | (1) | | 1 | 19 | |
| Eliminations | (94) | (106) | (97) | (64) | (69) | (72) | (46) | (46) | (45) | (45) | (43) | |
| Total revenues ¹⁾ | 2,370 | 2,413 | 2,296 | 2,461 | 2,467 | 2,542 | 2,420 | 2,538 | 2,552 | 2,715 | 2,605 | |
| ¹⁾ Of which internal revenues | 734 | 710 | 717 | 768 | 788 | 803 | 647 | 669 | 638 | 657 | 613 | |
| EBITDA | | | | | | | | | | | | |
| EDB Business | | | | | | | | | | | | |
| Partner | 138 | 456 | 188 | 196 | 177 | 187 | 224 | 197 | 191 | 141 | 39 | |
| Satellite Services | 125 | 103 | 84 | 97 | 68 | 90 | 115 | 120 | 77 | 88 | 116 | |
| Venture | (3) | 1 | 62 | 70 | 6 | (1) | 7 | (14) | (17) | (4) | 10 | |
| Corporate functions and Group activities | | | | | | | | | | | | |
| | (95) | (75) | (79) | (168) | (6) | (34) | 67 | (104) | (104) | (131) | (63) | |
| Other/eliminations | 16 | 24 | (52) | 26 | (3) | (11) | 11 | (5) | (11) | (10) | (19) | |
| Total EBITDA | 181 | 509 | 203 | 221 | 242 | 232 | 423 | 194 | 136 | 84 | 83 | |
| Depreciation and amortization ¹⁾ | | | | | | | | | | | | |
| | 232 | 260 | 240 | 243 | 250 | 262 | 258 | 263 | 243 | 277 | 280 | |
| Write-downs ²⁾ | | | | | | | | | | | | |
| | 3 | 1 | 37 | 2 | | | | 10 | | | | |
| Operating profit / (loss) | (54) | 248 | (74) | (24) | (8) | (30) | 165 | (79) | (107) | (193) | (197) | |
| Of which | | | | | | | | | | | | |
| EDB Business | | | | | | | | | | | | |
| Partner | 89 | 396 | 121 | 130 | 81 | 80 | 120 | 96 | 99 | 37 | (67) | |
| Satellite Services | 55 | 36 | 17 | 25 | 4 | 26 | 48 | 47 | 14 | 25 | 51 | |
| Venture | (14) | (7) | 55 | 63 | 2 | (6) | 3 | (22) | (25) | (13) | 3 | |
| Corporate functions and Group activities | | | | | | | | | | | | |
| | (181) | (182) | (178) | (268) | (92) | (120) | (16) | (192) | (182) | (229) | (161) | |
| Other/eliminations | (3) | 5 | (89) | 26 | (3) | (10) | 10 | (8) | (13) | (13) | (23) | |

| | | | | | | | | | | | |
|--|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1) Of which amortization of Telenor's net excess values | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 1 | 3 | 3 | 4 |
| 2) Of which write-downs of Telenor's net excess values | 2 | | | 1 | | | | 5 | | | |
| Capex | 88 | 241 | 99 | 269 | 125 | 193 | 193 | 321 | 156 | 203 | 291 |
| Investments in businesses | 22 | 441 | 104 | 762 | 7 | 263 | 15 | 47 | 658 | 616 | 301 |

PROFIT AND LOSS STATEMENTS

| Group (in millions except earnings per share) | 2004 | | | | 2005 | | | | 2006 | |
|--|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | 14,245 | 15,226 | 15,608 | 15,512 | 15,270 | 16,542 | 17,641 | 19,474 | 21,872 | 22,580 |
| Materials and traffic charges | 3,625 | 3,957 | 4,169 | 4,173 | 3,996 | 4,355 | 4,561 | 4,799 | 5,621 | 5,826 |
| Capitalized | (124) | (164) | (103) | (166) | (122) | (186) | (141) | (255) | (175) | (123) |
| Personnel costs | 2,514 | 2,506 | 2,212 | 2,738 | 2,536 | 2,562 | 2,412 | 2,726 | 3,075 | 3,044 |
| Marketing expenses | 3,162 | 3,398 | 3,658 | 3,653 | 3,775 | 4,247 | 4,211 | 5,373 | 5,431 | 5,876 |
| (Income) and expenses | 20 | (169) | 17 | (20) | (21) | (66) | 220 | 109 | 64 | 27 |
| | 5,048 | 5,698 | 5,655 | 5,134 | 5,106 | 5,630 | 6,378 | 6,722 | 7,856 | 7,930 |
| Depreciation and amortization | 2,508 | 2,707 | 2,719 | 2,703 | 2,704 | 2,751 | 2,902 | 3,187 | 3,546 | 3,543 |
| Provisions | 3 | 1 | 41 | 3,486 | (23) | 20 | 4 | 586 | 3 | 88 |
| Operating profit | 2,537 | 2,990 | 2,895 | (1,055) | 2,425 | 2,859 | 3,472 | 2,949 | 4,307 | 4,299 |
| Share of profit of companies | 225 | 290 | 331 | 140 | 239 | 494 | 435 | 65 | 312 | 362 |
| Goodwill impairment items | 2,271 | (297) | (238) | (215) | 151 | (28) | (122) | (348) | 1,206 | (724) |
| Income tax expense | 5,033 | 2,983 | 2,988 | (1,130) | 2,815 | 3,325 | 3,785 | 2,666 | 5,825 | 3,937 |
| | (1,610) | (911) | (926) | 986 | (845) | (997) | (1,136) | (475) | (1,573) | (1,063) |
| Profit from continuing operations | 3,423 | 2,072 | 2,062 | (144) | 1,970 | 2,328 | 2,649 | 2,191 | 4,252 | 2,874 |
| Profit from discontinued operations | | | | | | | | (4) | (22) | |
| Profit from total operations | 3,423 | 2,072 | 2,062 | (144) | 1,970 | 2,328 | 2,649 | 2,187 | 4,230 | 2,874 |
| Available to: | | | | | | | | | | |
| Controlling interests (Minority interests) | 292 | 363 | 379 | 286 | 260 | 287 | 449 | 492 | 580 | 590 |
| Shareholders of Telenor ASA (Net income) | 3,131 | 1,709 | 1,683 | (430) | 1,710 | 2,041 | 2,200 | 1,695 | 3,650 | 2,284 |
| Earnings per share in NOK | | | | | | | | | | |
| <i>from continuing operations:</i> | | | | | | | | | | |
| | 1.77 | 0.97 | 0.97 | (0.25) | 0.99 | 1.19 | 1.30 | 1.00 | 2.17 | 1.35 |
| | 1.77 | 0.97 | 0.97 | (0.25) | 0.99 | 1.19 | 1.29 | 1.00 | 2.17 | 1.35 |
| <i>from discontinued operations:</i> | | | | | | | | | | |
| | 1.77 | 0.97 | 0.97 | (0.25) | 0.99 | 1.19 | 1.30 | 1.00 | 2.15 | 1.35 |
| | 1.77 | 0.97 | 0.97 | (0.25) | 0.99 | 1.19 | 1.29 | 1.00 | 2.15 | 1.35 |
| | 2,991 | 1,569 | 1,649 | (570) | 1,625 | 1,904 | 2,225 | 1,673 | 3,621 | 2,352 |
| Earnings per share in NOK (basic), excluding treasury shares | 1.69 | 0.89 | 0.95 | (0.33) | 0.94 | 1.11 | 1.31 | 0.99 | 2.14 | 1.39 |
| Earnings per share in NOK (diluted), excluding treasury shares | 1.69 | 0.89 | 0.95 | (0.33) | 0.94 | 1.11 | 1.31 | 0.99 | 2.14 | 1.39 |

BALANCE SHEET

| Telenor group | 2005 | | | | 2006 | | | 31 Dec |
|--|---------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|
| | 31 Mar | 30 Jun | 30 Sep | 31 Dec | 31 Mar | 30 Jun | 30 Sep | |
| (NOK in millions) | | | | | | | | |
| Deferred tax assets | 2,890 | 1,951 | 1,317 | 3,052 | 2,501 | 1,908 | 1,481 | |
| Goodwill | 13,378 | 12,816 | 18,273 | 20,700 | 22,648 | 22,969 | 31,415 | |
| Intangible assets | 10,809 | 10,229 | 11,389 | 21,245 | 23,178 | 22,735 | 27,613 | |
| Tangible assets | 38,952 | 39,292 | 40,688 | 43,958 | 49,132 | 48,767 | 52,994 | |
| Associated companies | 6,980 | 7,832 | 8,320 | 7,424 | 7,501 | 7,616 | 8,303 | |
| Other financial assets | 2,679 | 3,388 | 3,161 | 2,129 | 2,407 | 2,337 | 3,119 | |
| Total non-current assets | 75,688 | 75,508 | 83,148 | 98,508 | 107,367 | 106,332 | 124,925 | |
| Accounts receivable | 6,078 | 6,523 | 7,146 | 6,921 | 7,404 | 8,191 | 9,160 | |
| Other current assets | 7,050 | 7,229 | 8,205 | 10,970 | 10,248 | 10,391 | 10,837 | |
| Assets held for sale | | | | 667 | | | | |
| Liquid assets | 8,187 | 10,900 | 6,444 | 7,191 | 9,691 | 7,983 | 17,255 | |
| Total current assets | 21,315 | 24,652 | 21,795 | 25,749 | 27,343 | 26,565 | 37,252 | |
| Total assets | 97,003 | 100,160 | 104,943 | 124,257 | 134,710 | 132,897 | 162,177 | |
| Shareholders equity | 41,936 | 40,309 | 42,714 | 46,399 | 47,583 | 44,359 | 50,940 | |
| Minority interests | 4,289 | 4,630 | 5,198 | 7,134 | 7,621 | 7,457 | 8,082 | |
| Total equity and minority interests | 46,225 | 44,939 | 47,912 | 53,533 | 55,204 | 51,816 | 59,022 | |
| Pension obligations | 2,443 | 2,286 | 2,403 | 2,440 | 2,645 | 2,543 | 2,461 | |
| Deferred tax liabilities | 2,293 | 2,050 | 2,290 | 2,669 | 3,611 | 3,336 | 4,036 | |
| Other provisions | 748 | 748 | 787 | 790 | 811 | 873 | 1,074 | |
| Provisions | 5,484 | 5,084 | 5,480 | 5,899 | 7,067 | 6,752 | 7,571 | |
| Non-current interest-bearing liabilities | 21,492 | 22,359 | 22,406 | 27,139 | 25,397 | 26,654 | 52,201 | |
| Non-current non-interest-bearing liabilities | 572 | 556 | 542 | 580 | 590 | 583 | 568 | |
| Total non-current liabilities | 22,064 | 22,915 | 22,948 | 27,719 | 25,987 | 27,237 | 52,769 | |
| Current interest-bearing liabilities | 3,681 | 7,269 | 6,592 | 11,908 | 20,024 | 20,069 | 13,418 | |

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| | | | | | | | |
|--|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Accounts payable | 4,900 | 4,471 | 5,402 | 6,215 | 6,448 | 6,572 | 7,404 |
| Current non-interest-bearing liabilities | 14,649 | 15,482 | 16,609 | 18,696 | 19,980 | 20,451 | 21,993 |
| Current non-interest-bearing liabilities (held for sale) | | | | 287 | | | |
| Total current liabilities | 23,230 | 27,222 | 28,603 | 37,106 | 46,452 | 47,092 | 42,815 |
| Total equity and liabilities | 97,003 | 100,160 | 104,943 | 124,257 | 134,710 | 132,897 | 162,177 |
| Equity ratio including minority interests (%) | 47.7 | 44.9 | 45.7 | 43.1 | 41.0 | 39.0 | 36.4 |
| USGAAP | | | | | | | |
| Shareholders equity | 43,930 | 42,670 | 44,900 | 47,457 | 48,536 | 45,669 | 52,093 |
| No. of man-years | 21,900 | 22,400 | 23,400 | 27,600 | 30,450 | 31,750 | 33,250 |
| - of which outside Norway | 10,600 | 11,100 | 12,400 | 16,700 | 19,400 | 21,000 | 22,500 |

CASH FLOW STATEMENT

| Telenor group (NOK in millions) | 2005 | | | | 2006 | | | 31 Dec |
|---|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| | 31 Mar | 30 Jun | 30 Sep | 31 Dec | 31 Mar | 30 Jun | 30 Sep | |
| Profit before taxes and minority interests | 2,815 | 6,140 | 9,925 | 12,591 | 5,825 | 9,762 | 15,812 | |
| Taxes paid | (231) | (434) | (728) | (1,369) | (638) | (1,162) | (1,708) | |
| Net (gains) losses, including write-downs and change in fair value of financial items | (466) | (584) | (738) | (929) | (1,817) | (1,605) | (2,486) | |
| Depreciation, amortization and write-downs | 2,681 | 5,452 | 8,358 | 12,131 | 3,549 | 7,180 | 10,958 | |
| Associated companies | (239) | (733) | (1,168) | (1,233) | (312) | (674) | (1,236) | |
| Difference between expensed and paid pensions | 169 | 42 | 203 | 211 | 156 | 52 | (65) | |
| Currency (gains) losses not related to operating activities | 25 | (162) | (203) | (18) | 109 | 95 | 278 | |
| Change in other accruals | 453 | 4 | 532 | 956 | (100) | (561) | 11 | |
| Net cash flows from operating activities | 5,207 | 9,725 | 16,181 | 22,340 | 6,772 | 13,087 | 21,564 | |
| Purchases of property, plant and equipment and intangible assets | (2,271) | (5,538) | (9,078) | (14,213) | (4,097) | (8,562) | (13,473) | |
| Purchases of subsidiaries and associated companies, net of cash received | (3) | (109) | (5,653) | (8,128) | (8,578) | (9,425) | (21,761) | |
| Sales of property, plant and equipment, intangible assets and businesses, net of cash transferred | 59 | 741 | 1,161 | 1,279 | 438 | 472 | 589 | |
| Sales and purchases of other investments | 768 | 1,078 | 1,000 | 1,064 | 2,196 | 1,707 | 2,131 | |
| Net cash flows from investing activities | (1,447) | (3,828) | (12,570) | (19,998) | (10,041) | (15,808) | (32,514) | |
| Proceeds from and repayments of interest-bearing liabilities | (686) | 2,735 | 2,210 | 4,175 | 6,185 | 7,399 | 25,759 | |
| Proceeds from issuance of shares, including from minorities in subsidiaries | 22 | 24 | 47 | 74 | 61 | 86 | 91 | |
| Share buy-back | (329) | (657) | (2,267) | (2,267) | | (87) | (864) | |
| Dividends paid and repayment of equity to minority interests in subsidiaries | (25) | (209) | (209) | (219) | | (426) | (665) | |
| Dividends paid to Telenor's shareholders | | (2,460) | (2,595) | (2,595) | | (3,202) | (3,389) | |

| | | | | | | | |
|--|----------------|---------------|----------------|--------------|--------------|--------------|---------------|
| Net cash flows from financing activities | (1,018) | (567) | (2,814) | (832) | 6,246 | 3,770 | 20,932 |
| Effect on cash and cash equivalents of changes in foreign exchange rates | 47 | 130 | 155 | 215 | (100) | (321) | 11 |
| Net change in cash and cash equivalents | 2,789 | 5,460 | 952 | 1,725 | 2,877 | 728 | 9,993 |
| Cash and cash equivalents at the beginning of the period | 5,081 | 5,081 | 5,081 | 5,081 | 6,806 | 6,806 | 6,806 |
| Cash and cash equivalents at the end of the period | 7,870 | 10,541 | 6,033 | 6,806 | 9,683 | 7,534 | 16,799 |

SPECIAL ITEMS

| Telenor group (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|---|-------------|------------|-----------|------------|-------------|------------|-----------|-----------|-------------|-----------|-----------|-----------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Gains on disposal of fixed assets and operations | | | | | | | | | | | | |
| Telenor Mobile Norway | | | | | | | | | | | | |
| Sonofon Denmark | | | | | | | 1 | | | | | |
| Telenor Mobile Sweden | | | | | | | | | | | | |
| Kyivstar Ukraine | | | | | | | | | | | | |
| Pannon Hungary | 1 | | 2 | 2 | 5 | 1 | 4 | | 4 | 1 | 1 | |
| DTAC Thailand | | | | | | | | | | | 1 | |
| DiGi Malaysia | | | | | | | | | | | | |
| GrameenPhone Bangladesh | | | | | | | | | | 1 | | |
| Other mobile operations | | | | | | | | | | | | |
| Fixed | | | 1 | 9 | 3 | 50 | (2) | 37 | 5 | | | |
| Broadcast | 1 | (1) | | 1 | 1 | | | | | 4 | | |
| EDB Business Partner | | 300 | | 3 | | | 25 | 6 | | | | |
| Other business units | 4 | | 69 | 71 | | 12 | 8 | 2 | 17 | 21 | (1) | |
| Corporate functions and Group activities | 2 | 59 | 3 | 35 | 22 | 57 | 58 | 26 | 5 | 12 | 3 | |
| Eliminations | | | | | | | | 4 | | | | |
| Total gains on disposal of fixed assets and operations | 8 | 358 | 75 | 121 | 31 | 120 | 94 | 75 | 31 | 39 | 4 | |
| Losses on disposal of fixed assets and operations | | | | | | | | | | | | |
| Telenor Mobile Norway | | | | | 4 | 3 | 6 | 3 | | | | |
| Sonofon Denmark | | 1 | 1 | (2) | | | | | | | | |
| Telenor Mobile Sweden | | | | | | | | | 2 | 2 | (4) | |
| Kyivstar Ukraine | | | | | | | | | | 1 | | |
| Pannon Hungary | | | 3 | | 4 | 1 | 17 | (3) | 2 | 2 | 2 | |

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| | | | | | | | | | | | |
|--|-----------|------------|-----------|------------|----------|-----------|------------|------------|-----------|-----------|------------|
| DTAC Thailand | | | | | | | | | | | |
| DiGi Malaysia | | | | | | | 5 | | | | |
| GrameenPhone | | | | | | | | | | | |
| Bangladesh | | | 4 | 4 | | | 10 | | 1 | 19 | |
| Other mobile | | | | | | | | | | | |
| operations | | | | | | | | 1 | | | |
| Fixed | 2 | 24 | (1) | | | | | 65 | (12) | 1 | 4 |
| Broadcast | | | 1 | | | | 1 | | 2 | | |
| EDB Business | | | | | | | | | | | |
| Partner | | | | | | | | | | | |
| Other business | 2 | 32 | (13) | | | | | 1 | | | |
| units | | | | | | | | | | | |
| Corporate | | | | | | | | | | | |
| functions and | | | | | | | | | | | |
| Group activities | 1 | 23 | 2 | 5 | | 28 | 1 | 4 | 9 | 30 | 1 |
| Eliminations | | | (16) | 1 | | | | 1 | | | |
| Total losses on disposal of fixed assets and operations | 3 | 26 | 50 | (5) | 8 | 32 | 40 | 72 | 3 | 37 | 22 |
| Expenses for workforce reductions and loss contracts | | | | | | | | | | | |
| Telenor Mobile | | | | | | | | | | | |
| Norway | 4 | (4) | | 24 | (1) | | | (1) | 9 | 3 | 1 |
| Sonofon Denmark | | | | 28 | | 3 | | 9 | 3 | 2 | 37 |
| Telenor Mobile | | | | | | | | | | | |
| Sweden | | | | 562 | | | 123 | 291 | 48 | (8) | |
| Kyivstar Ukraine | | | | | | | | | | | |
| Pannon Hungary | | 11 | 4 | 1 | | | | 10 | | | |
| DTAC Thailand | | | | | | | | | | | |
| DiGi Malaysia | | | | | | | | | | | |
| GrameenPhone | | | | | | | | | | | |
| Bangladesh | | | | | | | | | | | |
| Other mobile | | | | | | | | | | | |
| operations | | | | | | | | | | | |
| Fixed | 18 | 24 | 5 | 39 | 7 | 9 | 135 | 8 | 25 | 22 | 17 |
| Broadcast | | 1 | 1 | 3 | | | | | | | |
| EDB Business | | | | | | | | | | | |
| Partner | | 27 | 16 | (10) | | 5 | | 13 | | | 144 |
| Other business | | | | | | | | | | | |
| units | 1 | 1 | 15 | 11 | (1) | 1 | 7 | 8 | 6 | 2 | |
| Corporate | | | | | | | | | | | |
| functions and | | | | | | | | | | | |
| Group activities | 2 | 103 | 1 | 10 | (3) | 5 | 11 | 16 | 1 | 9 | 6 |
| Eliminations | | | | (562) | | (1) | (2) | (242) | | (1) | 1 |
| | 25 | 163 | 42 | 106 | 2 | 22 | 274 | 112 | 92 | 29 | 206 |

**Total workforce
reductions and
loss contracts**

**Total other
(income) and
expenses**

| | | | | | | | | | | |
|-----------|--------------|-----------|-------------|-------------|-------------|------------|------------|-----------|-----------|------------|
| 20 | (169) | 17 | (20) | (21) | (66) | 220 | 109 | 64 | 27 | 224 |
|-----------|--------------|-----------|-------------|-------------|-------------|------------|------------|-----------|-----------|------------|

| Telenor group (NOK in millions) | Q1 | 2004 | | | Q1 | 2005 | | | Q1 | 2006 | | |
|------------------------------------|----------|------------|------------|--------------|-------------|------------|----------|------------|----------|-----------|-----------|----|
| | | Q2 | Q3 | Q4 | | Q2 | Q3 | Q4 | | Q2 | Q3 | Q4 |
| Write-downs | | | | | | | | | | | | |
| Telenor Mobile | | | | | | | | | | | | |
| Norway | | 1 | 3 | 11 | (2) | 12 | 4 | 2 | | 33 | | |
| Sonofon Denmark | | | | 3,290 | | | | | | | | |
| Telenor Mobile | | | | | | | | | | | | |
| Sweden | | | | 75 | | | | | | | | 6 |
| Kyivstar Ukraine | | | | | | | | 15 | | | | 13 |
| Pannon Hungary | | | | 21 | | 2 | 1 | 4 | | 33 | | |
| DTAC Thailand | | | | | | | | | | | | |
| DiGi Malaysia | | | | | 1 | | 1 | 3 | | 7 | | 1 |
| GrameenPhone | | | | | | | | | | | | |
| Bangladesh | | | | 3 | | | | | | | | |
| Other mobile | | | | | | | | | | | | |
| operations | | | | | | | | | | | | |
| Fixed | | | | 40 | (22) | 2 | (2) | 609 | | 15 | | 9 |
| Broadcast | | | | 44 | | 4 | | (57) | 3 | | | |
| EDB Business | | | | | | | | | | | | |
| Partner | | | | | | | | | | | | |
| Other business | | | | | | | | | | | | |
| units | 3 | | 36 | 2 | | | | 8 | | | | |
| Corporate | | | | | | | | | | | | |
| functions and | | | | | | | | | | | | |
| Group activities | | | | | | | | | | | | |
| Eliminations | | | | | | | | | | | | |
| Total | | | | | | | | | | | | |
| write-downs | 3 | 1 | 41 | 3,486 | (23) | 20 | 4 | 586 | 3 | 88 | 29 | |
| Special items | | | | | | | | | | | | |
| associated | | | | | | | | | | | | |
| companies | | | | | | | | | | | | |
| (Gains) losses on | | | | | | | | | | | | |
| disposal of | | | | | | | | | | | | |
| ownership | | | | | | | | | | | | |
| interests | | (9) | (8) | (15) | | (3) | 7 | (3) | | (6) | | |
| Write-downs | | | | | | | | | | | | |
| associated | | | | | | | | | | | | |
| companies | | | | | | | | 172 | | 11 | | |
| Write-downs BB | | | | | | | | | | | | |
| Other write-downs | | | | | | | | | | | | |
| associated | | | | | | | | | | | | |
| companies | | | | | | | | | | | | |
| (Gains) losses on | | (9) | (8) | (15) | | (3) | 7 | 169 | | 5 | | |
| disposal and | | | | | | | | | | | | |
| write-downs of | | | | | | | | | | | | |

**associated
companies**

**Net (gains) losses
and write-downs
financial items**

(2,613) (17) (22) (21) (417) (67) (3) (31) (1,815) 15 (5)

RECONCILIATIONS

| Telenor group (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|--|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Profit from total operations | 3,423 | 2,072 | 2,062 | (144) | 1,970 | 2,328 | 2,649 | 2,187 | 4,230 | 2,874 | 4,417 | |
| Profit (loss) from discontinued operations | | | | | | | | (4) | (22) | | | |
| Profit from continuing operations | 3,423 | 2,072 | 2,062 | (144) | 1,970 | 2,328 | 2,649 | 2,191 | 4,252 | 2,874 | 4,417 | |
| Taxes | (1,610) | (911) | (926) | 986 | (845) | (997) | (1,136) | (475) | (1,573) | (1,063) | (1,633) | |
| Profit before taxes | 5,033 | 2,983 | 2,988 | (1,130) | 2,815 | 3,325 | 3,785 | 2,666 | 5,825 | 3,937 | 6,050 | |
| Net financial items | 2,271 | (297) | (238) | (215) | 151 | (28) | (122) | (348) | 1,206 | (724) | 193 | |
| Associated companies | 225 | 290 | 331 | 140 | 239 | 494 | 435 | 65 | 312 | 362 | 562 | |
| Depreciation and amortization | 2,508 | 2,707 | 2,719 | 2,703 | 2,704 | 2,751 | 2,902 | 3,187 | 3,546 | 3,543 | 3,749 | |
| Write-downs | 3 | 1 | 41 | 3,486 | (23) | 20 | 4 | 586 | 3 | 88 | 29 | |
| EBITDA | 5,048 | 5,698 | 5,655 | 5,134 | 5,106 | 5,630 | 6,378 | 6,722 | 7,856 | 7,930 | 9,073 | |
| EBITDA | 5,048 | 5,698 | 5,655 | 5,134 | 5,106 | 5,630 | 6,378 | 6,722 | 7,856 | 7,930 | 9,073 | |
| Other (income) and expenses | 20 | (169) | 17 | (20) | (21) | (66) | 220 | 109 | 64 | 27 | 224 | |
| EBITDA before other income and expenses | 5,068 | 5,529 | 5,672 | 5,114 | 5,085 | 5,564 | 6,598 | 6,831 | 7,920 | 7,957 | 9,297 | |
| Operating profit | 2,537 | 2,990 | 2,895 | (1,055) | 2,425 | 2,859 | 3,472 | 2,949 | 4,307 | 4,299 | 5,295 | |
| Write-downs | 3 | 1 | 41 | 3,486 | (23) | 20 | 4 | 586 | 3 | 88 | 29 | |
| Other (income) and expenses | 20 | (169) | 17 | (20) | (21) | (66) | 220 | 109 | 64 | 27 | 224 | |
| Adjusted operating profit | 2,560 | 2,822 | 2,953 | 2,411 | 2,381 | 2,813 | 3,696 | 3,644 | 4,374 | 4,414 | 5,548 | |
| Profit before taxes | 5,033 | 2,983 | 2,988 | (1,130) | 2,815 | 3,325 | 3,785 | 2,666 | 5,825 | 3,937 | 6,050 | |
| Net (gains) losses and write-downs financial items | (2,613) | (17) | (22) | (21) | (417) | (67) | (3) | (31) | (1,815) | 15 | (5) | |
| | | (9) | (8) | (15) | | (3) | 7 | 169 | | 5 | | |

| | | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| (Gains) losses on disposal and write downs of associated companies | | | | | | | | | | | |
| Write-downs | 3 | 1 | 41 | 3,486 | (23) | 20 | 4 | 586 | 3 | 88 | 29 |
| Other (income) and expenses | 20 | (169) | 17 | (20) | (21) | (66) | 220 | 109 | 64 | 27 | 224 |
| Adjusted profit before taxes | 2,443 | 2,789 | 3,016 | 2,300 | 2,354 | 3,209 | 4,013 | 3,499 | 4,077 | 4,072 | 6,298 |

Capex

| Telenor group (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Telenor Mobile | | | | | | | | | | | | |
| Norway | 214 | 255 | 332 | 172 | 194 | 343 | 220 | 461 | 129 | 143 | 220 | |
| Sonofon Denmark | 66 | 144 | 102 | 76 | 28 | 140 | 137 | 757 | 109 | 170 | 168 | |
| Telenor Mobile | | | | | | | | | | | | |
| Sweden | 4 | 4 | 3 | 6 | | | | | 135 | 137 | 112 | |
| Kyivstar Ukraine | 331 | 566 | 687 | 1,024 | 735 | 919 | 1,106 | 890 | 830 | 770 | 992 | |
| Pannon Hungary | 104 | 121 | 121 | 820 | 109 | 243 | 150 | 261 | 71 | 235 | 168 | |
| Telenor Serbia | | | | | | | | | | | | 49 |
| Promonte | | | | | | | | | | | | |
| Montenegro | | | 3 | 13 | 5 | 4 | 8 | 21 | 4 | 7 | 24 | |
| DTAC Thailand | | | | | | | | 146 | 605 | 543 | 565 | |
| DiGi Malaysia | 103 | 162 | 228 | 427 | 108 | 178 | 310 | 574 | 226 | 199 | 371 | |
| GrameenPhone | | | | | | | | | | | | |
| Bangladesh | 160 | 258 | 418 | 482 | 496 | 357 | 590 | 1,153 | 389 | 516 | 435 | |
| Telenor Pakistan | | 1,821 | 19 | 153 | 1,139 | (91) | 299 | 496 | 351 | 754 | 701 | |
| Fixed Norway | 355 | 315 | 346 | 457 | 337 | 503 | 412 | 917 | 479 | 371 | 354 | |
| Fixed Sweden | 15 | 72 | 58 | 134 | 40 | 48 | 142 | 255 | 83 | 230 | 155 | |
| Fixed Denmark | | | | | | | 40 | 57 | 55 | 42 | 52 | |
| Fixed Other/Fixed | | | | | | | | | | | | |
| Eliminations | 8 | (2) | 15 | 18 | 4 | 5 | 8 | 8 | | | | |
| Broadcast | 23 | 70 | 716 | 71 | 47 | 96 | 116 | 133 | 92 | 106 | 157 | |
| Other units | 88 | 241 | 99 | 269 | 125 | 193 | 193 | 321 | 156 | 203 | 291 | |
| Eliminations | | (15) | (7) | | (7) | (15) | (11) | (14) | (11) | (4) | 2 | |
| Total capex | 1,471 | 4,012 | 3,140 | 4,122 | 3,360 | 2,923 | 3,720 | 6,436 | 3,703 | 4,422 | 4,816 | |

Investments in businesses

| Telenor group (NOK in millions) | 2004 | | | | 2005 | | | | 2006 | | | |
|---|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Telenor Mobile | | | | | | | | | | | | |
| Norway | | | | 52 | | | | | | | | |
| Sonofon Danmark | 3,641 | 145 | | | | | | 4 | | | | |
| Telenor Mobile | | | | | | | | | | | | |
| Sweden | | | | | | | | | 7,739 | 8 | | |
| Kyivstar Ukraine | | 35 | | | | | | | | | | |
| Pannon Hungary | | | | | | | | | | | | |
| Telenor Serbia | | | | | | | | | | | 11,980 | |
| Promonte | | | | | | | | | | | | |
| Montenegro | | | 540 | 1 | | | | | | | | |
| DTAC Thailand | | | | | | | | 2,664 | 85 | 31 | | |
| DiGi Malaysia | | | | 298 | | | | | | | | |

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| | | | | | | | | | | | |
|--------------------------|--------------|------------|------------|--------------|-----------|------------|--------------|--------------|--------------|------------|---------------|
| GrameenPhone | | | | | | | | | | | |
| Bangladesh | | | | | | | | | | | |
| Telenor Pakistan | | | | | | | | | | | |
| Fixed Norway | | 1 | | 1 | 43 | 1 | | | 1 | | |
| Fixed Sweden | 78 | 9 | | 6 | | | 4,479 | (27) | 460 | 75 | 2 |
| Fixed Denmark | | | | | | | 1,313 | 7 | | | |
| Fixed Other/Fixed | | | | | | | | | | | |
| Eliminations | 8 | | | 2 | | | | | | | |
| Broadcast | | | | | | | 17 | 25 | | 98 | 50 |
| Other units | 22 | 441 | 104 | 762 | 7 | 263 | 15 | 47 | 658 | 616 | 301 |
| Eliminations | | (337) | | | | | | | | | |
| Total investments | | | | | | | | | | | |
| in businesses | 3,749 | 294 | 644 | 1,122 | 50 | 264 | 5,824 | 2,720 | 8,943 | 828 | 12,333 |

PRESENTATION MATERIAL

Q3 2006

In the third quarter of 2006, Telenor's revenues amounted to NOK 23.9 billion, which was an increase of 35% compared to the third quarter of 2005. Profit before taxes was NOK 6.1 billion.

Strong financial performance

Highlights third quarter 2006:

Revenue growth of 35% underlying growth of 12%

Record high EBITDA margin

Improved results in Nordic mobile operations

Continued impressive performance in Kyivstar

Telenor Serbia consolidated from 1 September

I'm very happy to present a strong operational and financial quarter. We have achieved excellent results with continued high growth in subscriptions and revenues, combined with a record high EBITDA margin. Most of our operations improved their margins compared to last year. We are especially satisfied with the performance of our Nordic mobile operations where we are seeing good improvement. At the same time Kyivstar and GrameenPhone continue to impress, delivering solid performances.

We have expanded our footprint in the Balkans and are pleased to now include Telenor Serbia in the Group. We are looking forward to developing the company together with our other operations in this region, said President and CEO of Telenor, Jon Fredrik Baksaas.

Key Figures

| (NOK in millions except earnings per share) | 3rd quarter | | First three quarters | | Year |
|---|-------------|--------|----------------------|--------|--------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Revenues | 22 580 | 16 542 | 44 452 | 31 812 | 68 927 |
| EBITDA before other income and expenses | 7 957 | 5 564 | 15 877 | 10 649 | 24 078 |
| EBITDA before other income and expenses/Revenues (%) | 35.2 | 33.6 | 35.7 | 33.5 | 34.9 |
| Adjusted operating profit | 4 414 | 2 813 | 8 788 | 5 194 | 12 534 |
| Adjusted operating profit/Revenues (%) | 19.5 | 17.0 | 19.8 | 16.3 | 18.2 |
| Profit after taxes and minority interests (Net income) | 2 284 | 2 041 | 5 934 | 3 751 | 7 646 |
| Earnings per share from total operations, basic, in NOK | 1.35 | 1.19 | 3.51 | 2.17 | 4.47 |
| Capex | 4 422 | 2 923 | 8 125 | 6 283 | 16 439 |
| Investments in businesses | 828 | 264 | 9 771 | 314 | 8 858 |
| Net interest-bearing liabilities | | | 38 210 | 17 814 | 30 858 |

Extract from outlook for 2006

We have adjusted the outlook for the full year. For 2006, Telenor expects a revenue growth of around 35% with an EBITDA margin before other income and expenses of around 36%. Capital expenditure, as a proportion of revenues, is expected to be around 20%.

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

Telenor's Operations

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

Nordic Mobile Operations

Telenor Mobile Norway

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|---------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 2 264 | 2 098 | 6 457 | 6 028 | 8 148 |
| Interconnection revenues | 443 | 441 | 1 363 | 1 300 | 1 754 |
| Mobile revenues company's subscriptions | 2 707 | 2 539 | 7 820 | 7 328 | 9 902 |
| Other mobile revenues | 624 | 484 | 1 661 | 1 299 | 1 825 |
| Total mobile revenues | 3 331 | 3 023 | 9 481 | 8 627 | 11 727 |
| Non-mobile revenues | 127 | 98 | 355 | 381 | 516 |
| Total revenues 1) | 3 458 | 3 121 | 9 836 | 9 008 | 12 243 |
| 1) Of which internal revenues | 221 | 299 | 744 | 890 | 1 171 |
| EBITDA | 1 513 | 1 218 | 4 201 | 3 285 | 4 471 |
| Depreciation and amortization 2) | 206 | 224 | 637 | 667 | 889 |
| Write-downs | | 4 | 33 | 14 | 16 |
| Operating profit | 1 307 | 990 | 3 531 | 2 604 | 3 566 |
| 2) Of which amortization of Telenor's net excess values | 1 | 1 | 3 | 3 | 4 |
| EBITDA/Total revenues (%) | 43.8 | 39.0 | 42.7 | 36.5 | 36.5 |
| Operating profit/Total revenues (%) | 37.8 | 31.7 | 35.9 | 28.9 | 29.1 |
| Capex | 220 | 220 | 492 | 757 | 1 218 |
| ARPU monthly (NOK) | 331 | 314 | 320 | 306 | 309 |
| No. of subscriptions(in thousands) | | | 2 711 | 2 736 | 2 731 |

The number of subscriptions increased by 2,000, while the estimated market share remained stable at 55% compared to the previous quarter.

The increase in ARPU was mainly related to increased average usage per subscription (AMPU).

Total mobile revenues increased by 10%. Mobile revenues from own subscriptions were positively affected by increase in ARPU, partially offset by price regulation of mobile termination charges introduced from 1 July 2006. Other mobile revenues increased due to increased sales of capacity on a wholesale basis and were also positively affected by a reversal of provision of NOK 107 million related to the Sense case mentioned below.

Non-mobile revenues increased due to higher sales of customer equipment.

Adjusted for the provision related to Sense and for a NOK 43 million positive one-time effect related to change of pension plan (see page 9), the EBITDA margin was 41%. The increase in EBITDA margin was mainly driven by higher revenues.

Capital expenditure was stable compared to the third quarter last year, but increased from the previous quarter due to higher investments related to UMTS, GSM and IS/IT.

The Reitan Group/Sense case against Telenor Mobil for charging excessive reseller prices was rejected by the Supreme Court 15 September 2006.

Sonofon Denmark

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 693 | 600 | 1 945 | 1 766 | 2 361 |
| Interconnection revenues | 327 | 325 | 1 013 | 953 | 1 300 |
| Mobile revenues company s subscriptions | 1 020 | 925 | 2 958 | 2 719 | 3 661 |
| Other mobile revenues | 169 | 181 | 466 | 482 | 638 |
| Total mobile revenues | 1 189 | 1 106 | 3 424 | 3 201 | 4 299 |
| Non-mobile revenues | 239 | 250 | 704 | 656 | 892 |
| Total revenues 1) | 1 428 | 1 356 | 4 128 | 3 857 | 5 191 |
| 1) Of which internal revenues | 55 | 43 | 133 | 98 | 132 |
| EBITDA | 390 | 307 | 1 002 | 868 | 1 176 |
| Depreciation and amortization 2) | 280 | 308 | 837 | 989 | 1 285 |
| Operating profit (loss) | 110 | (1) | 165 | (121) | (109) |
| 2) Of which amortization of Telenor s net excess values | 138 | 131 | 407 | 422 | 555 |
| EBITDA/Total revenues (%) | 27.3 | 22.6 | 24.3 | 22.5 | 22.7 |
| Operating profit/Total revenues (%) | 7.7 | nm | 4.0 | nm | nm |
| Capex | 168 | 137 | 447 | 305 | 1 062 |
| Investments in businesses | | | | | 4 |
| ARPU monthly (NOK) | 257 | 243 | 251 | 242 | 243 |
| No. of subscriptions (in thousands) | | | 1 342 | 1 261 | 1 284 |

Compared to the third quarter of 2005, the Norwegian Krone depreciated against the Danish Krone by approximately 2% in the third quarter of 2006.

In the third quarter of 2006 the number of subscriptions increased by 32,000.

Sonofon s estimated market share remained stable at 27% compared to the previous quarter.

ARPU in local currency increased by 4% mainly driven by higher AMPU partially offset by lower average prices.

Total revenues in local currency increased by 4%. Revenues from Subscription and traffic increased as a result of a higher subscription base and increased average usage. This was partially offset by the price regulation of mobile termination charges introduced from 1 May 2006.

EBITDA measured in local currency increased by 25% primarily driven by higher revenues and contribution from the larger customer base combined with cost efficiency initiatives and lower costs related to sales and marketing activities.

Sonofon terminated its backbone agreement with Telia and is now using its own fibre network. NOK 36 million have been expensed due to terminating the agreement, however the termination will have a positive effect on costs going forward.

Depreciation and amortization decreased mainly as a result of certain assets becoming fully depreciated.

Increased capital expenditure was primarily related to roll-out of the 3G network.

At the end of September Sonofon launched 3G services and is now offering high-speed mobile data connections, 10 months after purchasing the licence.

Telenor Mobile Sweden

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Subscription and traffic | 1 050 | 34 | 2 924 | 104 | 130 |
| Interconnection revenues | 219 | 15 | 660 | 48 | 60 |
| Mobile revenues company s subscriptions | 1 269 | 49 | 3 584 | 152 | 190 |
| Other mobile revenues | 133 | 19 | 318 | 44 | 54 |
| Total mobile revenues | 1 402 | 68 | 3 902 | 196 | 244 |
| Non-mobile revenues | 148 | | 379 | | |
| Total revenues 1) | 1 550 | 68 | 4 281 | 196 | 244 |
| 1) Of which internal revenues | 42 | 39 | 117 | 100 | 124 |
| EBITDA | 371 | (139) | 782 | (167) | (476) |
| Depreciation and amortization 2) | 435 | | 1 188 | | |
| Write-downs | 6 | | 6 | | |
| Operating loss | (70) | (139) | (412) | (167) | (476) |
| 2) Of which amortization of Telenor s net excess values | 260 | | 376 | | |
| EBITDA/Total revenues (%) | 23.9 | nm | 18.3 | nm | nm |
| Capex | 112 | | 384 | | |
| Investments in businesses | | | 7 747 | | |
| ARPU monthly (NOK) | 249 | 164 | 240 | 165 | 158 |
| No. of subscriptions (in thousands) | | | 1 708 | 97 | 95 |

Mobile Sweden is consolidated with effect from 5 January 2006. Compared to the third quarter of 2005, the Norwegian Krone depreciated against the Swedish Krone by approximately 3% in the third quarter of 2006. The following comments are related to the third quarter of 2006 compared to the second quarter of 2006.

The number of subscriptions increased by 32,000.

Mobile Sweden s estimated market share remained stable at 17% compared to the previous quarter.

Total revenues in local currency increased by 6% due to increased share of contract subscriptions and stronger seasonal roaming revenues.

The increase in EBITDA margin was due to higher revenues and lower costs related to sales and marketing activities. EBITDA in local currency increased by 51%.

Central Eastern European Operations

Kyivstar Ukraine

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--------------------------|-------------|-------|----------------------|-------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Subscription and traffic | 2 321 | 1 437 | 6 022 | 3 402 | 5 122 |

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| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| Interconnection revenues | 606 | 541 | 1 696 | 1 282 | 1 888 |
| Mobile revenues company s subscriptions | 2 927 | 1 978 | 7 718 | 4 684 | 7 010 |
| Other mobile revenues | 82 | 72 | 168 | 125 | 158 |
| Total mobile revenues | 3 009 | 2 050 | 7 886 | 4 809 | 7 168 |
| Non-mobile revenues | 16 | 26 | 48 | 73 | 104 |
| Total revenues 1) | 3 025 | 2 076 | 7 934 | 4 882 | 7 272 |

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|--------------|------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| 1) Of which internal revenues | 5 | 2 | 6 | 5 | 6 |
| EBITDA | 1 827 | 1 148 | 4 855 | 2 691 | 4 050 |
| Depreciation and amortization 2) | 395 | 322 | 1 155 | 884 | 1 209 |
| Write-downs | 13 | | 13 | | 15 |
| Operating profit | 1 419 | 826 | 3 687 | 1 807 | 2 826 |
| 2) Of which amortization of Telenor's net excess values | 23 | 24 | 70 | 69 | 93 |
| EBITDA/Total revenues (%) | 60.4 | 55.3 | 61.2 | 55.1 | 55.7 |
| Operating profit/Total revenues (%) | 46.9 | 39.8 | 46.5 | 37.0 | 38.9 |
| Capex | 992 | 1 106 | 2 592 | 2 760 | 3 650 |
| ARPU monthly (NOK) | 57 | 66 | 55 | 60 | 61 |
| | | | 17 | 10 | 13 |
| No. of subscriptions (100% in thousands) | | | 709 | 943 | 925 |

At the end of the third quarter of 2006, Telenor's ownership interest in Kyivstar was 56.5%. Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Ukrainian Hryvnia by approximately 4% in the third quarter of 2006.

The number of subscriptions increased by 1.7 million during the third quarter of 2006 and by 6.8 million compared to the third quarter of 2005.

Kyivstar maintained its position as market leader with an estimated market share of 44%, in line with the previous quarter.

ARPU in local currency decreased by 10% compared to the third quarter of 2005 mainly due to lower average prices as a result of increased competition and penetration.

The steady increase in AMPU has partially offset the drop in average prices compared to last year. Average prices have however remained stable over the last three quarters.

Total revenues in local currency increased by 48% due to a significant increase in the number of subscriptions, partially offset by lower ARPU.

The EBITDA margin increased by 5.1 percentage points mainly due to increased revenues, while operating expenses in proportion of revenues decreased. EBITDA in local currency increased by 62%, primarily due to higher revenues.

Capital expenditure was mainly related to increased capacity to accommodate the subscription growth. The decrease in capital expenditure was primarily a result of lower prices from suppliers.

Pannon Hungary

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 940 | 1 025 | 2 779 | 2 808 | 3 768 |
| Interconnection revenues | 415 | 416 | 1 215 | 1 304 | 1 735 |
| Mobile revenues company s subscriptions | 1 355 | 1 441 | 3994 | 4 112 | 5 503 |
| Other mobile revenues | 45 | 52 | 103 | 124 | 144 |
| Total mobile revenues | 1 400 | 1 493 | 4 097 | 4 236 | 5 647 |
| Non-mobile revenues | 64 | 90 | 207 | 260 | 414 |
| Total revenues1) | 1 464 | 1 583 | 4 304 | 4 496 | 6 061 |
| 1) Of which internal revenues | 3 | 2 | 8 | 6 | 10 |
| EBITDA | 581 | 650 | 1 688 | 1 651 | 2 185 |
| Depreciation and amortization 2) | 251 | 294 | 784 | 886 | 1 171 |
| Write-downs | | 1 | 33 | 3 | 7 |
| Operating profit | 330 | 355 | 871 | 762 | 1 007 |
| 2) Of which amortization of Telenor s net excess values | 79 | 86 | 242 | 261 | 345 |
| EBITDA/Total revenues (%) | 39.7 | 41.1 | 39.2 | 36.7 | 36.1 |
| Operating profit/Total revenues (%) | 22.5 | 22.4 | 20.2 | 16.9 | 16.6 |
| Capex | 168 | 150 | 474 | 502 | 763 |
| ARPU monthly (NOK) | 150 | 166 | 151 | 162 | 162 |
| No. of subscriptions (in thousands) | | | 2 981 | 2 856 | 2 929 |

Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Hungarian Forint by approximately 8% in the third quarter of 2006.

In the third quarter of 2006 the number of subscriptions increased by 34,000.

Pannon s market share remained stable at 33% compared to the previous quarter.

ARPU in local currency decreased slightly. Higher AMPU partially offset lower average prices.

Total mobile revenues in local currency increased by 2%. Lower traffic revenues, mainly as a result of price erosion, were more than offset by the effect from a higher share of contract subscriptions and higher interconnection revenues.

Non-mobile revenues decreased due to lower sale of handsets.

The EBITDA margin declined by 1.3 percentage points primarily due to higher interconnection costs in the third quarter of 2006 and positive one-time adjustments in the third quarter of 2005. Measured in local currency, EBITDA decreased by 3%.

4 October 2006, the Hungarian regulator (NHH) published a decision regarding mobile interconnection charges. According to the decision all mobile operators must implement symmetric cost based termination rates of HUF 16.84 by 1 January 2009. The charges for Pannon should be reduced to HUF 24.4, from HUF 29.44, when the decision enters into force in February 2007 and to HUF 20.29 from 1 January 2008. The operators must either accept the fees calculated by NHH or build their own model according to requirements made by the regulator. For 2007, the estimated effect on EBITDA is limited.

Telenor Serbia

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|-------------|------|----------------------|------|------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Total revenues | 175 | | 175 | | |
| EBITDA | 103 | | 103 | | |
| Operating profit 1) | 86 | | 86 | | |
| Capex | 49 | | 49 | | |
| Investments in businesses | 11 980 | | 11 980 | | |
| No. of subscriptions (in thousands) | | | 2 284 | | |
| 1) Includes amortization of Telenor's net excess values | 5 | | 5 | | |

31 August 2006 Telenor acquired 100% of the shares in Mobi 63, now renamed Telenor, for NOK 11.98 billion. Telenor Serbia is consolidated from 1 September 2006. Telenor Serbia is part of Other mobile operations in the table on page 17. For further information, please refer to the section Business Combinations on page 20. The preceding table shows figures from the time of consolidation.

The high EBITDA margin was a result of limited activities in September.

Promonte Montenegro

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|-------------|-----------|----------------------|-----------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Total revenues | 211 | 180 | 464 | 407 | 519 |
| EBITDA | 122 | 98 | 242 | 213 | 260 |
| Operating profit 1) | 84 | 58 | 127 | 88 | 95 |
| Capex | 24 | 8 | 35 | 17 | 38 |
| No. of subscriptions (in thousands) | | | 479 | 394 | 310 |
| 1) Includes amortization of Telenor's net excess values | 20 | 20 | 60 | 60 | 80 |

Compared to the third quarter of 2005, the Norwegian Krone depreciated against the Euro, which is the functional currency of Promonte, by approximately 2% in the third quarter of 2006. Promonte is part of Other mobile operations in the table on page 17.

In the third quarter of 2006 the number of subscriptions increased by 116,000, leading to an estimated market share of 61%, an increase of 1 percentage point compared to the previous quarter. The growth in subscriptions was mainly related to the tourist season.

Promonte delivered a strong quarter with high revenue growth and improved EBITDA margin.

Asian Operations
DTAC Thailand

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|------|----------------------|------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 1 887 | | 5 499 | | 1 074 |
| Interconnection revenues | 41 | | 107 | | 25 |
| Mobile revenues company s subscriptions | 1 928 | | 5 606 | | 1 099 |
| Other mobile revenues | 93 | | 309 | | 74 |
| Total mobile revenues | 2 021 | | 5 915 | | 1 173 |
| Non-mobile revenues | 20 | | 51 | | 18 |
| Total revenues 1) | 2 041 | | 5 966 | | 1 191 |
| 1) Of which internal revenues | 6 | | 25 | | 6 |
| EBITDA | 732 | | 2 149 | | 445 |
| Depreciation and amortization 2) | 356 | | 1 028 | | 220 |
| Operating profit | 376 | | 1 121 | | 225 |
| 2) Of which amortization of Telenor s net excess values | 51 | | 152 | | 35 |
| EBITDA/Total revenues (%) | 35.9 | | 36.0 | | 37.4 |
| Operating profit/Total revenues (%) | 18.4 | | 18.8 | | 18.9 |
| Capex | 565 | | 1 713 | | 146 |
| Investments in businesses | | | 116 | | 2 664 |
| ARPU monthly (NOK) | 58 | | 61 | | 66 |
| No. of subscriptions (100% in thousands) | | | 11 241 | | 8 677 |

ARPU has been adjusted for the periods from the fourth quarter of 2005 to the second quarter of 2006.

At the end of the third quarter of 2006, Telenor s economic stake in DTAC was 73.1%. Compared to the second quarter of 2006, the Norwegian Krone depreciated against the Thai Baht by approximately 1% in the third 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 second quarter of 2006.

DTAC continued to grow its subscriptions in the third quarter of 2006 by 619,000 and is estimated to have maintained its market share at around 31%, in spite of the fierce competition.

ARPU in local currency declined by 3%, however total revenues in local currency increased by 5% which was primarily driven by the increase in total number of subscriptions.

Capital expenditure remained in line with the first and second quarter following continuous investments in network capacity and network expansion to accommodate the increasing subscription base.

The National Telecommunications Commission (NTC) in Thailand has approved DTAC s Reference Interconnect Offer and, on 4 October 2006, DTAC requested bilateral negotiations with the other fixed and mobile operators in Thailand. According to NTC regulations, the bilateral interconnect negotiations must be completed within 90 days from when the requested party receives notification. If the operators cannot reach an agreement within the 90 days,

the NTC will force an interim rate.

DTAC has a concession agreement whereby the Communication Authorities of Thailand (CAT Telecom) has granted DTAC the right to build, transfer and operate a mobile network in Thailand. The revenue share, which DTAC is required to pay on a material part of its services, to CAT Telecom, increased as scheduled from 20% to 25% from 16 September 2006.

DiGi Malaysia

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 1 355 | 1 035 | 3 965 | 2 751 | 3 949 |
| Interconnection revenues | 138 | 155 | 431 | 435 | 594 |
| Mobile revenues company s subscriptions | 1 493 | 1 190 | 4 396 | 3 186 | 4 543 |
| Other mobile revenues | 33 | 18 | 74 | 47 | 65 |
| Total mobile revenues | 1 526 | 1 208 | 4 470 | 3 233 | 4 608 |
| Non-mobile revenues | 58 | 77 | 204 | 247 | 324 |
| Total revenues 1) | 1 584 | 1 285 | 4 674 | 3 480 | 4 932 |
| 1) Of which internal revenues | 2 | 1 | 5 | 2 | 4 |
| EBITDA | 721 | 560 | 2 121 | 1 510 | 2 142 |
| Depreciation and amortization 2) | 296 | 255 | 775 | 765 | 1 038 |
| Write-downs | 1 | 1 | 8 | 2 | 5 |
| Operating profit | 424 | 304 | 1 338 | 743 | 1 099 |
| 2) Of which amortization of Telenor s net excess values | 3 | 13 | 11 | 47 | 51 |
| EBITDA/Total revenues (%) | 45.5 | 43.6 | 45.4 | 43.4 | 43.4 |
| Operating profit/Total revenues (%) | 26.8 | 23.7 | 28.6 | 21.4 | 22.3 |
| Capex | 371 | 310 | 796 | 596 | 1 170 |
| ARPU monthly (NOK) | 90 | 100 | 93 | 97 | 98 |
| No. of subscriptions (100% in thousands) | | | 5590 | 4 187 | 4 795 |

At the end of the third quarter of 2006, Telenor s ownership interest in DiGi was 61.0%. Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Malaysian Ringgit by approximately 1% in the third quarter of 2006.

The number of subscriptions increased by 150,000 in the third quarter of 2006 and by 1.4 million compared to the third quarter of 2005.

DiGi s market share was estimated around 25%.

ARPU measured in local currency decreased by 9% primarily due to lower outgoing traffic combined with a reduction in interconnect access pricing.

Total revenues measured in local currency increased by 23% driven by a 34% increase in the subscription base.

The EBITDA margin improved by 2 percentage points mainly due to improved gross margin as a result of higher on-net traffic and lower costs related to sales and marketing activities. Measured in local currency EBITDA increased by 28%.

Depreciation and amortization increased primarily due to accelerated depreciation resulting from the re-assessment of assets useful lives with effect from 1 July 2006.

Increased capital expenditure was related to investments in the network due to increased traffic, a higher subscription base and improved coverage.

The regulatory body of Malaysia has introduced mandatory prepaid registration to be implemented by 15 December 2006. Operators are required to disconnect non-registered users from their networks by year end. As most of these represent multiple SIM-cards, the action will have limited effect on revenue, but will imply a correction of penetration level, subscription base, ARPU and AMPU.

GrameenPhone Bangladesh

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|--|--------------|------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Subscription and traffic | 1 032 | 715 | 2814 | 1 972 | 2 741 |
| Interconnection revenues | 94 | 52 | 245 | 125 | 188 |
| Mobile revenues company s subscriptions | 1 126 | 767 | 3 059 | 2 097 | 2 929 |
| Other mobile revenues | 3 | 6 | 14 | 16 | 22 |
| Total mobile revenues | 1 129 | 773 | 3 073 | 2 113 | 2 951 |
| Non-mobile revenues | 4 | 2 | 12 | 7 | 19 |
| Total revenues 1) | 1 133 | 775 | 3 085 | 2 120 | 2 970 |
| 1) Of which internal revenues | | | 1 | | 1 |
| EBITDA | 645 | 441 | 1 792 | 1 104 | 1 559 |
| Depreciation and amortization | 169 | 107 | 476 | 273 | 439 |
| Operating profit | 476 | 334 | 1 316 | 831 | 1 120 |
| EBITDA/Total revenues (%) | 56.9 | 56.9 | 58.1 | 52.1 | 52.5 |
| Operating profit/Total revenues (%) | 42.0 | 43.1 | 42.7 | 39.2 | 37.7 |
| Capex | 435 | 590 | 1 340 | 1 443 | 2 596 |
| ARPU monthly (NOK) | 41 | 65 | 45 | 72 | 68 |
| No. of subscriptions (100% in thousands) | | | 9 404 | 4 215 | 5 542 |

At the end of the third quarter of 2006, Telenor s ownership interest in GrameenPhone was 62.0%. Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Bangladeshi Taka by approximately 8% in the third quarter of 2006.

The number of subscriptions increased by almost 1 million in the third quarter of 2006 and by 5.2 million from the third quarter of 2005.

GrameenPhone s estimated market share remained stable at 63% compared to the previous quarter.

ARPU in local currency decreased by 31% primarily due to decrease in average prices and dilution due to subscription growth.

Measured in local currency, total revenues increased by 57% mainly due to the higher number of subscriptions. This was partially offset by reduction in ARPU.

The EBITDA margin remained stable, while EBITDA in local currency increased by 57%.

Depreciation and amortization increased as a result of increased capital expenditure in the intervening quarters.

The decrease in capital expenditure was primarily a result of lower prices from suppliers.

Telenor Pakistan

| | 3rd quarter | First three quarters | Year |
|--|-------------|----------------------|------|
|--|-------------|----------------------|------|

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| (NOK in millions) | 2006 | 2005 | 2006 | 2005 | 2005 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total revenues | 333 | 76 | 813 | 125 | 265 |
| EBITDA | (87) | (134) | (281) | (439) | (572) |
| Operating loss | (199) | (201) | (594) | (580) | (798) |
| Capex | 701 | 299 | 1 806 | 1 347 | 1 843 |
| No. of subscriptions (in thousands) | | | 4 597 | 1 200 | 1 868 |

Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Pakistani Rupee by approximately 5% in the third quarter of 2006. Telenor Pakistan is part of Other mobile operations in the table on page 17.

Telenor Pakistan experienced a significant growth in the number of subscriptions with net additions of 1.4 million during this quarter alone.

Telenor Pakistan's estimated market share increased further by 1 percentage point to 11% from the previous quarter.

ARPU in local currency decreased by 9% compared to the second quarter of 2006 primarily due to a reduction of interconnect charges from 1 July 2006.

Compared to the second quarter of 2006, total revenues in local currency increased by 25% mainly due to subscription growth partially offset by reduction in ARPU.

Compared to the second quarter of 2006 there was a positive development in EBITDA, mainly due to higher revenues.

The increase in capital expenditure was related to the roll-out of the mobile network.

1 July 2006, following a decision made by the regulator, the interconnection charges of mobile operators were reduced from PKR 1.6 to PKR 1.25 per minute. At the same time the charging principle was changed from per minute to per second charging.

Fixed

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|--------------|--------------|----------------------|---------------|---------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Revenues | | | | | |
| Norway | 3 796 | 4 151 | 11 957 | 12 681 | 16 867 |
| Other operations | 1 056 | 840 | 3 022 | 1 694 | 2 581 |
| Eliminations | (11) | (27) | (72) | (87) | (135) |
| Total revenues 1) | 4 841 | 4 964 | 14 907 | 14 288 | 19 313 |
| 1) Of which internal revenues | 470 | 588 | 1 459 | 1 571 | 2 173 |
| EBITDA | 1 671 | 1 430 | 4 797 | 4 342 | 5 885 |
| Depreciation and amortization 2) | 769 | 874 | 2 263 | 2 386 | 3 236 |
| Write-downs 3) | 9 | (2) | 24 | (22) | 587 |
| Operating profit | 893 | 558 | 2 510 | 1 978 | 2 062 |
| 2) Of which amortization of Telenor's net excess values | 44 | 69 | 118 | 72 | 66 |
| 3) Of which write-downs of Telenor's net excess values | | (3) | | (34) | (24) |
| EBITDA/Total revenues (%) | 34.5 | 28.8 | 32.2 | 30.4 | 30.5 |
| Operating profit/Total revenues (%) | 18.4 | 11.2 | 16.8 | 13.8 | 10.7 |
| Capex | 561 | 602 | 1 821 | 1 539 | 2 776 |
| Investments in businesses | 2 | 5 792 | 538 | 5 836 | 5 816 |

Fixed Norway

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|--|--------------|--------------|----------------------|---------------|---------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Revenues | | | | | |
| Telephony | 1 501 | 1 743 | 4 831 | 5 481 | 7 232 |
| xDSL/Internet | 579 | 534 | 1 728 | 1 503 | 2 039 |
| Data services | 204 | 250 | 618 | 725 | 963 |
| Other revenues | 285 | 357 | 957 | 1 099 | 1 465 |
| Total retail revenues | 2 569 | 2 884 | 8 134 | 8 808 | 11 699 |
| Wholesale revenues | 1 227 | 1 267 | 3 823 | 3 873 | 5 168 |
| Total revenues 1) | 3 796 | 4 151 | 11 957 | 12 681 | 16 867 |
| 1) Of which internal revenues | 517 | 582 | 1 572 | 1 567 | 2 190 |
| EBITDA | 1 460 | 1 354 | 4 267 | 4 324 | 5 701 |
| Depreciation and amortization | 540 | 652 | 1 703 | 2 015 | 2 707 |
| Write-downs 2) | | (2) | 13 | (24) | (25) |
| Operating profit | 920 | 704 | 2 551 | 2 333 | 3 019 |
| 2) Of which write-downs of Telenor's net excess values | | (3) | | (34) | (36) |
| EBITDA/Total revenues (%) | 38.5 | 32.6 | 35.7 | 34.1 | 33.8 |
| Operating profit/Total revenues (%) | 24.2 | 17.0 | 21.3 | 18.4 | 17.9 |
| Capex | 354 | 412 | 1 204 | 1 252 | 2 169 |
| Investments in businesses | | | 1 | 44 | 44 |
| No. of subscriptions (in thousands): | | | | | |
| Telephony | | | 1 513 | 1 664 | 1 622 |
| of which PSTN | | | 991 | 1 118 | 1 089 |
| of which ISDN | | | 434 | 538 | 509 |
| of which VoIP | | | 88 | 8 | 24 |
| xDSL subscriptions | | | 542 | 444 | 475 |

The trend from previous quarters continued with an increase in the number of xDSL and VoIP subscriptions and a decrease in the number of PSTN/ISDN subscriptions.

Telenor's estimated market share for xDSL in the retail market was slightly reduced to 57% compared to the previous quarter. Measured in traffic minutes, Telenor's estimated market share was 65%, in line with the second quarter of 2006.

Total revenues decreased by 8.6%. Adjusted for the sale of contractor business in the second quarter of 2006, total revenues decreased by 6.5%, partially as a result of price reductions and slower growth of xDSL subscriptions. Adjusted total revenues in the first nine months of 2006 decreased by 4.4% compared to the first nine months of 2005.

Revenues from telephony decreased due to a reduction in the number of subscriptions, lower traffic volumes and price reductions implemented from 1 September. The number of subscriptions decreased primarily due to migration to VoIP telephony with other fixed network operators. Lower traffic volumes were due to the decrease in the number of telephony subscriptions and the number of minutes per subscription. The latter was mainly due to migration of 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 per subscription and a reduction in revenues from dial-up Internet traffic and Internet subscriptions.

The decrease in revenues from Data services was due to lower revenues per subscription partially offset by an increase in the number of subscriptions.

The decrease in Other revenues was mainly related to lower intra-group sales and lower revenues from large installation contracts.

Wholesale revenues, adjusted for the outsourcing of contractor activities from 1 April 2006, increased mainly as a result of increased number of subscriptions partially offset by price reductions.

The increase in EBITDA margin was mainly due to reduced operating expenses as a result of reduction in the number of man-years and lower operation and maintenance costs. In addition, in the third quarter of 2006, there was a positive one-time effect related to change of pension plan of NOK 98 million. Further, the third quarter of 2006 included costs of NOK 18 million for workforce reduction compared to NOK 115 million in the third quarter of 2005.

The decrease in depreciation and amortization was primarily due to lower capital expenditure in recent years. This was partially offset by increased amortization for expenses associated with transactions that provide the rights to use assets, such as local loop unbundling.

Capital expenditure decreased primarily due to reduced investments in broadband coverage and IS/IT.

6 October 2006, the Ministry of Transport and Communications in Norway published the final decision in the appeal process regarding the price for unbundled access to the local loop. According to the decision, the price for full access will remain at current level of NOK 105 per month also after 1 January 2007.

Fixed other operations

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Revenues | | | | | |
| Fixed Sweden | 857 | 654 | 2 450 | 1420 | 2 096 |
| Fixed Denmark | 199 | 142 | 554 | 142 | 306 |
| Other countries/eliminations | | 44 | 18 | 132 | 179 |
| Total revenues 1) | 1 056 | 840 | 3 022 | 1 694 | 2 581 |
| 1) Of which internal revenues | (34) | 33 | (40) | 91 | 118 |
| EBITDA | | | | | |
| Fixed Sweden | 128 | 31 | 337 | (25) | 158 |
| Fixed Denmark | 61 | 48 | 175 | 48 | 97 |
| Other countries/eliminations | (1) | (5) | 9 | (4) | (70) |
| Total EBITDA | 188 | 74 | 521 | 19 | 185 |
| Depreciation and amortization 2) | 229 | 222 | 560 | 370 | 528 |
| Write-downs 3) | 9 | | 11 | 3 | 617 |
| Operating loss | (50) | (148) | (50) | (354) | (960) |
| Of which: | | | | | |
| Fixed Sweden | (53) | (134) | (74) | (317) | (866) |
| Fixed Denmark | 5 | 2 | 19 | 2 | 29 |
| Other countries/eliminations | (2) | (16) | 5 | (39) | (123) |
| 2) Of which amortization of Telenor's net excess values | 44 | 69 | 118 | 72 | 66 |
| 3) Of which write-downs of Telenor's net excess values | | | | | 12 |
| Capex | | | | | |
| Fixed Sweden | 155 | 142 | 468 | 230 | 485 |
| Fixed Denmark | 52 | 40 | 149 | 40 | 97 |
| Other countries | | 8 | | 17 | 25 |

Fixed Sweden consists of Telenor AB, Bredbandsbolaget and Glocalnet. Bredbandsbolaget and Glocalnet are consolidated with effect from 8 July 2005 and 1 March 2006, respectively. As of 30 September 2006 Telenor's ownership interest in Glocalnet was 98.8%. Fixed Denmark consists of Cybercity, which is consolidated with effect from 5 July 2005. Compared to the third quarter of 2005, the Norwegian Krone appreciated against the Swedish Krone by approximately 3% and against the Danish Krone by approximately 3% in the third quarter of 2006. Operations in Other countries were sold with effect from 30 January 2006.

Fixed Sweden

Revenues adjusted for the acquisition of Glocalnet were in line with the third quarter of 2005.

EBITDA adjusted for Glocalnet increased due to higher gross margin for voice traffic and xDSL partially offset by increased operating expenses. EBITDA was positively affected by the change in accounting treatment for transactions that provide the rights to use assets, which was implemented in the fourth quarter of 2005. EBITDA

in the third quarter of 2005 also included NOK 20 million related to workforce reduction.

Total depreciation and amortization increased due to higher capital expenditure and increased amortization of prepaid lease.

The number of xDSL and LAN subscriptions in Bredbandsbolaget increased by 29,000 to 429,000 in the third quarter of 2006, and the number of VoIP subscriptions increased by 13,000 to 147,000.

The number of xDSL subscriptions in Glocalnet increased by 2,000 to 119,000 in the third quarter of 2006, and the number of telephony subscriptions decreased by 11,000 to 273,000.

Fixed Denmark

Revenues increased due to growth in the number of xDSL and VoIP subscriptions, partially offset by lower ARPU on xDSL subscriptions.

EBITDA increased mainly due to higher revenues.

In the third quarter of 2006, the number of xDSL subscriptions increased by 12,000 to 164,000, and the number of VoIP subscriptions increased by 11,000 to 52,000.

Broadcast

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|--|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Revenues | | | | | |
| Distribution | 1 291 | 1 139 | 3 841 | 3 425 | 4 615 |
| Transmission | 319 | 299 | 948 | 894 | 1 207 |
| Other/Eliminations | (37) | (46) | (135) | (136) | (173) |
| Total revenues 1) | 1 573 | 1 392 | 4 654 | 4 183 | 5 649 |
| 1) Of which internal revenues | 39 | 33 | 112 | 96 | 131 |
| EBITDA | | | | | |
| Distribution | 268 | 216 | 753 | 671 | 818 |
| Transmission | 199 | 181 | 565 | 530 | 713 |
| Other/Eliminations | 18 | (3) | 12 | (16) | (15) |
| Total EBITDA | 485 | 394 | 1 330 | 1 185 | 1 516 |
| Depreciation and amortization 2) | 147 | 133 | 454 | 410 | 554 |
| Write-downs 3) | | | 3 | 4 | (53) |
| Operating profit | 338 | 261 | 873 | 771 | 1 015 |
| Of which: | | | | | |
| Distribution | 214 | 159 | 575 | 481 | 494 |
| Transmission | 117 | 111 | 316 | 324 | 564 |
| Other/Eliminations | 7 | (9) | (18) | (34) | (43) |
| 2) Of which amortization of Telenor's net excess values | 4 | 14 | 25 | 42 | 56 |
| 3) Of which write-downs of Telenor's net excess values | | | | | 75 |
| EBITDA/Total revenues (%) | 30.8 | 28.3 | 28.6 | 28.3 | 26.8 |
| Operating profit/Total revenues (%) | 21.5 | 18.8 | 18.8 | 18.4 | 18.0 |
| Capex | 157 | 116 | 355 | 259 | 392 |
| Investments in businesses | 50 | 17 | 148 | 17 | 42 |
| No. of subscribers (in thousands): | | | | | |
| DTH pay TV | | | 929 | 876 | 906 |
| Cable TV | | | 691 | 636 | 681 |
| Households in satellite master antenna TV networks | | | 1 154 | 1 184 | 1 177 |
| Cable TV Internet access | | | 84 | 53 | 73 |

The number of DTH pay TV subscribers increased by 8,000 in the third quarter of 2006, the number of Cable TV subscribers increased by 4,000, and the number of Cable TV internet access subscribers increased by 3,000.

Total revenues increased primarily due to higher number of subscribers in Distribution, higher revenues from satellite in Transmission, and higher revenues from the sale of cards and other services related to Pay TV access control.

The increase in EBITDA was primarily due to higher revenues and lower costs related to DTH sales, partially offset by increased content cost in Distribution. In the third quarter of 2006 EBITDA was positively affected by NOK 18 million due to a one-time effect related to change of pension plan.

Capital expenditure increased due to start-up of the construction of the Norwegian digital terrestrial TV (DTT) network through Norges televisjon AS (NTV) and NTV Pluss AS.

Other Units

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Revenues | | | | | |
| EDB Business Partner | 1 350 | 1 217 | 4 134 | 3 733 | 4 991 |
| Satellite Services | 632 | 610 | 1 835 | 1 791 | 2 428 |
| Venture | 140 | 123 | 419 | 364 | 490 |
| Corporate functions and Group activities | 507 | 517 | 1 597 | 1 702 | 2 266 |
| Other | 19 | (1) | 20 | 26 | 25 |
| Eliminations | (43) | (46) | (133) | (187) | (233) |
| Total revenues 1) | 2 605 | 2 420 | 7 872 | 7 429 | 9 967 |
| 1) Of which internal revenues | 613 | 647 | 1 908 | 2 238 | 2 907 |
| EBITDA | | | | | |
| EDB Business Partner | 39 | 224 | 371 | 588 | 785 |
| Satellite Services | 116 | 115 | 281 | 273 | 393 |
| Venture | 10 | 7 | (11) | 12 | (2) |
| Corporate functions and Group activities | (63) | 67 | (298) | 27 | (77) |
| Other/eliminations | (19) | 10 | (40) | (3) | (8) |
| Total EBITDA | 83 | 423 | 303 | 897 | 1 091 |
| Depreciation and amortization 2) | 280 | 258 | 800 | 770 | 1 033 |
| Write-downs 3) | | | | | 10 |
| Operating profit (loss) | (197) | 165 | (497) | 127 | 48 |
| Of which | | | | | |
| EDB Business Partner | (67) | 120 | 69 | 281 | 377 |
| Satellite Services | 51 | 48 | 90 | 78 | 125 |
| Venture | 3 | 3 | (35) | (1) | (23) |
| Corporate functions and Group activities | (161) | (16) | (572) | (228) | (420) |
| Other/eliminations | (23) | 10 | (49) | (3) | (11) |
| 2) Of which amortization of Telenor's net excess values | 4 | 3 | 10 | 7 | 8 |
| 3) Of which write-downs of Telenor's net excess values | | | | | 5 |
| Capex | 291 | 193 | 650 | 511 | 832 |
| Investments in businesses | 301 | 15 | 1 575 | 285 | 332 |

EDB Business Partner

Revenues increased mainly due to acquisition of operations in the fourth quarter of 2005 and the first half year of 2006.

EBITDA decreased mainly due to lower sales of maintenance contracts and costs of NOK 144 million for workforce reduction. This was partially offset by positive effects from acquired operations.

Satellite Services

Revenues increased primarily due to growth within the VSAT business, partially offset by decreased revenues in the Inmarsat segment as a result of lower volume and prices.

Venture

Revenues increased mainly due to acquisition of new business within Opplysningen in 2005.

Corporate Functions and Group Activities

The increased EBITDA loss is largely due to gain on sales of properties in 2005 and higher costs related to our international mobile activities. In the third quarter of 2006 EBITDA was positively affected by NOK 16 million due to a one-time effect related to change of pension plan.

Other Profit and Loss Items for the Group

Depreciation, amortization and write-downs

| (NOK in millions) | 3rd quarter | | First three quarters | | Year |
|---|--------------|--------------|----------------------|--------------|---------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Depreciation 1) | 2 216 | 2 120 | 6 670 | 6 075 | 8 083 |
| Amortization 2) | 1 533 | 782 | 4 168 | 2 282 | 3 461 |
| Total depreciation and amortization | 3 749 | 2 902 | 10 838 | 8 357 | 11 544 |
| Write-downs 1) | 27 | 7 | 104 | 35 | 488 |
| Write-downs of goodwill | | (3) | | (34) | 46 |
| Write-downs 2) | 2 | | 16 | | 53 |
| Total write-downs | 29 | 4 | 120 | 1 | 587 |
| Total depreciation, amortization and write-downs | 3 778 | 2 906 | 10 958 | 8 358 | 12 131 |

1) Tangible assets
(property, plant
and equipment)

2) 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) | 3rd quarter | | First three quarters | | Year |
|---|-------------|------------|----------------------|--------------|--------------|
| | 2006 | 2005 | 2006 | 2005 | 2005 |
| Telenor's share of 1) | | | | | |
| Profit after taxes | 565 | 454 | 1 251 | 1 214 | 1 452 |
| Amortization of Telenor's net excess values | (3) | (12) | (10) | (42) | (46) |
| Write-downs of Telenor's net excess values | | | (11) | | (172) |
| Gains (losses) on disposal of ownership interests | | (7) | 6 | (4) | (1) |
| Net result from associated companies | 562 | 435 | 1 236 | 1 168 | 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 is included until 28 February 2006. Thereafter Glocalnet is consolidated as a subsidiary.

At the end of the third 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 30 September 2006, was NOK 24 billion. According to telecom analysts, VimpelCom had approximately 52 million mobile subscriptions at the end of the third quarter of 2006.

Financial items

| (NOK in millions) | 3rd quarter | | First three quarters | | Year 2005 |
|---|-------------|--------------|----------------------|----------|--------------|
| | 2006 | 2005 | 2006 | 2005 | |
| Financial income | 153 | 84 | 384 | 299 | 447 |
| | | | (1) | (1) | (1) |
| Financial expenses | (672) | (356) | 867) | 073) | 639) |
| Net foreign currency gains (losses) | (187) | 50 | (316) | 202 | 84 |
| Change in fair value of financial instruments | 894 | 97 | 669 | 86 | 243 |
| Net gains (losses) and write-downs | 5 | 3 | 1 805 | 487 | 518 |
| Net financial items | 193 | (122) | 675 | 1 | (347) |
| | | | (1) | (1) | (1) |
| Gross interest expenses | (669) | (367) | 854) | 104) | 594) |
| | | | (1) | | (1) |
| Net interest expenses | (549) | (308) | 568) | (913) | 309) |

Increased financial expenses were due to increased long-term interest-bearing liabilities following acquisitions of businesses.

Net foreign currency losses were primarily related to liabilities in other currencies than the functional currencies.

Change in fair value of financial instruments was related to marketable instruments and derivatives used for economic hedge of interest-bearing liabilities that do not fulfil the requirements for hedge accounting.

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 14% of profit before taxes. The gain on sale of shares in Inmarsat in the first quarter of 2006 of NOK 1.8 billion is not taxable. Tax income of NOK 2.4 billion related to the Sonofon case will be recognised in the fourth quarter of 2006 and is included in the estimation for the effective tax rate for the full year. Adjusted for these effects, the effective tax rate for 2006 is estimated at approximately 30%. The effective tax rate for the third quarter is estimated at approximately 27%. 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 30 September 2006 increased by NOK 29.3 billion compared to 30 June 2006, primarily due to the acquisition of Mobi 63 on 31 August 2006. For more information regarding the preliminary allocation of net assets and goodwill related to this acquisition, see further explanation under Business Combinations on page 20.

Net interest-bearing liabilities increased by NOK 9.1 billion in the quarter to NOK 47.3 billion as of 30 September 2006, mainly due to the NOK 11.98 billion acquisition of Mobi 63.

As a consequence of the acquisition of Mobi 63 Telenor was downgraded from A- to BBB+ by Standard & Poor's.

In accordance with the resolution from the Annual General Meeting of 23 May 2006, the share capital was reduced by NOK 158 million to NOK 10.082 million in the third quarter. This was done by cancelling 12.1

million of Telenor's own shares and by redeeming 14.2 million shares owned by the Kingdom of Norway.

The total number of outstanding shares was 1,680,274,570. As of 30 September 2006, Telenor did not own any treasury shares.

Translation differences increased equity in the third quarter of 2006 by NOK 2.7 billion, due to the depreciation of the Norwegian Krone compared to most of the functional currencies of Telenor's foreign subsidiaries and associated companies as of 30 September 2006, compared to 30 June 2006. No other significant transactions have been taken directly to equity during the third quarter of 2006.

Change in pension plan

In 2005 Telenor decided to close the defined benefit plan for new members of Telenor Pension Fund in Norway from 1 January 2006, and to offer existing members to switch to a defined contribution plan from 3 July 2006. More than 2000 employees chose to switch to a defined contribution plan. The voluntarily change of pension plan resulted in a one-time cost reduction for Telenor of NOK 193 million in the third quarter of 2006, which were allocated to the different segments affected. The cost reduction is mainly related to the difference between pension obligations recognised for these employees for accounting purposes and the paid up policy received by the employees accepting the plan.

Outlook for 2006

Based upon the strong results and positive development in the third quarter of 2006, the outlook for the full year has been adjusted compared to the report for the second quarter of 2006.

The strong growth in mobile subscriptions gives Telenor a solid foundation for further growth in revenues. We expect a growth in reported revenues of around 35%.

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 around 36%.

We expect high capital expenditure to continue, and capital expenditure as a proportion of revenues is expected to be around 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.

Telenor (the Group) consists of Telenor ASA (the Company) and its subsidiaries. Telenor ASA is a limited company incorporated in Norway. The condensed consolidated interim financial statements consist of the Group and the Group's interest in associated companies and joint ventures.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS34 Interim Financial Reporting. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with consolidated

financial statements of the Group as at and for the year ended 31 December 2005. These condensed consolidated interim financial statements are unaudited.

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, 25 October 2006

The Board of Directors of Telenor ASA

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.

Capital expenditure (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.

Operating cash flow is defined as EBITDA – Capex.

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.

Fixed Norway

Revenues

Telephony

consist of subscription and connection fee, traffic (fixed to fixed, fixed to mobile, to other countries, value added services, other traffic) 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.

Business Combinations

One significant business combination has been effected in the third quarter of 2006.

Telenor Serbia

On 31 August 2006, Telenor acquired 100% of the issued share capital of Mobi 63 d.o.o. in Serbia for a cash consideration of NOK 11.98 billion. The value was set based on an auction of 100% of Mobi 63 and a 10 year licence for GSM 900/1800 and 3G. The transaction has been accounted for by the acquisition method of accounting.

Telenor Serbia offers high quality mobile services to residential and business customers in Serbia.

The initial purchase price allocation has been determined provisionally due to completed valuation by independent financial experts of the fair values of assets acquired and liabilities assumed has not been completed yet. The preliminary net assets acquired in the transaction, and the goodwill arising, are as follows:

| (NOK in millions) | Estimated fair value |
|--|-----------------------------|
| Customer base | 380 |
| Licence | 2 572 |
| Software | 106 |
| Property, plant and equipment | 968 |
| Current assets excluding cash and cash equivalents | 81 |
| Bank and cash balances | |
| Deferred tax liability | (38) |
| Non-current assets | |
| Current assets | (50) |
| Net assets | 4 019 |
| Goodwill | 7 961 |
| Total consideration, satisfied by cash | 11 980 |

The goodwill arising on the acquisition of Telenor Serbia is attributable to the anticipated profitability of its operations.

Telenor Serbia contributed NOK 175 million in revenues and a profit of NOK 83 million to the Telenor Group's profit before tax for the period between the date of acquisition and 30 September 2006. This includes the results from the company and amortization of fair value adjustments, but does not include Telenor's interest expenses related to the financing of the acquisition.