

TELENOR ASA
Form 6-K
February 17, 2006

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**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: 16th February, 2006, for 4th Quarter, 2005**

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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TELENOR ASA FOURTH QUARTER 2005 RESULTS

The fourth quarter 2005 showed revenues of NOK 19,474 million. EBITDA before other income and expenses was NOK 6,831 million. Profit after taxes and minority interests was NOK 1,001 million. The Board will propose a dividend of NOK 2.00 per share for 2005

The fourth quarter 2005 showed revenues of NOK 19,474 million. Profit after taxes and minority interests was NOK 1,001 million. Earnings per share in the fourth quarter of 2005 were NOK 0.59. The Board will propose a dividend of NOK 2.00 per share for 2005, an increase from NOK 1.50 per share for 2004.

EBITDA before other income and expenses was NOK 6,831 million. The increased EBITDA margin was primarily due to the increased proportion of the mobile operations.

At the end of the fourth quarter the number of subscriptions in the consolidated mobile operations was 42.2 million. Capital expenditure amounted to NOK 6,432 million and increased due to strong customer growth in the international mobile operations and the purchase of a UMTS license in Denmark. On 26 October 2005 Telenor increased its ownership/economic exposure in Total Access Communications PCL (DTAC) by 16.6% to 56.9% for a cash consideration of NOK 1.5 billion. As of 31 December 2005, after the offers for DTAC and UCOM shares expired, Telenor's ownership/economic exposure in DTAC increased by a further 12.4% to 69.3% for a total cash consideration of NOK 1.2 billion. As of 31 December 2005, net interest-bearing debt in the companies was NOK 7.3 billion. DTAC was consolidated from 1 November 2005, while the operations in UCOM were reported as discontinued operations in the financial statements.

Telenor's mobile operations in Asia and Eastern/Central Europe are becoming increasingly important to the Group and dedicated Executive Vice Presidents have now been assigned to both regions. In addition, Telenor has also strengthened the co-ordination of operational and human resources across all countries in which it has operations, and two new Executive Vice Presidents have been appointed to the Group Management.

On 21 December 2005 a Norwegian Court of Appeal ruled in favour of Telenor in respect of Telenor's intra group sale of its shares in Sonofon Holding A/S. This sale triggered a tax loss of approximately NOK 8.6 billion, with corresponding reduced tax charges of approximately NOK 2.4 billion for the fiscal year 2001. The taxes were paid in 2003. The tax authorities have since appealed the decision to the Norwegian Supreme Court, and Telenor has consequently not taken the tax reduction to income.

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Vodafone Sweden was acquired for a consideration of EUR 1,035 million (NOK 8,170 million) including debt and will be consolidated from January 2006.

On 12 January 2006 Telenor disposed of 4.8% of the share capital in Inmarsat with a total sales proceeds of GBP 75.1 million (NOK 889 million) and a financial gain before taxes of GBP 74.4 million (NOK 880 million). Following the transaction, Telenor holds 4.6% of the shares in Inmarsat.

OUTLOOK FOR 2006

The strong growth in mobile subscriptions during 2005 gives Telenor a solid foundation for further growth in revenues. We expect a growth in reported revenues in the range of 25% to 30%, based upon the current Group structure. A continued high growth in EBITDA is expected, in particular driven by the international mobile operations. Telenor will continue previously introduced initiatives and identify new means of improving cost efficiency. Telenor expects an EBITDA margin before other income and expenses for 2006 of around 33%.

High capital expenditure is expected to continue, and capital expenditure as a proportion of revenues is expected to be above 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. We expect seasonal variations between the quarters.

PRESENTATION MATERIAL

Please find attached the presentation material from Telenor

Presentation material is also available on: <http://www.telenor.com/ir/presentations/4q05/> and on <http://www.telenor.no/om/ir/presentasjon/4kv05/>

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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
Title: CFO

Date: 16th February, 2006

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FOURTH QUARTER 2005

The fourth quarter of 2005 showed a growth in revenues for the Telenor Group of 26% to NOK 19.5 billion compared to the fourth quarter of 2004. Profit before taxes was NOK 2.7 billion.

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Telenor Group fourth quarter 2005

KEY POINTS IN THE QUARTER *)**Revenue growth of 26% underlying growth of 13% (**)****EBITDA margin before other income and expenses increased from 33.0% to 35.1%****Record high mobile subscription growth****Ownership/economic exposure in DTAC in Thailand increased to 69.3%****Nordic position strengthened through acquisition of Vodafone Sweden****KEY FIGURES ***)**

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Revenues	19,474	15,512	68,927	60,591
Revenues growth (%)	25.5	13.5	13.8	14.6
EBITDA before other income and expenses ¹⁾	6,831	5,114	24,078	21,383
EBITDA before other income and expenses/Revenues (%)	35.1	33.0	34.9	35.3
EBITDA	6,722	5,134	23,836	21,535
EBITDA/Revenues (%)	34.5	33.1	34.6	35.5
Adjusted operating profit ¹⁾	3,644	2,411	12,534	10,746
Adjusted operating profit/Revenues (%)	18.7	15.5	18.2	17.7
Operating profit	2,949	(1,055)	11,705	7,367
Operating profit/Revenues (%)	15.1	nm	17.0	12.2
Associated companies	65	140	1,233	986
Profit before taxes	2,666	(1,130)	12,591	9,874
Profit after taxes and minority interests	1,001	(430)	6,952	6,093
Earnings per share in NOK	0.59	(0.25)	4.06	3.49
Net interest-bearing liabilities			31,133	19,195
Investments:				
Cape ²⁾	6,436	4,122	16,439	12,745
Investments in businesses ³⁾	2,720	1,122	8,858	5,809

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Profit after taxes and minority interests was NOK 1,001 million. Earnings per share in the fourth quarter of 2005 were NOK 0.59.

The Board will propose a dividend of NOK 2.00 per share for 2005, an increase from NOK 1.50 per share for 2004.

EBITDA before other income and expenses was NOK 6,831 million. The increased EBITDA margin was primarily due to the increased proportion of the mobile operations.

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- 1) For reconciliation of EBITDA before other income and expenses and adjusted operating profit, see the table Reconciliations on page 19.
- 2) Capex is investments in tangible and intangible assets.
- 3) Comprises acquisitions of shares and participations, including acquisitions of subsidiaries and businesses not organised as separate companies.
- *) Compared to the fourth quarter of 2004, if not otherwise stated.

- ***) Underlying growth is defined as revenue growth adjusted for the effects of acquisition and disposal of operations, and currency effects.

 - ***) Telenor has changed its accounting treatment under IFRS for its Mobile Virtual Network Operator (MVNO) agreements in Norway and Sweden, both of which were entered into with the same counterparty. The identical fixed prepayments in Norway and Sweden are now eliminated at Group level. As a result of the change in accounting treatment, revenues, traffic costs and the provision for a loss contract has been eliminated on Group level for the full year and the fourth quarter of 2004. This change also affected the full year and the fourth quarter of 2005.
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Table of Contents**KEY FIGURES OPERATIONS****Revenues**

(NOK in millions)	Fourth quarter			Year		
	2005	2004	Growth	2005	2004	Growth
Telenor Mobil Norway	3,235	2,963	9.2%	12,243	11,730	4.4%
Sonofon Denmark	1,334	1,243	7.3%	5,191	4,404	17.9%
Kyivstar Ukraine	2,390	1,184	101.9%	7,272	4,219	72.4%
Pannon GSM Hungary	1,565	1,510	3.6%	6,061	5,907	2.6%
DiGi.Com Malaysia	1,452	1,004	44.6%	4,932	3,946	25.0%
GrameenPhone Bangladesh	850	570	49.1%	2,970	2,186	35.9%
Other mobile operations	1,491	179	733.0%	2,219	423	424.6%
Fixed	5,025	4,781	5.1%	19,313	19,256	0.3%
Broadcast	1,466	1,375	6.6%	5,649	5,346	5.7%
Other operations	2,538	2,461	3.1%	9,967	9,540	4.5%
Eliminations	(1,872)	(1,758)	nm	(6,890)	(6,366)	nm
Total revenues	19,474	15,512	25.5%	68,927	60,591	13.8%

EBITDA

(NOK in millions)	Fourth quarter				Year			
	2005	Margin ¹⁾	2004	Margin ¹⁾	2005	Margin ¹⁾	2004	Margin ¹⁾
Telenor Mobil Norway	1,186	36.7%	1,119	37.8%	4,471	36.5%	4,305	36.7%
Sonofon Denmark	308	23.1%	16	1.3%	1,176	22.7%	681	15.5%
Kyivstar Ukraine	1,359	56.9%	712	60.1%	4,050	55.7%	2,581	61.2%
Pannon GSM Hungary	534	34.1%	420	27.8%	2,185	36.1%	2,093	35.4%
DiGi.Com Malaysia	632	43.5%	443	44.1%	2,142	43.4%	1,732	43.9%
GrameenPhone Bangladesh	455	53.5%	338	59.3%	1,559	52.5%	1,313	60.1%
Other mobile operations	50	3.4%	(618)	nm	(343)	nm	(712)	nm
Fixed	1,543	30.7%	1,560	32.6%	5,885	30.5%	6,338	32.9%
Broadcast	331	22.6%	332	24.1%	1,516	26.8%	1,498	28.0%
Other operations	194	7.6%	221	9.0%	1,091	10.9%	1,114	11.7%
Eliminations	130	nm	591	nm	104	nm	592	nm
Total EBITDA	6,722	34.5%	5,134	33.1%	23,836	34.6%	21,535	35.5%

¹⁾ EBITDA as a percentage of revenues.

Table of Contents**Operating profit**

(NOK in millions)	Fourth quarter				Year			
	2005	Margin 1)	2004	Margin 1)	2005	Margin 1)	2004	Margin 1)
Telenor Mobil Norway	962	29.7%	827	27.9%	3,566	29.1%	3,228	27.5%
Sonofon Denmark	12	nm	(3,551)	nm	(109)	nm	(3,799)	nm
Kyivstar Ukraine	1,019	42.6%	555	46.9%	2,826	38.9%	2,026	48.0%
Pannon GSM Hungary	245	15.7%	87	5.8%	1,007	16.6%	777	13.2%
DiGi.Com Malaysia	356	24.5%	228	22.7%	1,099	22.3%	831	21.1%
GrameenPhone Bangladesh	289	34.0%	263	46.1%	1,120	37.7%	1,095	50.1%
Other mobile operations	(295)	nm	(767)	nm	(954)	nm	(903)	nm
Fixed	84	1.7%	653	13.7%	2,062	10.7%	2,725	14.2%
Broadcast	244	16.6%	118	8.6%	1,015	18.0%	750	14.0%
Other operations	(79)	(3.1%)	(24)	nm	48	0.5%	96	1.0%
Eliminations	112	nm	556	nm	25	nm	541	nm
Total operating profit	2,949	15.1%	(1,055)	nm	11,705	17.0%	7,367	12.2%

1) Operating profit as a percentage of revenues.

As of 1 January 2005, Telenor's unaudited interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting. As a consequence of the transition to IFRS, certain of Telenor's accounting principles have been changed compared to Telenor's financial statements for the year and quarters of 2004, which were prepared according to Norwegian Generally Accepted Accounting Principles (N GAAP). The figures for the comparable periods of 2004 have been restated to comply with IFRS. The main changes are discussed in the first quarter report for 2005. In addition Telenor has changed its accounting treatment under IFRS for its Mobile Virtual Network Operator (MVNO) agreements in Norway and Sweden as discussed above. Accounting figures and key figures for periods prior to 2004 have not been restated to comply with IFRS. Reference is made to Telenor's reports for the first, second and third quarter of 2005 for statements related to these quarters.

Table of Contents**TELENOR S OPERATIONS**

Unless otherwise stated, the statements below are related to Telenor s development in the fourth quarter of 2005 compared to the fourth quarter of 2004.

MOBILE OPERATIONS**TELENOR MOBIL NORWAY**

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	2,120	2,021	8,148	7,879
Interconnection revenues	454	430	1,754	1,613
Mobile revenues company s subscriptions	2,574	2,451	9,902	9,492
Other mobile revenues	526	370	1,825	1,513
Total mobile revenues	3,100	2,821	11,727	11,005
Non-mobile revenues	135	142	516	725
Total revenues ¹⁾	3,235	2,963	12,243	11,730
¹⁾ Of which internal revenues	281	289	1,171	1,226
EBITDA	1,186	1,119	4,471	4,305
Depreciation and amortization ¹⁾	222	281	889	1,062
Write-downs	2	11	16	15
Operating profit	962	827	3,566	3,228
¹⁾ Of which amortization of Telenor s net excess values	1	1	4	1
EBITDA/Total revenues (%)	36.7	37.8	36.5	36.7
Operating profit/Total revenues (%)	29.7	27.9	29.1	27.5
Capex	461	172	1,218	973
Investments in businesses		52		52
ARPU monthly (NOK)	317	318	309	323
No. of subscriptions (in thousands)			2,731	2,645

The number of contract subscriptions increased by 58,000, while the total number of subscriptions decreased by 5,000.

Telenor Mobil s estimated market share was 56%, in line with the end of the third quarter of 2005.

ARPU remained stable. Price reductions were offset by increased average usage per subscription (AMPU).

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Mobile revenues company's subscriptions were positively affected by an increase in subscriptions. Other mobile revenues increased due to higher revenues from the sale of capacity on a wholesale basis. Total mobile revenues increased by approximately 10%. In the fourth quarter of 2004 and 2005 revenues were positively affected by accruals between the quarters.

The EBITDA margin decreased primarily due to higher costs related to sales and marketing activities.

The decrease in depreciation and amortization was partially due to an extension of the estimated useful life of certain assets from 1 January 2005.

One of Telenor's GSM 900 licences has been renewed until 31 December 2017. This involves capital expenditure of NOK 186 million in the fourth quarter of 2005. The increase in capital expenditure, adjusted for the renewal of the GSM 900 licence, was primarily related to accelerated rollout of UMTS sites as specified in the licence requirements.

In September 2005, the Norwegian regulatory authorities decided to reduce interconnection charges in the Norwegian market for mobile telephony. Prior to the decision the interconnection charges consisted of a call set up charge of NOK 0.20 and a charge per minute of NOK 0.63. A maximum average minute charge, including set-up charges, of NOK 0.73 was also made applicable. From 1 November 2005, Telenor Mobil was instructed to reduce its interconnection charges, including the set-up charges, by NOK 0.05 to NOK 0.68. From 1 July 2006 a further adjustment of Telenor Mobil's interconnection charges of NOK 0.03, would reduce the charges to NOK 0.65. Telenor Mobil has appealed the decision, and the implementation has been temporarily suspended until a final decision is made.

Due to TeliaSonera's acquisition of Chess in 2005, Telenor Mobil has terminated its service provider contract with Chess.

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SONOFON DENMARK

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	595	502	2,361	1,813
Interconnection revenues	347	292	1,300	986
Mobile revenues company s subscriptions	942	794	3,661	2,799
Other mobile revenues	156	143	638	571
Total mobile revenues	1,098	937	4,299	3,370
Non-mobile revenues	236	306	892	1,034
Total revenues ¹⁾	1,334	1,243	5,191	4,404
¹⁾ Of which internal revenues	34	20	132	53
EBITDA	308	16	1,176	681
Depreciation and amortization ¹⁾	296	277	1,285	1,190
Write-downs ²⁾		3,290		3,290
Operating profit	12	(3,551)	(109)	(3,799)
¹⁾ Of which amortization of Telenor s net excess values	133	156	555	551
²⁾ Of which write-downs of Telenor s net excess values		3,075		3,075
EBITDA/Total revenues (%)	23.1	1.3	22.7	15.5
Operating profit/Total revenues (%)	0.9	nm	nm	nm
Capex	757	76	1,062	388
Investments in businesses	4		4	3,786
ARPU monthly (NOK)	246	207	243	227
No. of subscriptions (in thousands)			1,284	1,275

Compared to the fourth quarter of 2004, the Norwegian Krone appreciated against the Danish Krone by approximately 4% in the fourth quarter of 2005. The preceding table, the column for the full year 2004 includes figures from the time of consolidation (12 February 2004).

The number of subscriptions increased by 23,000.

Sonofons estimated market share was 27%, in line with the third quarter of 2005.

ARPU in local currency increased by 24% primarily due to increased average usage (AMPU).

Measured in local currency, total mobile revenues increased by approximately 22%, primarily due to the increase in ARPU.

The decrease in non-mobile revenues was primarily due to lower revenues from the sale of customer equipment.

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EBITDA increased considerably, primarily due to higher revenues and a decrease in operating expenses, including costs related to sales and marketing activities. The fourth quarter of 2004 included one-time items that effected EBITDA negatively.

The increase in depreciation and amortization was partially due to a reduction of the estimated useful life of certain assets from 1 January 2005. The fourth quarter of 2004 included items that decreased depreciations.

On 19 December 2005, Sonofon acquired a UMTS license for NOK 574 million, of which NOK 143 million was paid in 2005 and the remaining in ten annual instalments. The high capital expenditure was primarily due to the acquisition of the UMTS license, which was included with a discounted value of NOK 520 million.

In January 2006, the Danish regulatory authorities decided to reduce the interconnection charges in the Danish market for mobile telephony. From 1 May 2006, Sonofon is instructed to reduce its interconnection charges, including set-up charges, from the current DKK 0.94 0.96 to DKK 0.84. From 1 May 2007, the interconnection charges will be further reduced to DKK 0.72 and from 1 May 2008, to DKK 0.62.

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KYIVSTAR UKRAINE

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	1,720	810	5,122	2,961
Interconnection revenues	606	327	1,888	1,068
Mobile revenues company s subscriptions	2,326	1,137	7,010	4,029
Other mobile revenues	33	25	158	122
Total mobile revenues	2,359	1,162	7,168	4,151
Non-mobile revenues	31	22	104	68
Total revenues ¹⁾	2,390	1,184	7,272	4,219
¹⁾ Of which internal revenues	1	1	6	2
EBITDA	1,359	712	4,050	2,581
Depreciation and amortization ¹⁾	325	157	1,209	555
Write-downs	15		15	
Operating profit	1,019	555	2,826	2,026
¹⁾ Of which amortization of Telenor s net excess values	24	21	93	93
EBITDA/Total revenues (%)	56.9	60.1	55.7	61.2
Operating profit/Total revenues (%)	42.6	46.9	38.9	48.0
Capex	890	1,024	3,650	2,608
Investments in businesses				35
ARPU monthly (NOK)	64	68	61	85
No. of subscriptions (100% in thousands)			13,925	6,252

At the end of the fourth quarter of 2005, Telenor s ownership interest in Kyivstar was 56.5%. Compared to the fourth quarter of 2004, the Norwegian Krone depreciated against the Ukrainian Hryvnia by approximately 11% in the fourth quarter of 2005.

Kyivstar had a record growth of 3 million subscriptions in the fourth quarter of 2005. Compared to the fourth quarter of 2004, the number of subscriptions more than doubled, with an increase of 7.7 million.

Kyivstar defended its position as market leader with an estimated market share of 46%.

The decrease in ARPU was primarily due to price reductions. Despite the strong subscription growth, AMPU increased by 13%.

Measured in local currency, revenues increased by 85% primarily due to the increased number of subscriptions. This was partially offset by a reduction in ARPU. ARPU was positively affected by approximately NOK 2 by accruals between the quarters.

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EBITDA in local currency, increased by 74%. The decrease in the EBITDA margin was primarily due to a decrease in prices and a significant increase in costs associated with sales and marketing activities due to strong subscription growth. The EBITDA margin was positively affected by approximately 3 percentage points by accruals between the quarters.

Depreciation and amortization increased as a result of increased capital expenditure in the intervening quarters and a reduction of the estimated useful life of certain assets as from 1 January 2005.

In the fourth quarter of 2004 capital expenditure was very high as a result of Kyivstar being somewhat behind on capacity investments due to the high customer intake. In 2005, Kyivstar has been able to be in front of the development resulting in a more even distribution of investments throughout the year. Capital expenditure in the fourth quarter of 2005 therefore decreased compared to the fourth quarter of 2004.

Kyivstar along with other major mobile operators in Ukraine have disputes with the Ukrainian Tax Authority regarding a claim for VAT on the Pension Fund Duty charged on subscribers' phone bills. Kyivstar considers this an invalid tax. A lower court decision 13 February 2006 was issued invalidating the tax claim concerning the same issues involving another mobile operator in the Ukraine. Telenor has not made provisions for this claim.

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PANNON GSM HUNGARY

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	960	920	3,768	3,669
Interconnection revenues	431	442	1,735	1,731
Mobile revenues company s subscriptions	1,391	1,362	5,503	5,400
Other mobile revenues	20	32	144	142
Total mobile revenues	1,411	1,394	5,647	5,542
Non-mobile revenues	154	116	414	365
Total revenues ¹⁾	1,565	1,510	6,061	5,907
¹⁾ Of which internal revenues	4	3	10	6
EBITDA	534	420	2,185	2,093
Depreciation and amortization ¹⁾	285	312	1,171	1,295
Write-downs	4	21	7	21
Operating profit	245	87	1,007	777
¹⁾ Of which amortization of Telenor s net excess values	84	89	345	358
EBITDA/Total revenues (%)	34.1	27.8	36.1	35.4
Operating profit/Total revenues (%)	15.7	5.8	16.6	13.2
Capex	261	820	763	1,166
ARPU monthly (NOK)	162	171	162	173
No. of subscriptions (in thousands)			2,929	2,770

Compared to the fourth quarter of 2004, the Norwegian Krone appreciated against the Hungarian Forint by approximately 5% in the fourth quarter of 2005.

The number of subscriptions increased by 73,000. Compared to the fourth quarter of 2004, the number of contract subscriptions increased by 246,000.

Pannon GSM s market share was 34%, in line with the third quarter of 2005.

ARPU in local currency was stable. Lower average prices were offset by increased average usage (AMPU) of 14%.

Measured in local currency, mobile revenues increased by 7%, primarily due to an increase in the number of subscriptions. Non-mobile revenues increased primarily due to higher revenues from the sale of handsets.

The improvement in the EBITDA margin was primarily due to growth in revenues and lower costs relating to sales and marketing activities. In addition, previously expensed Universal Service Obligations for 2004 were reversed following an authority decision. This reversal affected the EBITDA margin positively by approximately 2 percentage points. EBITDA, measured in local currency, increased by 34%.

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Depreciation and amortization decreased due to certain fixed assets being fully depreciated and due to an extension of the estimated useful life of certain assets from 1 January 2005.

The decrease in capital expenditure was due to the acquisition of a UMTS license in the fourth quarter of 2004.

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DIGI.COM MALAYSIA

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	1,198	739	3,949	2,794
Interconnection revenues	159	143	594	571
Mobile revenues company s subscriptions	1,357	882	4,543	3,365
Other mobile revenues	18	13	65	65
Total mobile revenues	1,375	895	4,608	3,430
Non-mobile revenues	77	109	324	516
Total revenues ¹⁾	1,452	1,004	4,932	3,946
¹⁾ Of which internal revenues	2		4	3
EBITDA	632	443	2,142	1,732
Depreciation and amortization ¹⁾	273	215	1,038	901
Write-downs	3		5	
Operating profit	356	228	1,099	831
¹⁾ Of which amortization of Telenor s net excess values	4	17	51	72
EBITDA/Total revenues (%)	43.5	44.1	43.4	43.9
Operating profit/Total revenues (%)	24.5	22.7	22.3	21.1
Capex	574	427	1,170	920
ARPU monthly (NOK)	102	98	98	107
No. of subscriptions (100% in thousands)			4,795	3,239

At the end of the fourth quarter of 2005, Telenor s ownership interest in DiGi was 61.0%. Compared to the fourth quarter of 2004, the Norwegian Krone depreciated against the Malayan Ringgit by approximately 6% in the fourth quarter of 2005.

DiGi experienced a strong growth in subscriptions in the fourth quarter of 2005, with a total of 608,000 net additions. The increase from the fourth quarter of 2004 was 1.6 million.

DiGi s market share continued to increase and was estimated at 25% at the end of 2005.

ARPU in local currency decreased by 2% primarily as a result of dilution due to strong subscription growth.

Measured in local currency, total mobile revenues increased by 46%, while revenues from subscription and traffic increased by 54%, primarily due to the higher subscription base.

Non-mobile revenues, mainly coming from the international carrier business, decreased due to lower volumes and price reductions.

The EBITDA margin decreased slightly, while EBITDA in local currency increased by 35%.

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Depreciation and amortization increased mainly as a result of a reduction of the estimated useful life of certain assets from 1 January 2005 and increased capital expenditure in the intervening quarters.

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

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GRAMEENPHONE BANGLADESH

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Subscription and traffic	769	529	2,741	2,064
Interconnection revenues	63	35	188	90
Mobile revenues company s subscriptions	832	564	2,929	2,154
Other mobile revenues	6	6	22	24
Total mobile revenues	838	570	2,951	2,178
Non-mobile revenues	12		19	8
Total revenues ¹⁾	850	570	2,970	2,186
¹⁾ Of which internal revenues	1		1	
EBITDA	455	338	1,559	1,313
Depreciation and amortization	166	72	439	215
Write-downs		3		3
Operating profit	289	263	1,120	1,095
EBITDA/Total revenues (%)	53.5	59.3	52.5	60.1
Operating profit/Total revenues (%)	34.0	46.1	37.7	50.1
Capex	1,153	482	2,596	1,318
Investments in businesses		298		298
ARPU monthly (NOK)	56	87	68	104
No. of subscriptions (100% in thousands)			5,542	2,388

At the end of the fourth quarter of 2005, Telenor s ownership interest in GrameenPhone was 62.0%. Compared to the fourth quarter of 2004, the Norwegian Krone appreciated against the Bangladeshi Taka by approximately 5% in the fourth quarter of 2005.

GrameenPhone had a record high subscription growth of 1.3 million in the fourth quarter of 2005. Compared to the fourth quarter of 2004, the number of subscriptions more than doubled, with an increase of 3.2 million subscriptions.

GrameenPhone s estimated market share was 62%, in line with the previous quarter.

ARPU in local currency decreased by 33%, primarily due to decrease in average prices and dilution due to strong subscription growth.

Measured in local currency, total revenues increased by 56%, primarily due to the increased number of subscriptions. This was partially offset by a reduction in ARPU.

EBITDA in local currency increased by 13% primarily due to growth in revenues. The decrease in the EBITDA margin was primarily a result of increased sales and acquisition costs due to the strong subscription growth, as well as price reductions. In 2005, GrameenPhone partially subsidised

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royalty and license fees as well as a SIM-tax per new subscription. In the fourth quarter of 2005, a contract for the lease of fibre network previously recognised as an operating lease is now being recognised as a financial lease under IFRS. The fourth quarter includes the effect from 1 January 2005. This had a positive effect on EBITDA of NOK 87 million and operating profit of NOK 46 million.

Depreciation and amortization increased as a result of increased capital expenditure in the intervening quarters, the change in the accounting treatment of the lease mentioned above and a reduction of the estimated useful life of certain network components.

Increased capital expenditure was due to the extension of mobile coverage in new regions and increased mobile network capacity due to strong subscription growth. The reporting of the lease mentioned above increased capital expenditure by NOK 511 million.

In the second quarter of 2005, the Bangladeshi Telecommunication Regulatory Commission requested that GrameenPhone pay royalty and license fees on handsets according to the license requirements. The legitimacy and amounts payable have not yet been clarified. Telenor is of the opinion that necessary provisions have been made.

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OTHER MOBILE OPERATIONS

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Revenues				
DTAC Thailand	1,191		1,191	
Telenor Pakistan	140		265	
ProMonte GSM Montenegro	112	118	519	200
Telenor Mobile Sweden	48	61	244	223
Total revenues ¹⁾	1,491	179	2,219	423
¹⁾ Of which internal revenues	33	26	143	88
EBITDA				
DTAC Thailand	445		445	
Telenor Pakistan	(133)	(45)	(572)	(78)
ProMonte GSM Montenegro	47	46	260	91
Telenor Mobile Sweden	(309)	(619)	(476)	(725)
Total EBITDA	50	(618)	(343)	(712)
Depreciation and amortization ¹⁾	345	74	611	116
Write-downs		75		75
Operating profit	(295)	(767)	(954)	(903)
Of which:				
DTAC Thailand	225		225	
Telenor Pakistan	(218)	(45)	(798)	(78)
ProMonte GSM Montenegro	7	(2)	95	24
Telenor Mobile Sweden	(309)	(720)	(476)	(849)
¹⁾ Of which amortization of Telenor's net excess values	55	25	115	32
Capex				
DTAC Thailand	146		146	
Telenor Pakistan	496	153	1,843	1,993
ProMonte GSM Montenegro	21	13	38	16
Telenor Mobile Sweden		6		17
Investments in businesses	2,664	1	2,664	541

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(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
No. of subscriptions (in thousands)				
DTAC Thailand			8,677	
Telenor Pakistan			1,868	
ProMonte GSM			310	279
Telenor Mobile Sweden			95	105

Other mobile operations include DTAC (Total Access Communication PCL), Telenor Pakistan, ProMonte GSM and Telenor Mobile Sweden. DTAC is consolidated from 1 November 2005. The operation in Pakistan was established in the second quarter of 2004. ProMonte GSM was an associated company up until 12 August 2004, at which time Telenor acquired the remaining shares. Compared to the fourth quarter of 2004, the Norwegian Krone depreciated by approximately 6% against the Pakistani Ruppi and appreciated by approximately 4% against the Euro, which is the functional currency of ProMonte GSM, and by approximately 8% against the Swedish Krone in the fourth quarter of 2005. The preceding table shows figures for DTAC and ProMonte from the time of consolidation.

DTAC

The number of subscriptions increased by 368,000 in the fourth quarter in 2005.

DTAC's estimated market share was 28%, in line with the end of the third quarter of 2005.

Revenues and EBITDA margin for the fourth quarter of 2005 were NOK 1.9 billion and 38%, respectively.

Compared to the third quarter of 2005, ARPU in local currency increased by approximately 6%.

DTAC has a service concession arrangement 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 some of its services, to CAT Telecom, will increase from 20% to 25% in the fourth quarter of 2006.

Investments in businesses in the table above are related to the increased ownership/economic exposure in DTAC to 69.3%.

For the period from 1 November to 31 December 2005, UCOM's profit after taxes has been recognised in Telenor's profit and loss statement as Profit after taxes from discontinued operations. The corresponding assets and liabilities have been recognised in Telenor's balance sheet as of 31 December 2005 as held for sale.

Telenor Pakistan

Telenor Pakistan experienced a strong growth in the fourth quarter of 2005, with net additions of 668,000 subscriptions. Telenor Pakistan's estimated market share was 9%, an increase of 2 percentage points compared to the end of the third quarter of 2005.

Compared to the third quarter of 2005, revenues increased due to strong subscription growth and increase in ARPU.

Capital expenditure in the fourth quarter was mainly related to expansion of the mobile network into new regions.

ProMonte GSM Montenegro

The number of subscriptions decreased by 84,000 during the fourth quarter of 2005 as Montenegro entered the low season for tourism.

ProMonte GSM s estimated market share at the end of 2005 was 58% compared to 59% at the end of the third quarter of 2005.

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Telenor Mobile Sweden

In the first quarter of 2006 Telenor Mobile Sweden will transfer its mobile traffic to Vodafone Sweden's network. This resulted in a provision for loss on the MVNO agreement of NOK 291 million in the fourth quarter of 2005, of which NOK 116 million were related to prepayments.

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(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Revenues				
Norway	4,186	4,353	16,867	17,545
Other operations	887	467	2,581	1,829
Eliminations	(48)	(39)	(135)	(118)
Total revenues ¹⁾	5,025	4,781	19,313	19,256
¹⁾ Of which internal revenues	602	507	2,173	1,823
EBITDA	1,543	1,560	5,885	6,338
Depreciation and amortization ¹⁾	850	867	3,236	3,573
Write-downs ²⁾	609	40	587	40
Operating profit	84	653	2,062	2,725
¹⁾ Of which amortization of Telenor's net excess values	(6)	6	66	7
²⁾ Of which write-downs of Telenor's net excess values	10	(22)	(24)	(22)
EBITDA/Total revenues (%)	30.7	32.6	30.5	32.9
Operating profit/ Total revenues (%)	1.7	13.7	10.7	14.2
Capex	1,237	609	2,776	1,791
Investments in businesses	(20)	9	5,816	105

Bredbandsbolaget and Cybercity were consolidated with effect from 8 July and 5 July 2005, respectively.

In the fourth quarter of 2005 Fixed entered into an agreement to dispose of its operations in the Czech Republic and Slovakia with a loss of NOK 63 million.

In the fourth quarter of 2005 Telenor changed its accounting treatment under IFRS for transactions that provide the rights to use assets, such as local loop unbundling. Such transactions are now recognised as leases. Prepaid costs in such leases have been reclassified from operating costs to depreciation and amortization.

FIXED NORWAY

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Revenues				
Telephony	1,751	2,009	7,232	8,268
xDSL/Internet	536	466	2,039	1,753

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(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Data services	238	249	963	1,022
Other revenues	366	386	1,465	1,656
Total retail revenues	2,891	3,110	11,699	12,699
Wholesale revenues	1,295	1,243	5,168	4,846
Total revenues ¹⁾	4,186	4,353	16,867	17,545
¹⁾ Of which internal revenues	623	522	2,190	1,842
EBITDA	1,377	1,570	5,701	6,330
Depreciation and amortization ¹⁾	692	774	2,707	3,251
Write-downs ²⁾	(1)	2	(25)	2
Operating profit	686	794	3,019	3,077
¹⁾ Of which amortization of Telenor's net excess values		1		2
²⁾ Of which write-downs of Telenor's net excess values	(2)	2	(36)	2
EBITDA/Total revenues (%)	32.9	36.1	33.8	36.1
Operating profit/Total revenues (%)	16.4	18.2	17.9	17.5
Capex	917	457	2,169	1,473
Investments in businesses		1	44	2
No. of PSTN subscriptions (in thousands)			1,089	1,182
No. of ISDN subscriptions (lines in thousands)			1,227	1,449
No. of xDSL subscriptions (in thousands)			475	326

Compared to the third quarter of 2005 the trend from previous quarters continued in the fourth quarter, with an increase in the number of xDSL and broadband telephony (BBT) subscriptions and a decrease in the number of PSTN/ISDN subscriptions.

The number of xDSL subscriptions increased by 31,000 to 475,000 and the number of BBT subscriptions increased by 16,000 to 24,000, while the number of PSTN/ISDN subscriptions decreased by 52,000 to 1,604,000. Compared to the fourth quarter 2004 the number of PSTN/ISDN subscriptions decreased by 196,000.

Telenor's estimated market share for xDSL was 58% compared to 59% at the end of the third quarter of 2005. Measured in traffic minutes Telenor's estimated market share was 66%, in line with the end of the third quarter of 2005.

Total revenues decreased by 3.8%. The decrease in revenues from telephony and data services was partially offset by the increase in revenues from xDSL/Internet and wholesale.

Revenues from telephony decreased due to a reduction in the number of subscriptions and reduced traffic volumes. The number of subscriptions decreased primarily due to migration to BBT with other fixed network operators, as well as a decrease in the total market for fixed telephony subscriptions. The decrease in traffic volumes was due to a decrease in the number of voice minutes per subscription as a result of migration of voice traffic from fixed to mobile telephony.

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Revenues from xDSL/Internet increased due to growth in the number of xDSL subscriptions. This was partially offset by reduced revenues from Internet traffic and Internet subscriptions.

The decrease in revenues from data services was due to price reductions and a shift towards products with lower prices.

Other revenues were in line with the fourth quarter of 2004. Increased revenues from sale of other retail products and sale of services to other operations within Telenor offset the decrease in revenues from operation of telephony solutions.

Wholesale revenues were in line with the fourth quarter of 2004. Increased revenues from telephony, broadband, local loop unbundled subscriptions and contractor services, offset decreased revenues from transit traffic.

Adjusted for one-time items and accruals between the quarters in 2004 and 2005 there was a reduction in the EBITDA margin of approximately 3 percentage points due to operational challenges mainly related to increased speed for xDSL subscriptions and increased distribution of corporate costs.

The change in accounting treatment of prepaid costs in leases mentioned above had a positive effect on EBITDA of NOK 105 million for the full year and the fourth quarter of 2005. Operating profit was not affected. Capital expenditure increased by NOK 463 million. The fourth quarter of 2004 included one time items that affected the EBITDA margin positively by approximately 3 percentage points.

The decrease in depreciation and amortization was primarily due to a reduction in capital expenditure in recent years.

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FIXED OTHER OPERATIONS

(NOK in millions)	Fourth quarter		Year	
	2005	2004	2005	2004
Revenues				
Fixed Sweden	676	422	2,096	1,654
Fixed Denmark	164		306	
Other countries/eliminations *)	47	45	179	175
Total revenues ¹⁾	887	467	2,581	1,829
¹⁾ Of which internal revenues	27	23	118	99
EBITDA				
Fixed Sweden	183	(3)	158	9
Fixed Denmark	49		97	
Other countries/eliminations *)	(66)	(4)	(70)	6
Total EBITDA	166			