



MARKET

The exceptional growth in the telecom market in Pakistan makes it the fastest growing sector of the economy. Pakistan's telecom market has become one of the most competitive markets with the most potential for expansion, attracting investors from



all over the globe. Mobile technology came to Pakistan in the late 90s and was initially seen as a luxury item meant only for the rich due to the multiple high costs. Today, with major reforms and competition, it is accepted as a basic communication medium for all socio-economic segments.

Based on numbers published on the Pakistan Telecom Authority (PTA) website for September 2008, the total number of subscribers is 90.20 million. As a younger joiner in the telecom market in 2005, Telenor faced challenges entering and overcoming the public, but has now deeply penetrated the industry and is quickly becoming Pakistan's fastest growing cellular family.

ACHIEVEMENTS

As the most innovative cellular company in Pakistan, Telenor offers its customers products and services a notch above others. A company driven by the needs of its customers, Telenor has always aimed to lead the way in providing quality cellular coverage to each corner of the country. With the largest data network, Telenor boasts the widest EDGE coverage anywhere in Pakistan.

The data technology transfer by Telenor means greater mobile benefits for the end consumers. Users can access the Internet and all its services at greater speeds and with more reliability with Telenor Edge. The current trends in the telecom industry inform a push towards more options introduced in value added services (VAS). With VAS as the new battleground, Telenor is definitely coming out as the leader, with its extensive list of immensely popular value added services.

Telenor has been the recipient of multiple awards not only for its communication, brand image, products and services, but also for its internal corporate culture. Over the years it has

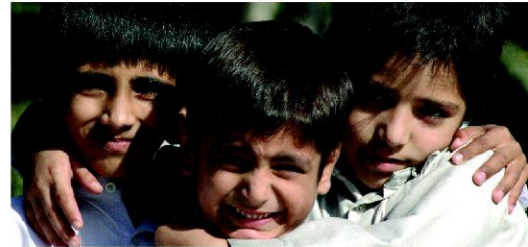
achieved success with customers, employees, shareholders, the public sector and the community as a whole.

Telenor Pakistan now has more than 18 million customers – a landmark it has achieved in slightly more than 3 years of operations. As an evidence of its brand strength in the market, it won both the awards for 'Most Innovative Mobile Operator' and 'Mobile Operator with the Most Consumer Pull' at the 6th SAARC Communication Industry Conference 2007. It also won the "Mobile Operator with Most Consumer Pull" award by Voice & Data magazine of India for 2008 and "Buzziest Brand of the Year" award, based on opinion of thousands of marketing, advertising and media professionals throughout Pakistan.

Telenor's advertising campaigns swept clean the National Aurora Awards that evaluated the best communications in the country over years from 2002-2006. Telenor Pakistan made the final nominations in 5 media categories out of which it eventually won three Aurora Awards. The Aurora Awards are Pakistan's premier certification of merit for marketing excellence. Telenor Pakistan also consecutively received the Telenor Brand Award in Norway out of thirteen Telenor operators worldwide second time in a row.

Telenor has promoted a culture focused on talent, performance and values, and attracts the top human resource in the market. It has been recognised by the Pakistan Society of Human Resource Management as the Most Preferred Telecommunications Company 2007.

In FY06-07, the company grew nearly 200% in terms of customers, experiencing the highest growth in the industry by a wide margin compared



to its competitors.

Telenor Pakistan came out with the first-ever Corporate Responsibility report in the mobile industry, setting new standards of transparency and responsibility. Going a step further than conventional corporate documents, the report proposes a specific principle of corporate responsibility efforts in the Pakistani market: the principle of shared value.

Telenor Pakistan won the first Universal Service Fund project to provide communication services to the un-served villages of the Malakand division. The company has also achieved great

success in attracting additional customers after the launch of Mobile Number Portability and currently has the distinction of having highest number of port-in customers.

Telenor ASA, Telenor Pakistan's parent



company has now become the 7th largest mobile operator in the world, with 159 million subscribers. Telenor ASA is recognised on prestigious international Corporate Responsibility indexes such as Dow Jones Sustainability Indexes, FTSE4Good, Storebrand's Best in Class distinction. Telenor has been recognised two years in a row as number 1 on Dow Jones Sustainability Index for 2007 and 2008. It ranks at no. 25 overall and no.5 in Europe in Business Week's global ranking of the top 100 performers in the technology industry.

HISTORY

Telenor was originally founded in 1855 as a telegraph services provider in Norway. Since then, for over 150 years, Telenor has pioneered communications technology. Due to its birthplace's long distances and harsh weather conditions, Telenor's innovation was necessary to enable movement and development across Scandinavia.

Telenor ASA is an international provider of high quality telecommunications, data and media communication services. Telenor Pakistan is 100% owned by Telenor ASA and adds on to its operations in Asia together with Thailand, Malaysia and Bangladesh.

Telenor Pakistan launched its operations in March 2005 as the single largest direct European investment in Pakistan, setting precedence for further foreign investments in the telecom sector. As one of the largest mobile networks in the country, its coverage reaches deep into many of the remotest areas of Pakistan. In the most difficult terrains of the country, from the hilly northern areas to the sprawling deserts in the south, at times Telenor is the only operator connecting the previously unconnected.

By investing heavily in infrastructure expansion, Telenor is leading the telecom industry in Pakistan. With approximately USD 2 billion already invested, it has extended agreements with vendors for network expansion and services until 2009. The agreements, with a potential to result

in USD 750 million worth of orders from Telenor Pakistan, are some of the most exponential of their kind in the industry.

Telenor spreads across Pakistan, creating 2,500 direct and 25,000-plus indirect employment opportunities. With a network of 15 company-owned sales and service centres, more than 200 franchisees and some 120,000 retail outlets and over 18 million customers in three plus years, Telenor is the fastest growing cellular network in Pakistan.

THE PRODUCT

Telenor is a GSM cellular provider that offers a host of voice and data products and services along with high-speed GPRS connectivity. Within this, Telenor provides prepaid and postpaid packages to subscribers across the country. It launched Talkshawk, as its prepaid brand for the mass market, in 2006 that quickly became the most popular prepaid connection in the country. A niche market created for the youth brought the introduction of djuice, with low voice and SMS rates. To cater to the wide needs of the corporate sector, Telenor introduced its premium postpaid brand, Persona. All of Telenor's postpaid and prepaid packages offer a comprehensive range of value added services.

With a rich portfolio of products and services,



Telenor has the edge of introducing products which are industry firsts and provide consumers with more convenient options of communication. The brand is truly customer centric. By understanding the customer's needs which have changed and are constantly evolving, driving Telenor to continuously innovate in terms of its products and services. It is also the only telecom company with the widest EDGE/GPRS coverage, making it the largest data network. Unique products launched for the first time in Pakistan by Telenor include Mobile TV, In-flight mobile connectivity with Emirates Airlines, Telenor SmartShare, Ask Telenor, Telenor Teledoctor, Telenor Web Self Service, Telenor Bubble Message and many more.

RECENT DEVELOPMENTS

Pakistan's favourite prepaid brand Talkshawk is fast taking the position of most sought after and talked about brand in the market. Talkshawk with its latest communication has revamped itself into a brand that not only delivers great packages and rates but it also aspires, engages, attracts and entertains its customers to experience telecommunication in a totally exuberant style.

After expanding its business to Asia with operations in Pakistan, Malaysia, Thailand and Bangladesh, Telenor muscles deeper into the region and now plans to launch its Indian operation in 2009.

Telenor Pakistan has been offering innovative services to its customers; be it Telenor Easy Load or Telenor Mobile TV, or the largest Data Edge Network. Telenor promises to offer apt and up-

to-date products and services. Telenor TeleDoctor 1911, first of its kind mobile medical service in the Pakistan telecom industry sets a new benchmark for corporate social responsibility in the industry, since it provides valuable expert medical advice to Telenor Pakistan subscribers at nominal charges. On the Human Resource side, Telenor Brand Ambassador, a challenging internship programme, is a landmark initiative launched to groom the human potential of fresh university graduates and to mould their character and skills for their future professional lives.

PROMOTION

Telenor started with a burst of freshness in the current telecom advertising/marketing scenario. With a change in its corporate logo internationally, Telenor re-launched itself with the symbol representing movement and change, furthering its position on innovation. "Telenor – The Smart Call" has been the perfect signoff to attract new customers and please its existing ones. With a line that just makes sense, Telenor has embedded itself in to households in cities and villages alike.

A new look in its corporate campaign reinforced its message "Karoron Khushiyon Ki Rahguzar" (the road to a million delights). Its new communication really connected with consumers across Pakistan. Telenor's extensive coverage lends to its rising popularity and consumers' trust in the brand.

In its sub-brands, Telenor's advertising communication has created whole groups of fan-followers. A prime example of this is Talkshawk, the prepaid brand for the masses. Talkshawk's campaigns have led a revolution in the industry with major competitors following suit. With it created a popular cultural icon with Ali Zafar as its lead brand ambassador.

The djuice brand and its communication, focused on meeting the demands of the urban youth, has caused an originally niche market to outgrow its potential. With an initial target market of one million customers it has successfully moved beyond its margins to more than three million. Its advertising, sales promotion and ground activation has attracted many aspiring for more.

The corporate sector demanded a complete profile connection that would cater to their dynamic needs in a rapidly evolving technological environment. Persona postpaid was introduced to cater as a functional and practical answer to those needs. Consumers were encouraged with "It's time you moved to the best", reiterating the reliability of a secure network like Telenor Pakistan.

Many Value Added Services have been introduced under the different sub-brand banners in various styles. There is no doubt that in the current telecom marketing landscape, Telenor is the only brand that leads and retains top of mind position among consumers, with not only its above the line communication but also with its highly successful below the line activities and guerrilla/viral marketing techniques.

BRAND VALUES

Telenor crystallises customer focus as the cornerstone of everything it does. Its corporate responsibility mindset ensures that its vision and values nurture social concern and help create shared value. Telenor believes in standing by its



core values for its customers, that is, making it easy to buy and use Telenor services, delivering on its promises, being respectful of differences and inspiring people to find new ways. Telenor works practically and doesn't believe in complicating things. Its products and services have always been easy to understand and use, keeping its customers lives easy. In building a reliable relationship with its customers, Telenor keeps its promises with the belief that everything it provides should work and its team should always be there to help in case of any complications because actions speak louder than empty words.

Telenor has always strived to maintain its innovation and creativity. Everything it produces should look good, modern and fresh. Telenor is passionate about its business and customers. Most importantly, Telenor acknowledges and respect local cultures. It does not impose one formula worldwide so that it can be a part of local communities wherever it operates, since loyalty has to be earned.

www.telenor.com.pk

THINGS YOU DIDN'T KNOW ABOUT Telenor

- Telenor brought the single largest direct European investment in Pakistan.
- Telenor Pakistan was honoured as the best brand in the Telenor global group, awarded in 2007 and 2008.
- Telenor Pakistan has been the highest growing company in terms of customers intake from 2005-2008.
- Telenor has one of the lowest average employee-age in Pakistan.
- Telenor Pakistan has developed the high-calibre 'Emergency Response Team' of its employees, which let them take part in any rehabilitation activities both financially and physically. Telenor Pakistan mobilised its employees after the earthquake of 2006.
- Telenor employs more than 34,000 individuals worldwide.
- Telenor is all set to enter into the India market and the deal has been finalised.