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Jørgen Rostrup: Good morning everybody. This is Jørgen Rostrup, CFO of Telenor Group talking from Helsinki, Finland where we have an Investor meeting right now, and also happy to welcome people from the global conference call. I would like to welcome to an update on the Telenor-DNA transaction, and we will after the update from me, open for questions. So there will be ample opportunity if there are any questions to be asked at the end of the session.

I will also try to keep for you on the conference call track of where I am on the slides so that you can follow at least the pictures and some illustrations as we go along. And I'm cautiously jumping to disclaimer and hope that everybody are spending time on that one by themselves and then go straight to slide number three.

It's a very interesting and important day for Telenor today. We are marking the closing off Telenor's acquisition of 54% of DNA, and also introducing the mandatory offer process for the remaining shares soon to begin. I will revert to that of course. So after announcing that position of the 54% majority in DNA from Finda Telecoms and PHP holding in on April 9th, we are pleased then to announce today that we had closed the transaction today, and that is after having received full required approvals.

And let me in the beginning take the opportunity to thank all those that had contributed through a speedy and very efficient approval process. It's been a delight from Telenor side to work with a lot of experts in Europe, and in particular, in Finland. I would like in particular to mention the good support and efficient handling from DNA management and board of directors, and all that has done transactions knows how crucial it is crucially to work well with involved pockets[?].

So we are proud and happy to welcome DNA and a very strong team on the ground in Finland of employees to the Telenor family if I may use such a word. And you have to believe me when I say that we can't wait to start working and to support the further development of DNA. We have in general had a good reception and of what we have met in Finland that we look forward to extending the cooperation with the company, and also, with other stakeholders going forward.

Turning to page four, being the youngest telco company in Finland, DNA has as many of us know grown consistently over the years through organic as well as inorganic initiatives to become a very robust, a 3rd player in mobile, and number 2 player in fixed, and also a number 1 position in TV. Thanks to predominantly a strong challenger mindset in our view.

Thanks to the strong culture and support by a stronger market growth in Finland compared to most other European markets. DNA has delivered an exceptional 130% total shareholder return since the IPO in 2016. As we know one of the best shareholder returns of the NASDAQ Helsinki stock exchange over this period.

Telenor has a strong culture as well. We have a robust business performance and a robust balance sheet. We believe we are well placed to support DNA for the years to come, and we hope in a few years time everybody will recognise that Telenor was the best owner to replace to outgoing financial owners that has participated for a long time.

5G is coming up. We believe there is a need for further investment in DNA to strengthen the position DNA already have. We also see a mobile growth rate in Europe slowing a little bit down, and perhaps you'll see a more balanced market in Finland to be expected. So we believe this is a good timing also for current shareholder to lock-in profit from this unique journey that we have seen in the last few years.

Let me on page five, just very briefly to remind a little bit about who Telenor Group is. We have a 180 million customers across Nordics and Asia, where we are concentrating. We have set out a strategic direction in -- we announced it in February 2017 at Capital Markets Day at that time, where we have set out to become a very focused and lean company, and everything we have done since then has been to concentrate around the Nordics, concentrate Southeast Asia to modernise the company firstly, to simplify structures, and also to continue to move up business performance.

And we have done this in parallel with also keeping a sharp eye to shareholder remuneration, and you will see that we're over these two and a half years has paid out extraordinary dividend and bought buyback shares with the implication of doubling the payout to the shareholders in the period.

In the Nordics, we are one of the leading telcos with strong presence in all of the three countries: Norway, Sweden and Denmark. In Asia, we have a strong position [in five?] in our view very attractive markets characterised by new solid growth and also dynamic economics. We believe that the combination of strong cash flow in the Nordics and good growth in Asia represents an attractive value proposition for our shareholders, but also for our management teams and for our employees.

The acquisition of DNA will consolidate our Nordic footprint and represent an important step towards executing on the strategy that I described. If we look at the page six, what we said when we announced our intention back in April still stands in our view. Through this transaction, we are acquiring a strong challenger in a solid market in a deal, which is fitting to Telenor shareholders, and which consolidates our Nordic footprint.

Finland is one of the fastest growing and most advanced mobile markets in Europe. Although, we believe that market growth will not continue at this time same high levels necessarily, we

believe that Finland is viewed a natural market to be in for Telenor. Also the fact that it is to such a large degree mobile-oriented and run so high volumes of data is a good learning ground for Telenor. We see the same development in other markets and in particular in Asia.

DNA has a top ranked brand and has consistently been ranked as one of the most attractive employers in Finland. These are also things we like about DNA. We like the DNA culture and the challenger position. And as I said, we believe as Telenor Group that we can learn a lot from DNA in that respect.

The acquisition is not based on synergies, but we see as we have communicated potential for best practice sharing, synergies within some area such as procurements, roaming and also longer-term within B2B the business segment. And now synergies has an annual rate of approximately €20 million is still an outside in estimate. We had not been able to confirm it because we haven't been in that kind of dialogues for very natural reasons with DNA.

And then turn it to slide seven, Nordic markets is one of the two core markets then in our core regions in Telenor strategy. Across segments in mobile and fixed as well as consumer and business, we see are clear trend where different technologies are combined into a more holistic service offering. And we see that understanding and applying technology in a good way is key to providing a customer solutions, which are valuable.

So to be considerable and trustworthy alternative in such a market, a strong infrastructure is important as well as competitive and innovative service offerings which are key. And we believe we are able with this portfolio to provide that and that all the businesses in the Nordics can benefit from learning from each other. The DNA acquisition will bring both size and growth to Telenor.

Revenue will grow by around 9 billion or 8% whereas EBITDA will see an uplift of 6% or NOK3 billion that is. These figures are based on 2018 pro forma numbers. So with this contribution, we also believe that DNA will become an important company for Telenor and in the Telenor Group.

Slide eight is addressing the process to date, and as I said in the beginning of the discussion, we have [audio gap].

Nine -- the merger clearance from the European Commission was received without any remedies. And with the last regulatory approval from the Finnish Ministry of Economic Affairs and Employment received this Monday, we are excited then to be able to announce the closing of the transaction today. It's a milestone in Telenor's history. So then again thank you for all the support in getting through this part.

Then let's look a little bit forward. On slide nine, we have some comments regarding the mandatory tender offer that we most likely would launch next Thursday, so what is that 29th August and running till 26th September. And this is the most likely date and we will of course, confirm that as we get closer.

And this MTO, the mandatory tender offer is triggered by the fact that we are acquiring more than 50% of the shares, so it triggers a mandatory offer to all the remaining shareholders of DNA. We can today confirm that this offer, it will be at the same price as accepted by the majority shareholders at €20.90 per share.

Telenor will not increase the price for the tender offer. We have described the offer as full and fair, and we'll believe that still stands. Today we are running a portfolio of eight business units. DNA will be in that respect the number ninth. Three of them are today listed with minority shareholders. The five others are today fully owned in our group.

The Telenor [offer price?] period is planned for to last four weeks from 29th August September 26th and less extended by the offer. The offer will publish an official document, the prospectus on or about 28th August, so one day probably ahead of launch subject to the Finnish authority FSA approval.

We will then go through that and then we will ask for an extraordinary general meeting to be held as soon as practical after the MTO in order to change the composition of the board of directors of DNA, to reflect Telenor shareholding. We would very much like to participate in the effort of board of DNA in developing and supporting the company further.

Provided that Telenor after the tender offer owns more than 90% of the shares, we will initiate a delisting process. If Telenor controls less than 90%, DNA will continue to be listed on Helsinki Stock Exchange. And then we need to say that investors may consider that this will probably be at a less liquid share with smaller trading volumes than before. But the position of Telenor is the same as it was from day one, [and that's were as put us at an or?] the thinking behind it from day one.

We are very okay with DNA continued to be listed and to bring with us the minority shareholders, and we also very okay with a situation where we are fully consolidating it and owning a majority large enough to delist it, and run it as a fully owned company over time.

On slide 10, I just want to give you a couple of perspectives and views from Telenor how we see the pricing, and we believe we see this from a shareholders point of view. In our view, the offer price of €20.90 per share represent a premium of 7% to the closing prices to share the day before i.e. on 8th April. But more important a premium which we believe is attractive of 21% over the 90-day volume weighted average share price. This is adjusted as dividends and measured up towards a post-April.

Then adjusting for the 2018 DNA cash dividend payment of €1.10 per share, the offer price is also in line with the all-time high closing price of €21.98 I believe it is of 12th July 2018. Also at the time of the deal announcement, the offer price was also above the equity analyst target price consensus of at that time €18.80 prior to the announcement. That was the consensus level.

After the announcement of course, the share price as well as equity analyst views has been affected by the upcoming MTO. And if you look at some references, we could look to Elisa and other very capable Finnish company. And that's high valuation multiples. The offer price values of DNA is valuing DNA above Elisa's current trading valuations by a good margin.

The price equity in multiple is 26.1 times for DNA compared to I believe 23.5 the numbers we have of Elisa. So it's a strong valuation up to the incumbent and largest player in the Finnish market. Also based on Telenor's experience as an active industrial acquirer, the offer price is also attractive we believe when the valuation is compared with relevant to European sector transactions and trading multiples over the last several years. Given DNA's strong share price development, many shareholders now have the opportunity to looking at solid profit, and we believe they will do so.

At slide 11, we have a long-term perspective on our investment in DNA maybe not necessary through stated, but I do it nevertheless. With our scale and capabilities, we believe, we're well placed to support DNA in driving shareholder value in long-term perspective. However again, with 5G coming up, need to strengthen B2B, and an overall growth in Finland perhaps slowing down such efforts may require further investments in the business, and the result from these investments may take time to materialise.

For the past two years, DNA has used its capacity to pay dividends well above its free cash flow, and we believe this cannot continue forever. We need to be confident that Telenor's long-term potential will not be restricted by its balance sheets. Based on DNA's Q2 2019 results, the

company's leverage level is at the higher end off its targeted leverage level range 1.5 to 2 times EBITDA.

We would, therefore, believe it's prudent to stay well inside the range to keep strategic flexibility, and therefore, unlike the previous two years, extraordinary dividends should not be expected in the near term.

So let me then just wrap up at slide 12 stating that, we believe the offer is attractive, and it is an attractive opportunity for DNA shareholders to tender their shares and lock in solid profits since the IPO. And going forward, we might see a changed liquidity in the stock. [Even though?] reach is 90% ownership, the company will initiative a delisting of DNA.

We will not increase the offer price, which we deem to be full and fair for the minority shareholders. And again as an industrial owner, we do not expect extraordinary dividends from DNA in [inaudible]. That is concluding my remarks and I think I will first ask in Helsinki in the conference room whether there are any questions as I will pause and check there. And after that we'll get in back to the conference call and opening up for questions, and of course the room here can also ask questions later. Any questions from the conference room? Yes please?

Speaker: [inaudible] market. About the DNA's current dividend policy, which is 80% to 100% on its results, so [within these results?] a fair policy or what I had thought [inaudible]?

Jørgen Rostrup: Thank you for asking that question so I can clarify. We believe that is -- so we don't have a special view on the dividend policy. We think it is a good dividends policy so we don't have in my comments was not implying that we would have a different thinking around the dividend policy as such. It's more that and we fully understand then what has happened lately because of the opportunities to award the shareholders extraordinary.

But we are more alluding to that we feel is natural now to go back to the core of the unit dividend policy, which is what you are alluding to 80% to 100% of net income. And we are as an owner, expecting less from the extraordinary element that we have seen lately. I think they -- last year were practically at 140% around that number and you need to check it, but whether it was 135% or 140% of net income. And we think that is out of range for the next few years to put it that way.

Speaker: Okay thanks.

Jørgen Rostrup: Other questions from the room, yes please?

Speaker: [Maria Hoodlun?] DNB. You said that you can live with having minor owners in the company, but you also would like to have 100%. So what is the role for minor owners, if there should be minor owners' in the future in company?

Jørgen Rostrup: Well I don't think I should define what role should they have or what role they should take. But it's important for me to say that, we are very accustomed and we have worked 20 plus years with minority shareholders in large telecoms globally. So we believe we can handle that game in a very transparent way and secure minority rights and minority at least a consideration, so that this is fair, transparent and balanced, that it should be.

So we're not concerned about that situation from that perspective. What role they can take, will take? I won't have a view on. Of course, if there are minority shareholders and it's delisted, the board for example clearly reflect that, and there will be some practices in the board and the audit committee and so on that should reflect that from a governance point of view. So at least from a governance point of view, there are clear -- this will have a clear influence, which we are super fine with.

I'm not sure if I nail your question, but please follow-up with that. Okay, any other questions?
Then moderator maybe we should check if there are any questions on the conference call.

Operator: We have a question from Pecer Nielsen from ABG. Please go ahead.

Peter Nielsen: Thank you Peter Nielsen [inaudible] thanks a lot and good morning Jørgen. Jørgen, just a question related to -- we've obviously spoken at the initial call you have an hour[?] again, you've talked about what you could potentially bring to DNA and I think that in our meetings with the DNA management they have also echoed that. So I think there seems to be agreement on that. May I ask you Jørgen, what do you think perhaps you can bring from DNA or from Finland?

Obviously, data usage in Finland is significantly higher than in Norway and in everywhere else and DNA is fairly early in Finland. So on 5G, do you think you can use some of those things at home in Norway and your other Scandinavian markets?

Jørgen Rostrup: Yeah Peter, thanks for that question. We are very certain we can. We are quite excited and pleased with what we have seen so far and the dialogue we have had so far. You have to bear in mind that both parties has been very disciplined in not having discussions, which has been too early compared to [even?] in the process. But it is clearly a very skilled team in DNA. First of all a tremendous organisational culture, but also management and several of the key employees we have been meeting so far gives a fantastic impression.

They are ahead on data volume and data traffic on the mobile side. This is going to be key for many going forward and several issues in our portfolio where we could benefit from getting extra input and extra views in those discussions. So that is a very important element. We also think that the general technology understanding is very, very strong.

So what we are hoping to do to eventually is also to have a cross fertilization[?] of people, the key managers and so on, and at least managed to get some of the Finnish experts to other business units in time and when it's ready and based on people's preference. But of course, Telenor-DNA together is also opening up a different perspective from a career opportunity for key managers. It's all very promising and then we need to go through these next steps before we are really interacting in that process.

Peter Nielsen: Thank you.

Operator: We have no further questions at this time. We have a question from Nick Lyle from SocGen. Please go ahead.

Nick Lyle: Hi Jørgen, it's Nick Lyle from SocGen. Could I just ask Jørgen on the -- I think you mentioned in the call about the opportunity for people to maybe so [inaudible] this year, but linked with that, you mentioned and I may have misheard, but it was more in line with market growth for DNA in the future. Is not right? I mean I understood the previous guidance was for it to be faster than the average market growth. So maybe you could just confirm. I've probably misheard that?

And secondly a bit, but particularly on Axiata, could you just give us an update on the Axiata timing? There has been a lot going on. You know obviously done DNA. Does that allow you to turn your attention to talks with Axiata and what timing should we expect for that? Thanks very much.

Jørgen Rostrup: Nick, thanks a lot. So we haven't changed the view on the Finnish market, and we still think DNA can be in the upper quartile off the players in how you are handling the market, and the market growth is going forward. We're just saying that we have been cautious in evaluating how

this will develop further, and we also want to have this stated. This is the one opportunity we have to talk to the minority shareholders about the MTO.

As I said, we are super fine with what we get of shares, and we will not do any extra activity to try to attract neither more nor less. But we very much want to leave also a cautious note to shareholders of the new situation. So that is the basis for the comment and we think market will stay strong, but maybe not at the level where we have seen it lately.

On Axiata, Nick, we are engaging and focusing all our effort and engagement into a continuous good and constructive dialogue with the other party. That's where we are concentrating together with carrying out due diligence. And I appreciate it from you and everybody else that transaction and the negotiations of this magnitude is creating a lot of interest. We are grateful for that. It also creates some rumours and speculation, and I've learned through a long life that it's better to have a principle that you never comment on speculation and rumours because it will not be right anyway. So we don't do that and we are concentrating our effort on the discussions and on the due diligence.

Nick Lyle: That's clear, thank you.

Operator: We have no further questions.

Jørgen Rostrup: Okay and if there is no other questions in this room either, I think we will end the session.

You will get the information you need of the MTO process. Investor relations department in Telenor is also available should there be any follow-up issues. So feel free to get in touch and thanks for listening and have a good day. Thank you very much.