



To NASDAQ OMX Copenhagen

29 April 2014
Announcement 8/2014

TDC divests its Finnish subsidiaries TDC Oy Finland and TDC Hosting Oy and concludes a strategic cooperation agreement with DNA Oy

Today, TDC A/S announces that it has entered into an agreement to divest its Finnish subsidiaries TDC Oy Finland and TDC Hosting Oy to DNA Oy for total cash consideration of € 154 mill. (approximately DKK 1.15 bn) on a cash and debt free basis. TDC and DNA have further concluded a strategic cooperation agreement concerning the delivery of services in Finland and the other Nordic countries. The cooperation agreement will result in an enhanced cooperation in order to increase existing business of both parties in the Nordic region and allow TDC to continue to deliver services in Finland to existing and new pan Nordic business customers and international wholesale customers.

The divestment is only subject to merger control approval from the Finnish competition authorities and it is expected to close in Q2 2014.

Following the signing of the divestment agreement, the Finnish subsidiaries' activities will be classified as 'Discontinued operations' in TDC's consolidated financial statements effective from the Interim Financial Report for January-June 2014. Comparative figures in the income statements and cash flow statements will be restated accordingly.

The divestment is estimated to result in a gain of approximately DKK 0.7 bn after tax, which will be recognised as special items related to discontinued operations, when the transaction has been closed. Part of the sales proceeds will be applied towards net debt reduction in order to maintain an unchanged leverage ratio post the divestiture. Of the remaining proceeds, approximately DKK 500m will over the period 2014-15 be earmarked for investing in profitable growth initiatives in the TDC Group.

The divestment does not change TDC's guidance for 2014 for organic revenue, capex and DPS, whereas the guidance for EBITDA is impacted.

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TDC's previous guidance for 2014, which was published in TDC's financial statements for 2013 on 4 February 2014, was based on full consolidation of TDC Oy Finland and TDC Hosting Oy. The updated guidance for 2014 for TDC takes into account the divestment of TDC Oy Finland and TDC Hosting Oy.

	Previous guidance	Updated guidance
Organic revenue	Decrease less than in 2013 (-3.5%)	Decrease less than in 2013 (-3.5%)
EBITDA	> DKK 9.8bn	> DKK 9.6bn
Capex	DKK 3.7 bn	DKK 3.7 bn
DPS	DKK 3.70	DKK 3.70

Our guidance for 2014 is based on comprehensive financial plans for each individual business line. However, by their very nature, forward-looking statements involve certain risks and uncertainties. The risks and uncertainties are described in more detail in the section on risk factors and in the Safe Harbor Statement in TDC's Annual Report 2013.

For inquiries regarding the above please contact TDC Investor Relations, on +45 6663 7680 or investorrelations@tdc.dk.

TDC is the leading provider of communications solutions in Denmark with a strong Nordic focus. TDC comprises the business units Consumer, Business, Wholesale and Nordic and the cost centre Operations/Channels/Headquarters.

TDC listing

Shares: NASDAQ OMX Copenhagen.

Reuters TDC.CO.

Bloomberg TDC DC.

Nominal value DKK 1.

ISIN DK0060228559.