Nordic Telephone Company Holding

Quarterly Report – 3Q 2007

November 2, 2007

Contents

The quarterly report has not been audited.

Key figures

Statements of Income

DKKm	NTCH[1]		TDC[2]		
	3Q YTD 2006	3Q YTD 2007	3Q YTD 2006	3Q YTD 2007	Change in %
Revenue	**26,326**	**29,610**	**29,645**	**29,610**	**(0.1)**
EBITDA	**8,321**	**9,343**	**9,462**	**9,370**	**(1.0)**
Depreciation, amortization and impairment losses	(4,228)	(6,733)	(4,753)	(4,531)	4.7
EBIT, excluding special items	**4,093**	**2,610**	**4,709**	**4,839**	**2.8**
Special items [3]	(701)	845	(445)	4,534	-
EBIT, including special items	**3,392**	**3,455**	**4,264**	**9,373**	**119.8**
Income from associates and joint ventures	274	226	316	424	34.2
Net financials	(3,557)	(3,588)	(1,990)	(2,694)	(35.4)
Income before income taxes	**109**	**93**	**2,590**	**7,103**	174.2
Total income taxes	(167)	871	(802)	(1,228)	(53.1)
Net income from continuing operations	**(58)**	**964**	**1,788**	**5,875**	**-**
Net income from discontinued operations	322	1,399	356	3,506	-
Net income	**264**	**2,363**	**2,144**	**9,381**	-
Net income, excluding special items and fair value adjustments	**764**	**213**	**2,408**	**2,315**	**(3.9)**

Statements of Cash Flows

DKKm	NTCH[1]		TDC[2]	
	3Q YTD 2006	3Q YTD 2007	3Q YTD 2006	3Q YTD 2007
Total cash flow from operating activities	4,021	6,014	6,714	6,783
Total cash flow from investing activities	(46,930)	8,044	911	8,044
Total cash flow from financing activities	45,996	(11,060)	(15,301)	(11,665)
Total cash flow	**3,087**	**2,998**	**(7,676)**	**3,162**
Cash and cash equivalents, end of period	**3,090**	**6,741**	**2,387**	**6,617**

Balance sheets

DKKm	NTCH[1]		TDC[2]	
	3Q 2006	3Q 2007	3Q 2006	3Q 2007
Total assets	**108,657**	**105,355**	**79,388**	**82,005**
Intangible assets	60,428	56,108	32,396	31,058
Property, plant and equipment	24,928	20,493	24,928	24,788
Other assets	23,301	28,754	22,064	26,159
Total equity and liabilities	**108,657**	**105,355**	**79,388**	**82,005**
Net interest-bearing debt	**70,702**	**58,767**	**56,732**	**44,288**

1) The reporting period covers the period January 1 - September 30, 2006 and 2007, respectively. For 2006 TDC is only included for the period February 1 - September 30. Furthermore the purchase price allocation is not included in the figures for 3Q YTD 2006.
2) Covers January 1 - September 30, 2006 and 2007, respectively.
3) Special items includes significant amounts that cannot be attributed to normal operations such as large gains and losses related to divestment of subsidiaries, special write-downs for impairment as well as expenses related to restructuring etc.

Highlights

Nordic Telephone Company Holding ApS (NTCH ApS) was established on November 11, 2005, with the purpose of running a finance company and investing business and to hold shares in Nordic Telephone Company ApS (NTC ApS) and thereto related enterprises[1]. As of September 30, 2007, NTC ApS owns approximately 87.9% of TDC's share capital.

The figures for the Nordic Telephone Company Holding Group (NTCH) presented in this Quarterly Report include results for the TDC Group (TDC) for 3Q YTD 2007. For 3Q YTD 2006 results for TDC are included for the period owned, i.e. from February 1, 2006. The figures for NTCH for 3Q YTD 2007 also include the impact of the purchase price allocation as well as administration costs and interest expenses in NTC and NTCH ApS, whereas the purchase price allocation is not included in the figures for 3Q YTD 2006. The TDC figures presented below cover 3Q YTD 2007 and 3Q YTD 2006 on a stand alone basis. For a separate analysis of TDC growth in each of the 3 quarters of 2007 please see the Earnings Releases for TDC for 1Q, 2Q and 3Q 2007, respectively. More details on www.tdc.com.

With effect from July 1, 2007, TDC changed the organization. TDC's business segments now comprise Business Nordic, Fixnet Nordic, Mobile Nordic, YouSee[2] and Sunrise. Other activities include International Holdings, IT Nordic and Headquarters. Financial figures including comparative figures per business segment have not been finalized. Accordingly, only revenues from external customers are disclosed.

[1] The direct and indirect principal shareholders of NTCH include the ultimate Danish parent company NTCI and Angel Lux Common S.a.r.l., a Luxembourg resident company, indirectly held by a group of investment funds each of which is advised or managed by Apax, Blackstone, KKR, Permira or Providence.

[2] Former TDC Cable TV.

Following the divestment, Talkline is reported as a discontinued operation in this report. Comparative figures have been adjusted accordingly.

Revenue

NTCH's revenue totaled DKK 29,610m in 3Q YTD 2007. For TDC this represented a decrease in revenue of 0.1% compared to the first nine months of 2006, reflecting lower revenue from domestic landline telephony related to a lower customer base. Furthermore, revenue in Sunrise decreased due to an unfavorable development in the Swiss exchange rate. Finally, in International Holdings the decrease in revenue from the divestment of Bité more than counterbalanced the increase in revenue from the acquisition of Invitel. Revenue was positively affected by more mobile customers and higher handset sales in Mobile Nordic. In addition, revenue increased in Business Nordic due to higher sale of leased lines and higher customer base, mainly broadband and internet in the Nordic countries, partly offset by lower prices. Revenue increased in YouSee due to more customers and higher ARPU mainly due to new programs. Furthermore, an increased residential broadband customer base contributed positively.

Adjusted for acquired and divested companies[3], revenue for TDC increased 0.8%.

Total operating expenses

NTCH's total operating expenses amounted to DKK 20,471m in 3Q YTD 2007. For TDC, this reflected an increase of 0.4% compared with the first nine months in 2006. Adjusted for acquisitions and divestments the growth was 2.1%.

[3] The developments from 3Q YTD 2006 to 3Q YTD 2007 were impacted by the acquisitions and divestments of the following companies: Contactel (divested as of February 2, 2006), Bité (divested as of February 9, 2007), Invitel (acquired as of April 27, 2007) and Talkline (divested as of July 31, 2007). In the remainder of this earnings release, "adjusted for acquired and divested companies" refers to the reported figures for the TDC Group, adjusted for the impact of such divestments.

Transmission costs and costs of goods sold for TDC increased 1.1% due mainly to increased handset sales, more traffic towards other operators and increased roaming costs in Mobile Nordic along with higher program costs in YouSee.

Other external expenses in TDC decreased by 0.3%, primarily as a result of the net impact from the divestment of Bite and acquisition of Invitel. Adjusted for acquisitions and divestments the growth was 4.1%.

Wages, salaries and pension costs for TDC amounted to DKK 5,419m in 3Q YTD 2007, almost unchanged compared to 3Q YTD 2006. Adjusted for divestments and acquisitions there was a decrease of 1.8%, impacted by fewer employees in Business Nordic, Fixnet Nordic and Sunrise. Wages, salaries and pension costs were also reduced as a result of outsourcing of IT infrastructure. This is partly offset by costs related to a higher number of cable fault corrections in Fixnet Nordic.

EBITDA

EBITDA for NTCH in 3Q YTD 2007 amounted to DKK 9,343m. For TDC, this represented a decrease in EBITDA of 1.0% compared to the first nine months of 2006. Adjusted for acquisitions and divestments EBITDA decreased by 1.4%.

The development was related mainly to decreasing landline telephony, higher costs regarding cable fault corrections and an unfavorable development in the Swiss exchange rate. This was partly counterbalanced by more broadband, mobile and cable TV customers along with higher fiber access sales and cost savings driven by redundancy programs.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses for NTCH amounted to DKK 6,733m in 3Q YTD 2007 including amortization related to customer relationships and brands. Further, it included write-down of the TDC Cable TV brand of DKK 489m due to the replacement by YouSee. Depreciation, amortization and impairment losses for TDC amounted to DKK 4,531m for 3Q YTD 2007.

The customer relationships of TDC and the TDC brand and other brands used by TDC companies were recognized as separate assets as part of the purchase price allocation performed in connection with the acquisition of TDC. The customer relationships are amortized over the estimated useful lives of such relationships. Brands with finite useful lives are amortized over the useful lives of such brands. The useful life of the TDC brand and certain other brands are deemed indefinite and consequently, NTCH does not amortize the value of these brands.

Furthermore, the recognition of property, plant and equipment at fair value in connection with the acquisition of TDC implied higher depreciation compared with the corresponding depreciation of the assets based on historical costs according to TDC's consolidated financial statements.

EBIT, excluding special items

In 3Q YTD 2007 NTCH's EBIT, excluding special items, amounted to DKK 2,610m. EBIT, excluding special items, for TDC amounted to DKK 4,839m. The difference primarily stems from amortization and write-downs related to customer relationships and brands in NTCH.

Special items

NTCH special items amounted to an income of DKK 845m for 3Q YTD 2007, related primarily to sale of properties and divestment of Bité, which has been partly offset by redundancy programs in Denmark and in Sunrise. Special items in 3Q YTD 2006 amounted to DKK (701)m which primarily reflects fees in relation to the financing, borrowing costs related to unused and cancelled parts of credit facilities as well as redundancy programs, partly offset by a positive impact from the Swiss Federal Court' ruling on landline interconnect rates.

Income from associates and joint ventures

NTCH's income from associates amounted to DKK 226m in 3Q YTD 2007 compared to DKK 274m in 3Q YTD 2006. The decrease is a net effect of higher income in Polkomtel more than offset by negative effects from the purchase price allocation not being included in 3Q YTD 2006 as well as write-down of goodwill related to One.

Net financials

Net financials in NTCH amounted to DKK (3,588)m for 3Q YTD 2007.

Net financials, excluding fair value adjustments, amounted to DKK (3,598)m in 3Q YTD 2007 an increase of DKK 229m compared to 3Q YTD 2006. Net financials comprises primarily interest expenses including amortization of borrowing expenses relating to the Senior Facilities, High Yield Bonds and Euro Medium Term Notes (EMTN).

Fair value adjustments amounted to DKK 10m, primarily caused by an increased fair value of derivatives. Fair value adjustments were DKK (188)m in 3Q YTD 2006.

Income taxes

Income taxes were an income of DKK 871m in 3Q YTD 2007.

Income taxes related to net income excluding special items and fair value adjustments were an income of DKK 797m.

Income taxes are impacted by the lowering of the Danish corporate income tax rate from 28% to 25% with effect from January 1, 2007. Accordingly, income taxes for 3Q YTD 2007 include non-recurring impacts of DKK 1,013m from the reduction of deferred taxes.

Net income

Net income including special items and fair value adjustments in NTCH came to DKK 2,363m in 3Q YTD 2007.

Net income excluding special items and fair value adjustments was DKK 213m 3Q YTD 2007.

Statements of cash flow

In 3Q YTD 2007, cash flow from operating activities amounted to DKK 6,014m related primarily to EBITDA of DKK 9,343m partly offset by interest paid, net, DKK (3,747)m.

Cash flow from investing activities was DKK 8,044m and includes mainly the proceeds from the sale of properties and divestment of Bité and Talkline partly offset by the acquisition of Invitel and investments in plant and equipment.

Cash flow from financing activities amounted to DKK (11,060)m related primarily to repayment of long term debt in 3Q07.

Balance sheets

Net interest-bearing debt amounted to DKK 58,767m at the end of 3Q 2007 compared with DKK 70,702m at the end of 3Q 2006, down by DKK 11,935m.

Compared with the end of 4Q 2006, net interest-bearing debt decreased by DKK 11,005m, primarily as the result of the proceeds from the sale of properties and the divestment of Bité, the divestment of Talkline and positive operating cash flow. The increase in Other loans was impacted by the consolidation of Invitel debt of DKK 2.9bn.

Net interest-bearing debt[1]

	NTCH	
DKKm	**3Q 2006**	**3Q 2007**
Senior Facilities	47,093	36,224
High Yield Bonds	14,815	14,496
Euro Medium Term Notes (EMTN)	9,541	9,637
Other loans	2,559	5,217
Loans	**74,008**	**65,574**
Interest-bearing payables	5	3
Gross interest-bearing debt	**74,013**	**65,577**
Interest-bearing receivables	(221)	(69)
Cash and cash equivalents	(3,090)	(6,741)
Net interest-bearing debt	**70,702**	**58,767**

[1]Net book value measured at amortized cost so that the difference between the proceeds received and the nominal value is recognized in the Statements of Income over the term of the loan.

Senior Facilities are the most prominent debt instrument in NTCH, representing 55% of total loans at the end of 3Q 2007. Apart from an undrawn revolving tranche, the Senior Facilities are composed of three term loans, one being repayable in installments until 2011 (Facility A) and the other two being repayable as a bullet in 2014 and 2015, respectively (Facilities B and C).

On April 20, 2007, TDC made a prepayment totaling EUR 900m (DKK 6.7bn) with EUR 380m on Facility A covering all mandatory installments up to and including June 2009, EUR 468m on Facility B and EUR 52m on Facility C.

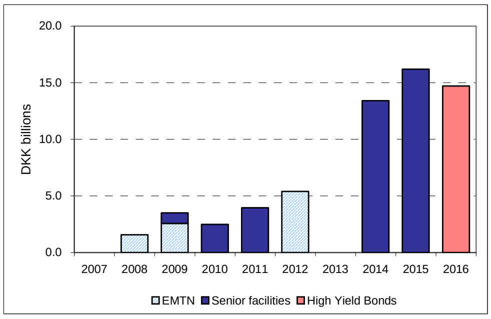
On August 8, 2007, TDC made a prepayment of EUR 373m (DKK 2.8bn) representing 50% of the net disposal proceeds from Talkline and dividends received from Polkomtel.

On September 5, 2007, TDC made a further prepayment of EUR 175m (DKK 1.3bn) representing 50% of the net proceeds from sale and lease back of Danish real properties.

As a result of these prepayments, the following amounts (nominal value) drawn in Euros were outstanding as per September 30, 2007: Facility A: EUR 989m, Facility B: EUR 1,799m and Facility C: EUR 2,174m.

As of September 30, 2007, no installment under the Senior Facilities was scheduled for the remainder of 2007 (although prepayments can be made by TDC). DKK 44.3bn or 72% of the total nominal debt[4] falls due in 2014, 2015 and 2016.

Maturity profile of nominal debt[1]



[1] Nominal value of Senior Facilities, High Yield Bonds and EMTN (excl. HTCC) as of September 30, 2007.

During 3Q 2007 and beginning of 4Q 2007, TDC bought back Senior Facility loans of approx. EUR 500m. The settlement of the buy backs will be finalized during 4Q 2007.

Capital expenditures

Capital expenditures excluding share acquisitions totaled DKK 3,346m for 3Q YTD 2007. For TDC this represents a decrease of DKK 361m from DKK 3,707m in 3Q YTD 2006 and is mainly related to the divestment of Bité and a lower level of capital expenditure in Sunrise counterbalanced by increased capital expenditures related to Invitel.

[4] Nominal values of Senior Facilities, High Yield Bonds, EMTN and Mortgage loans (excl. HTCC).

Major events

New member of TDC A/S' Executive Committee

On September 3, 2007, Jesper Theill Eriksen took up the position as a new member of TDC A/S' Executive Committee with responsibility for HR and Group Staff functions. Jesper Theill Eriksen has succeeded Henriette Fenger Ellekrog.

Jesper Theill Eriksen, Master of Law, has been with TDC since 1996. In January 2004 he was appointed CEO of TDC's former subsidiary Bité in Lithuania, in January 2006 he was appointed CEO of TDC's subsidiary TDC Switzerland and in November 2006 he was appointed CEO of TDC's former subsidiary TDC Mobile International A/S.

After this appointment TDC A/S' Executive Committee consist of: Chief Executive Officer and President Jens Alder; Chief Financial Officer Hans Munk Nielsen[5]; Director, Fixnet Nordic, Carsten Dilling; Director, Mobile Nordic, Mads Middelboe; Director, Business Nordic, Klaus Pedersen; Group Strategy Officer Eva Berneke and Director, HR and Group Staff functions, Jesper Theill Eriksen.

[5] See Recent Developments regarding Hans Munk Nielsen´s retirement from TDC by the end of January 2008 at the latest.

Recent developments

Merger between TDC A/S and certain subsidiaries

On October 1, 2007, TDC A/S accomplished a merger with the following subsidiaries: TDC Totalløsninger A/S, TDC Mobile International A/S, TDC Mobil A/S, TDC Services A/S, Aktieselskabet af 29. august 1997, TDC ADSB Invest ApS, TDC Finans A/S, Telecom Invest A/S, Tele Danmark Consult A/S, TDCMI VII ApS, TDCMI VIII ApS, TDCMI IX ApS, Ejendoms- og Investeringsselskabet af 30. januar 2001 A/S, TDCM X ApS and TDCM XI ApS.

The merger has retroactive effect from January 1, 2007.

Change of the Executive Committee of TDC A/S

On October 24, 2007, TDC A/S announced that Chief Financial Officer (CFO) and member of TDC A/S' Executive Committee Hans Munk Nielsen wishes to retire from his post by the end of January 2008 at the latest. A successor will be announced in due course.

Risk factors

NTCH's Annual Report of April 10, 2007 contains a description as of that date of certain risks that could materially adversely affect NTCH's business, financial condition, results of operations or cash flows. It is noted that the information included in this Earnings Release is not complete in and of itself and does not necessarily include risks that were described in the Annual Report or in the 1Q 2007 and in the 2Q 2007 reports and that have not been subject to material change, or risks that have arisen since the date of the Annual Report and that were not included in the Annual Report. The risks described in the Annual Report and below are not the only risks that NTCH faces. Additional risks and uncertainties not currently known to NTCH or that NTCH currently deems to be immaterial may also materially adversely affect NTCH's business, financial condition, results of operations or cash flows.

EU roaming charge regulation

EU has adopted a new regulation that reduces the international roaming charges both for the wholesale and retail markets. The regulation took effect from August 29, 2007 and had negative impact on NTCH's revenue and earnings, which is included in the Outlook for 2007. The Swiss telecommunications market is not obligated to follow these EU regulation, however the regulations may be adopted by the Swiss market during 2008, which would have a negative impact on Sunrise's future financial results.

Safe harbor statement

Certain sections of this report contain forward-looking statements that are subject to risks and uncertainties.

Examples of such forward-looking statements include, but are not limited to:

– statements containing projections of revenue, income (or loss), earnings per share, capital expenditures, dividends, capital structure or other net financial income and expenses
– statements of our plans, objectives or goals for future operations, including those related to our products or services
– statements of future economic performance
– statements of the assumptions underlying or relating to such statements.

Words such as 'believes', 'anticipates', 'expects', 'intends', 'aims' and 'plans' and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These statements are based on current plans, estimates and projections, and undue reliance should therefore not be placed on them.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements made by NTCH or on our behalf.

These factors include, but are not limited to:

– changes in applicable Danish, Swiss and EU legislation, including but not limited to tax legislation
– increases in the interconnection rates we are charged by other carriers or decreases in the interconnection rates we are able to charge other carriers
– decisions from the Danish National IT and Telecom Agency whereby the regulatory obligations of TDC are extended
– increase in interest rates which would affect the cost of our interest-bearing debt which carries floating interest rates
– reduced flexibility in planning for, or reacting to, changes in our business, the competitive environment and the industry in which we operate as a result of contractual obligations in our financing arrangements
– developments in the competition within domestic and international telecommunication
– introduction of and demand for new services and products
– developments in the demand, product mix and prices in the mobile market, including marketing and customer-acquisition costs
– developments in the market for multimedia services
– the possibilities of being awarded licenses
– developments in our international activities, which also involve certain political risks
– investments and divestitures in domestic and foreign companies.

We caution that the above list of important factors is not exhaustive. When relying on forward-looking statements in order to make decisions with respect to NTCH, investors and others should carefully consider the foregoing factors and other uncertainties and events. Such forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Consolidated Financial Statements

Statements of Income

DKKm	Note	NTCH[1] 3Q YTD 2006	NTCH[1] 3Q YTD 2007	TDC[2] 3Q YTD 2006	TDC[2] 3Q YTD 2007
Revenue		**26,326**	**29,610**	**29,645**	**29,610**
Transmission costs and cost of goods sold		(8,360)	(9,485)	(9,386)	(9,485)
Other external expenses		(4,990)	(5,597)	(5,566)	(5,552)
Wages, salaries and pension costs		(4,816)	(5,389)	(5,420)	(5,419)
Total operating expenses before depreciation etc.		(18,166)	(20,471)	(20,372)	(20,456)
Other income and expenses		161	204	189	216
EBITDA		**8,321**	**9,343**	**9,462**	**9,370**
Depreciation, amortization and impairment losses		(4,228)	(6,733)	(4,753)	(4,531)
EBIT, excluding special items		**4,093**	**2,610**	**4,709**	**4,839**
Special items[3]		(701)	845	(445)	4,534
EBIT including special items		**3,392**	**3,455**	**4,264**	**9,373**
Income from associates and joint ventures		274	226	316	424
Fair value adjustments		(188)	10	(114)	(31)
Financial income and expenses, net		(3,369)	(3,598)	(1,876)	(2,663)
Net financials		**(3,557)**	**(3,588)**	**(1,990)**	**(2,694)**
Income before income taxes		**109**	**93**	**2,590**	**7,103**
Income taxes related to income excluding special items and fair value adjustments		(573)	797	(1,114)	(540)
Income taxes related to special items and fair value adjustments		406	74	312	(688)
Total income taxes		**(167)**	**871**	**(802)**	**(1,228)**
Net income from continuing operations		**(58)**	**964**	**1,788**	**5,875**
Net income from discontinued operations		322	1,399	356	3,506
Net income		**264**	**2,363**	**2,144**	**9,381**
Attributable to:					
Shareholders of the Parent Company		34	2,159	2,175	9,580
Minority interests		230	204	(31)	(199)
Net income, excluding special items and fair value adjustments		**764**	**213**	**2,408**	**2,315**

1) The reporting period covers the period January 1 - September 30, 2006 and 2007, respectively. For 2006 TDC is only included for the period February 1 - September 30. Furthermore the purchase price allocation is not included in the figures for 3Q YTD 2006.
2) Covers January 1 - September 30, 2006 and 2007, respectively.
3) Special items includes significant amounts that cannot be attributed to normal operations such as large gains and losses related to divestment of subsidiaries, special write-downs for impairment as well as expenses related to restructuring etc.

Balance Sheets

DKKm	NTCH		TDC	
	3Q 2006	3Q 2007	3Q 2006	3Q 2007
Assets				
Intangible assets	60,428	56,108	32,396	31,058
Property, plant and equipment	24,928	20,493	24,928	24,788
Pension assets	5,794	3,949	5,794	6,264
Other non-current assets	2,952	6,339	2,949	2,682
Total non-current assets	**94,102**	**86,889**	**66,067**	**64,792**
Receivables	9,286	8,210	9,089	8,208
Cash	3,090	6,741	2,387	6,617
Assets held for sale	88	1,012	88	119
Other current assets	2,091	2,503	1,757	2,269
Total current assets	**14,555**	**18,466**	**13,321**	**17,213**
Total assets	**108,657**	**105,355**	**79,388**	**82,005**
- of which interest-bearing receivables	221	69	79	69
Equity and liabilities				
Equity attributable to Company shareholders	15,856	16,095	1,816	11,874
Minority interests	443	594	225	185
Total equity	**16,299**	**16,689**	**2,041**	**12,059**
Loans	72,488	63,664	57,673	49,061
Deferred tax liabilities	3,580	7,593	3,323	3,413
Deferred income	1,102	954	1,102	994
Pension liabilities etc.	277	331	277	206
Other non-current liabilities	1,306	1,326	1,306	1,326
Total non-current liabilities	**78,753**	**73,868**	**63,681**	**55,000**
Loans	1,520	1,910	1,520	1,910
Trade and other payables	8,355	7,850	7,901	7,444
Deferred income	2,712	2,831	2,712	2,813
Liabilities concerning assets held for sale	0	11	0	11
Other current liabilities	1,018	2,196	1,533	2,768
Total current liabilities	**13,605**	**14,798**	**13,666**	**14,946**
Total liabilities	**92,358**	**88,666**	**77,347**	**69,946**
Total equity and liabilities	**108,657**	**105,355**	**79,388**	**82,005**
- of which interest-bearing payables	5	3	5	3
Gross interest-bearing debt	**74,013**	**65,577**	**59,198**	**50,974**
Net interest-bearing debt	**70,702**	**58,767**	**56,732**	**44,288**

Statements of Cash Flow

DKKm	NTCH[1]		TDC[2]	
	3Q YTD 2006	3Q YTD 2007	3Q YTD 2006	3Q YTD 2007
EBITDA	8,321	9,343	9,462	9,370
Reversal of items without cash flow effect	(208)	(161)	(256)	(150)
Pension contributions	(188)	(182)	(125)	(119)
Payments related to provisions	(246)	(241)	(35)	(86)
Cash flow related to special items	(767)	218	(780)	(30)
Change in working capital	(447)	(312)	(363)	(316)
Cash flow from operating activities before net financials and tax	**6,465**	**8,665**	**7,903**	**8,669**
Interest paid, net	(2,824)	(3,747)	(1,871)	(2,983)
Realized currency adjustments	500	722	722	723
Cash flow from operating activities before tax	**4,141**	**5,640**	**6,754**	**6,409**
Corporate income tax paid	(528)	(45)	(530)	(45)
Cash flow from operating activities in continuing operations	**3,613**	**5,595**	**6,224**	**6,364**
Cash flow from operating activities in discontinued operations	408	419	490	419
Total cash flow from operating activities	**4,021**	**6,014**	**6,714**	**6,783**
Investment in enterprises	(46,805)	(564)	(70)	(564)
Investment in property, plant and equipment	(2,567)	(2,627)	(2,950)	(2,627)
Investment in intangible assets	(735)	(678)	(800)	(678)
Investment in marketable securities	0	0	0	0
Investment in other non-current assets	(6)	(6)	(8)	(6)
Divestments of enterprises	51	3,189	51	3,189
Sale of property, plant and equipment	75	4,321	79	4,321
Divestment of associates and joint ventures and other non-current assets	12	4	14	4
Sale of marketable securities	2,077	0	3,673	0
Change in loans to associates and joint ventures	99	(2)	99	(2)
Dividends received from associates and joint ventures	863	400	863	400
Cash flow from investing activities in continuing operations	**(46,936)**	**4,037**	**951**	**4,037**
Cash flow from investing activities in discontinued operations	6	4,007	(40)	4,007
Total cash flow from investing activities	**(46,930)**	**8,044**	**911**	**8,044**
Proceeds from long-term loans	109,246	1,672	47,049	1,672
Repayments of long-term debt	(66,441)	(12,628)	(18,850)	(12,628)
Change in short-term bank loans	(18)	(13)	(20)	(13)
Change in interest-bearing receivables	215	(1,115)	446	(1,115)
Dividends to minority interests	(5,310)	(90)	0	(1)
Capital increase	10,991	0	0	0
Dividends paid	(2,363)	0	(44,343)	(694)
Acquisition and disposal of treasury shares	0	0	799	0
Cash flow from financing activities in continuing operations	**46,320**	**(12,174)**	**(14,919)**	**(12,779)**
Cash flow from financing activities in discontinued operations	(324)	1,114	(382)	1,114
Total cash flow from financing activities	**45,996**	**(11,060)**	**(15,301)**	**(11,665)**
Total cash flow	**3,087**	**2,998**	**(7,676)**	**3,162**
Cash and cash equivalents, end of period	**3,090**	**6,741**	**2,387**	**6,617**

1) The reporting period covers the period January 1 - September 30, 2006 and 2007, respectively. For 2006 TDC is only included for the period February 1 - September 30, 2006.
2) Covers January 1 - September 30, 2006 and 2007, respectively.

Statement of Changes in Equity

DKKm	3Q YTD 2006 Share-holders' equity	3Q YTD 2006 Minority interests	3Q YTD 2006 Total equity	3Q YTD 2007 Share-holders' equity	3Q YTD 2007 Minority interests	3Q YTD 2007 Total equity
Shareholders' equity at January 1	**7,436**	**0**	**7,436**	**14,127**	**401**	**14,528**
Net income	34	230	264	2,159	204	2,363
Dividends declared	(2,363)	NM	(2,363)	0	NM	0
Acquisition of treasury shares	0	NM	0	0	NM	0
Disposal of treasury shares	0	NM	0	0	NM	0
Share-based payments	(33)	(5)	(38)	0	0	0
Dilution gain/(loss)	(2)	2	0	6	77	83
Currency translation adjustments etc.	(1)	(51)	(52)	(49)	(31)	(80)
Tax related to changes in shareholders' equity	(206)	(28)	(234)	(148)	(20)	(168)
Capital increase	10,991	0	10,991	0	0	0
Dividends to minority interests	NM	(5,310)	(5,310)	NM	(83)	(83)
Additions to minority interests	NM	5,605	5,605	NM	46	46
Shareholders' equity at September 30	**15,856**	**443**	**16,299**	**16,095**	**594**	**16,689**

Notes to Consolidated Financial Statements

Note 1 Significant accounting policies

The accounting policies applied in this quarterly report are consistent with those applied in the Annual Report 2006.

Note 2 Revenue, external customers

DKKm	NTCH[1] 1-3Q 2006	NTCH[1] 1-3Q 2007	NTCH[1] Change in %	TDC[2] 1-3Q 2006	TDC[2] 1-3Q 2007	TDC[2] Change in %
Business Nordic	7,593	8,740	15.1	8,559	8,740	2.1
Fixnet Nordic	5,771	6,372	10.4	6,558	6,372	(2.8)
Mobile Nordic	3,544	4,164	17.5	3,941	4,164	5.7
YouSee	1,608	2,093	30.2	1,800	2,093	16.3
Sunrise	6,119	6,619	8.2	6,889	6,619	(3.9)
Other activities[3]	1,691	1,622	(4.1)	1,898	1,622	(14.5)
TDC Group	26,326	29,610	12.5	29,645	29,610	(0.1)

1) The reporting period covers the period January 1 - September 30, 2006 and 2007, respectively. For 2006 TDC is only included for the period February 1 - September 30, 2006. Furthermore, the purchase price allocation is not included in the figures for 3Q YTD 2006.
2) Covers January 1 - September 30, 2006 and 2007, respectively.
3) Includes International Holdings, Headquarters and IT Nordic.

Material acquisitions and divestments

- **Contactel** – divested as of February 2, 2006
- **Bité** – divested as of February 9, 2007
- **Invitel** – acquired as of April 27, 2007
- **Talkline** – divested as of July 31, 2007.
- **One** – divested as of October 2, 2007.

Management Statement

The Quarterly Report has been prepared in accordance with International Financial Reporting Standards' (IFRS) rules on recognition and measurement as adopted by the EU.

I consider the accounting policies applied to be appropriate. In my opinion, the Quarterly Report gives a true and fair view of the NTCH Group's financial position at September 30, 2007 as well as of the NTCH Group's results of operations and cash flows for 3Q YTD 2007.

Copenhagen, November 2, 2007

Hans Munk Nielsen

Senior Executive Vice President and Chief Financial Officer, TDC