



Earnings Release – 3Q 2007

October 31st, 2007

Highlights for 3Q 2007

- Revenue down by 1.5% to DKK 9,890m, due to lower revenue from landline telephony and an unfavorable development in the Swiss exchange rate. This was partly counterbalanced by revenue increases within mobile, broadband and TV. Adjusted for acquisition and divestment of companies, revenue was down by 1.7%.
- EBITDA down by 2.3% to DKK 3,213m. EBITDA increased due to data communications & internet, more domestic mobile customers as well as more TV customers with higher ARPU, which was more than counterbalanced by lower revenue, more cable faults and sale and leaseback of properties. Adjusted for acquisitions and divestments of companies, EBITDA was down by 3.4%.
- Net interest-bearing debt reduced by DKK 12.4bn to DKK 44.3bn, due mainly to the divestment of Bité and Talkline as well as the sale and leaseback of properties.

Outlook for 2007

- Revenue is expected on a level with revenue in 2006, as the continued growth in broadband and mobile activities along with the acquisition of Invitel, offsets the decrease in the landline business and the impact of the divestment of Bité.
- Net income is expected to decrease by approximately 20% in 2007, as a result of the changed capital structure and acquisition of Invitel. The estimated impact from the amendment to the corporate tax legislation has been included in the outlook for net income.

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The earnings release has not been audited.

TDC Group, summarized Statements of Income

DKKm	3Q 2006	3Q 2007	Change in %
Revenue	10,044	9,890	(1.5)
Total operating expenses before depreciation etc.	(6,815)	(6,763)	0.8
Other income and expenses	59	86	45.8
EBITDA	3,288	3,213	(2.3)
Depreciation, amortization and impairment losses	(1,613)	(1,529)	5.2
EBIT¹	1,675	1,684	0.5
Special items	(123)	3,593	-
Income from associates and joint ventures	107	184	72.0
Net financials	(922)	(1,269)	(37.6)
Income before income taxes	737	4,192	-
Income taxes	(223)	(1,017)	-
Net income from continuing operations	514	3,175	-
Net income from discontinued operations ²	127	3,325	-
Net income	641	6,500	-
Attributable to:			
Shareholders of the Parent Company	636	6,579	-
Minority interests	5	(79)	-
Net income excl. special items and fair value adjustments³	739	677	(8.4)
EBITDA margin in %	32.7	32.5	-

1) EBIT (operating income) is exclusive of special items.

2) Primarily related to net income from Talkline, following the divestment of Talkline. Bité, which was sold February 9, 2007, is for accounting purposes not considered a discontinued operation.

3) Special items and fair value adjustments are present in several lines in the Statements of Income as shown in the detailed Statements of Income on page 16.

Highlights

TDC's revenue amounted to DKK 9,890m in 3Q 2007, down by DKK 154m or 1.5%. Earnings before depreciation, amortization and special items (EBITDA) decreased by 2.3% to DKK 3,213m. Net income excluding special items and fair value adjustments was DKK 677m, down by 8.4% due to a lower EBITDA and higher net financials counter-balanced by a positive impact from lower depreciation, amortization and impairment losses. Finally, higher income from associates and joint ventures had a positive impact.

TDC's capital expenditures excluding share acquisitions totaled DKK 1,105m, a 12.8% reduction. The capex-to-revenue ratio was 11.2% compared with 12.6% in 3Q 2006.

With effect from July 1, 2007, TDC changed the organization. TDC's business segments now comprise Business Nordic, Fixnet Nordic, Mobile Nordic, YouSee¹ and Sunrise. Other activities include International Holdings, IT Nordic and Headquarters. Financial figures including comparative figures per business segment have not been finalized.

¹ Former TDC Cable TV.

Accordingly, only revenues from external customers are disclosed.

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

Revenue

TDC's revenue amounted to DKK 9,890m in 3Q 2007, down by DKK 154m or 1.5%, 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. In local currency, revenue in Sunrise was unchanged. In addition, revenue decreased in Mobile Nordic due to reduced roaming-in caused by lower prices and less incoming traffic. 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 by HTCC. Revenue was positively affected by higher revenue in Mobile Nordic related to more mobile customers and higher handset sales. Further, higher revenue in YouSee was due to more customers and higher ARPU. Revenue increased in Business Nordic due to higher CPE sales and higher mobile telephony. Revenue from data communications & internet and leased lines in Business Nordic and Fixnet Nordic also increased.

Adjusted for acquired and divested companies,² revenue decreased by 1.7%.

Total operating expenses

Total operating expenses were DKK 6,763m in 3Q 2007, down by DKK 52m or 0.8%.

Transmission costs and cost of goods sold decreased by 5.7% to DKK 3,095m due partly to the divestment of Bité more than

offsetting the acquisition of Invitel. Costs in Sunrise declined due to the lower exchange rate. Further, lower costs in Fixnet Nordic related to lower traffic from landline to mobile at lower prices and lower roaming-out prices in Mobile Nordic. This was partly offset by increased costs related to handset sales in Mobile Nordic. Also, costs increased due to higher activity in Business Nordic along with higher program costs in YouSee.

Other external expenses increased by 6.3% to DKK 1,903m and related primarily to IT Nordic and YouSee due to higher activity. Further, costs increased due to the acquisition of Invitel, which was more than offset by the divestment of Bité, however. On the other hand expenses decreased due to lower customer acquisition costs and marketing costs in Mobile Nordic and reduced costs in Headquarters.

Wages, salaries and pension costs increased by 1.3% to DKK 1,765m, impacted by general wage increases, a higher number of cable fault corrections and severance payments in Fixnet Nordic. There was a further increase from the acquisition of Invitel. This was partly offset by savings due to fewer employees in Fixnet Nordic and Sunrise predominantly due to redundancy programs. Also, IT Nordic had fewer employees as a result of outsourcing of IT infrastructure.

Adjusted for acquired and divested companies, total operating expenses decreased by 0.3% compared with 3Q 2006.

The number of full-time employee equivalents totaled 17,843, down by 749 or 4.0% relative to 3Q 2006. Outsourcing of IT infrastructure and redundancy programs were the main drivers behind the net reduction. The development also comprises a net increase in full-time employees from the divestment of Bité and the acquisition of Invitel. The domestic workforce was reduced by 5.3%.

² The development from 3Q 2006 to 3Q 2007 was impacted by the divestment of Bité (divested as of February 9, 2007) and the acquisition of Invitel (acquired as of April 27, 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 from Bité and Invitel.

EBITDA

EBITDA decreased by DKK 75m or 2.3% to DKK 3,213m in 3Q 2007.

EBITDA was negatively impacted by less landline traffic and fewer landline subscribers in Fixnet Nordic, higher costs in IT Nordic, sale and leaseback of properties and higher program costs in YouSee. In addition there was a negative impact from an unfavorable development in the Swiss exchange rate, reduced roaming-in in Mobile Nordic and an increased number of fault corrections in Fixnet Nordic. Finally, the divestment of Bité adversely impacted EBITDA, which was partly offset by the acquisition of Invitel. On the other hand EBITDA was positively impacted by more customers and higher ARPU in YouSee. There was a further positive impact from data communications & internet in Fixnet Nordic and more domestic mobile customers in Mobile Nordic.

Adjusted for acquired and divested companies, EBITDA decreased by 3.4%.

The EBITDA margin was 32.5%, a 0.2%-point reduction. The EBITDA margin is unaffected by adjustments for acquired and divested companies.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses amounted to DKK 1,529m, down 5.2% relative to 3Q 2006. The decrease reflects primarily lower depreciation due mainly to generally lower capital expenditures and the divestment of Bité. This was partly offset by the acquisition of Invitel.

EBIT

EBIT amounted to DKK 1,684m, representing an increase of 0.5%. This development results from the lower EBITDA, more than counterbalanced by lower depreciation, amortization and impairment losses.

Special items

In 3Q 2007, special items totaled DKK 3,593m before tax. This stems primarily from the sale of properties.

Income from associates and joint ventures

In 3Q 2007, income from associates and joint ventures amounted to DKK 184m, an increase of DKK 77m compared with 3Q 2006, related to increased income from both One and Polkomtel. TDC sold its shares in One with a closing date of October 2, 2007.

Net financials

In 3Q 2007, net financials amounted to DKK (1,269)m compared with DKK (922)m in 3Q 2006.

Net financials excluding fair value adjustments amounted to DKK (932)m compared with DKK (781)m in 3Q 2006. The higher expenses reflect mainly increased financial expenses in HTCC related to the acquisition of Invitel and negative foreign currency exchange adjustments in 3Q 2007 compared with positive foreign currency exchange adjustments in 3Q 2006. This development was partly counterbalanced by lower interest expenses related to the loans under the Senior Facilities Agreement.

Fair value adjustments amounted to DKK (337)m, caused primarily by a decreased fair value of derivatives. In 3Q 2006, fair value adjustments totaled DKK (141)m.

Income before income taxes

Income before income taxes including special items and fair value adjustments was DKK 4,192m compared with DKK 737m in 3Q 2006.

Income before income taxes excluding special items and fair value adjustments was DKK 936m, down 6.5%. The decrease was attributable mainly to increased financial

expenses, although this was partly offset by higher income from associates.

Income taxes

Income taxes were DKK (1,017)m compared with DKK (223)m in 3Q 2006.

Income taxes related to net income excluding special items and fair value adjustments were DKK (333)m compared with DKK (389)m in 3Q 2006.

The effective tax rate, excluding special items and fair value adjustments, was 35.6% in 3Q 2007 compared with 38.9% in 3Q 2006. The effective tax rate in 3Q 2006 was relatively high due to taxes on dividends received from Polkomtel. Adjusted for taxes on dividends, the effective tax rate was 26.4% in 3Q 2006. The increase from the adjusted tax rate of 26.4% in 3Q 2006 to 35.6% in 3Q 2007 was due primarily to the amendments of the Danish corporate tax legislation.

Net income

Net income including special items and fair value adjustments came to DKK 6,500m, compared with DKK 641m in 3Q 2006, up by DKK 5,859m. This related mainly to income from special items in 3Q 2007 due to the proceeds from the sale of properties and net income from discontinued operations including the divestment of Talkline.

Net income excluding special items and fair value adjustments was DKK 677m, down by DKK 62m or 8.4% due primarily to lower EBITDA and higher net financials, which was partly counterbalanced by lower depreciation, amortization and impairment losses. Finally, higher income from associates and joint ventures had a positive impact.

Statements of Cash Flow

In 3Q 2007, total cash flow from operating activities amounted to DKK 2,409m, up 7.3% compared with 3Q 2006. This development was due primarily to a VAT refund related to reminder fees, a positive growth in

the change in net working capital and lower corporate income tax paid. Higher interest payments negatively impacted cash flow from operations.

Total cash flow from investing activities was DKK 7,049m compared with DKK (289)m in 3Q 2006. This development reflects mainly the sale of properties and the divestment of Talkline in 2007.

Total cash flow from financing activities amounted to DKK (4,753)m in 3Q 2007 compared with (724)m in 3Q 2006. This development was due mainly to repayments of long-term loans in 3Q 2007.

Balance Sheets

Net interest-bearing debt amounted to DKK 44,288m at the end of 3Q 2007, compared with DKK 56,732m at the end of 3Q 2006, down by DKK 12,444m. The decrease related mainly to the proceeds from the divestment of Bité and Talkline as well as from the sale and leaseback of properties in Denmark. The increase in Other loans was impacted by the consolidation of Invitel debt of DKK 2.9bn.

Compared with the end of 2Q 2007, net interest-bearing debt decreased by DKK 9.5bn, stemming primarily from the divestment of Talkline and from the sale and leaseback of Danish properties. In connection with the sale and leaseback of properties all mortgage loans totaling DKK 0.9bn (included in Other loans) were prepaid.

Net interest-bearing debt¹

DKKm	3Q 2006	3Q 2007
Senior Facilities	47,093	36,224
Euro Medium Term Notes (EMTN)	9,541	9,531
Other loans	2,559	5,216
Loans	59,193	50,971
Interest-bearing payables	5	3
Gross interest-bearing debt	59,198	50,974
Interest-bearing receivables	(79)	(69)
Cash and cash equivalents	(2,387)	(6,617)
Net interest-bearing debt	56,732	44,288

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.

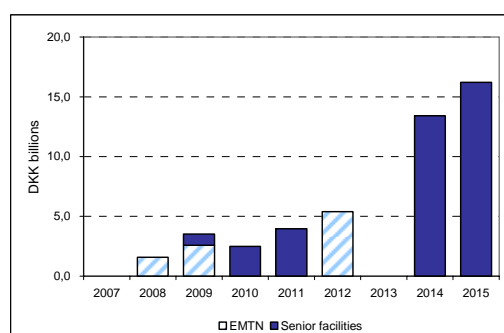
Senior Facilities are the most prominent debt instrument in TDC, representing 71% of total loans at the end of 3Q 2007. Apart

from an undrawn revolving tranche of EUR 700m, the Senior Facilities are composed of three term loans, one repayable in installments until 2011 (Facility A) and the other two repayable as a bullet in 2014 and 2015, respectively (Facilities B and C).

In accordance with the Senior Facility documentation 50% of certain net disposal proceeds must be used for extraordinary prepayments. 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 the sale and leaseback of Danish real properties. As a result of these prepayments, the following amounts (nominal value) drawn in euro were outstanding as at 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 29.6bn or 64% of the total nominal debt³ falls due in 2014 and 2015.

Maturity profile of nominal debt¹



¹ Nominal value of Senior Facilities and EMTN (excl. HTCC) as of September 30, 2007.

During 3Q 2007 and the 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.

³ Nominal values of Senior Facilities and EMTN (excl. HTCC).

Capital expenditures

Capital expenditures excluding share acquisitions totaled DKK 1,105m, down by DKK 162m or 12.8% compared with 3Q 2006. The decrease is related mainly to fewer capital expenditures in Sunrise and the divestment of Bité and was partly counteracted by increased capital expenditures related to Invitel.

The capex-to-revenue ratio decreased from 12.6% in 3Q 2006 to 11.2% in 3Q 2007.

Adjusted for acquired and divested companies, capital expenditures decreased by DKK 180m or 15.1% compared with 3Q 2006.

Number of customers

TDC's customer base totaled 11.2m customers at the end of 3Q 2007, a 7.2% decrease relative to 3Q 2006 which was attributable mainly to the divestment of Bité in February 2007. This was partly counterbalanced by the acquisition of Invitel.

The domestic customer base totaled 7.9m, up 2.9%. This development is primarily the result of growth in the mobile, xDSL and cable-modem customer bases as well as more TV customers and is partly offset by a decline in the number of landline telephony customers and dial-up internet customers.

The domestic mobile customer base increased by 10.8% to 3.0m.

The number of retail xDSL customers in TDC's domestic operations grew by 19.4% to 832,000. The total number of domestic retail broadband customers, including cable modem customers, increased by 16.5% to 1,138,000.

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 consists of: Chief Executive Officer and President Jens Alder; Chief Financial Officer Hans Munk Nielsen⁴; 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.

⁴ 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 Investeringselskabet 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

TDC's Annual Report as of February 22, 2007 contains a description as of that date of certain risks that could materially adversely affect TDC'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 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 TDC faces. Additional risks and uncertainties not currently known to TDC or that TDC currently deems to be immaterial may also materially adversely affect TDC's business, financial condition, results of operations or cash flows.

EU roaming charge regulation

The 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 has had a negative impact on TDC's revenue and earnings, which is included in the Outlook for 2007. The Swiss telecommunications market is not obligated to follow the EU regulation, however the regulation may be adopted by the Swiss market during 2008, which would have a negative impact on Sunrise's future financial results.

Outlook for 2007

The Outlook for 2007 is based on comprehensive financial plans for each individual business line. However, by their very nature, forward-looking statements involve certain risks and uncertainties that are described in more detail in the Safe Harbor Statement, cf. page 13.

In general, all expectations are stated as continuing operations exclusive of special items and fair value adjustments.

TDC expects that revenue in 2007 will be on level with revenue in 2006, as the continued growth in broadband and mobile activities along with the acquisition of Invitel offset the decrease in the landline business and the impact of the divestment of Bité.

Net income is expected to decrease by approximately 20% in 2007, as a result of the changed capital structure and acquisition of Invitel. The estimated impact from the amendment to the corporate tax legislation has been included in the outlook for net income.

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 TDC 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 telecommunications
- 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 TDC, 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.

Statements of Income

TDC Group (DKKm)	1-3Q06	1-3Q07	Change in %	3Q 2006	3Q 2007	Change in %
Revenue	29,645	29,610	(0.1)	10,044	9,890	(1.5)
-of which domestic revenue	18,281	18,622	1.9	6,190	6,166	(0.4)
-of which international revenue	11,364	10,988	(3.3)	3,854	3,724	(3.4)
Transmission costs and cost of goods sold	(9,386)	(9,485)	(1.1)	(3,282)	(3,095)	5.7
Other external expenses	(5,566)	(5,552)	0.3	(1,791)	(1,903)	(6.3)
Wages, salaries and pension costs	(5,420)	(5,419)	0.0	(1,742)	(1,765)	(1.3)
Total operating expenses before depreciation etc.	(20,372)	(20,456)	(0.4)	(6,815)	(6,763)	0.8
Other income and expenses	189	216	14.3	59	86	45.8
EBITDA	9,462	9,370	(1.0)	3,288	3,213	(2.3)
-of which domestic EBITDA	7,066	6,892	(2.5)	2,393	2,307	(3.6)
-of which international EBITDA	2,396	2,478	3.4	895	906	1.2
Depreciation, amortization and impairment losses	(4,753)	(4,531)	4.7	(1,613)	(1,529)	5.2
EBIT, excluding special items	4,709	4,839	2.8	1,675	1,684	0.5
Special items ¹	(445)	4,534	-	(123)	3,593	-
EBIT, including special items	4,264	9,373	119.8	1,552	5,277	-
Income from associates and joint ventures	316	424	34.2	107	184	72.0
-of which special items	0	0	-	0	0	-
Net financials	(1,990)	(2,694)	(35.4)	(922)	(1,269)	(37.6)
-of which net financials, excluding fair value adjustments	(1,876)	(2,663)	(42.0)	(781)	(932)	(19.3)
-of which fair value adjustments	(114)	(31)	72.8	(141)	(337)	(139.0)
Income before income taxes	2,590	7,103	174.2	737	4,192	-
Total income taxes	(802)	(1,228)	(53.1)	(223)	(1,017)	-
- Income taxes related to income, excluding special items and fair value adjustments	(1,114)	(540)	51.5	(389)	(333)	14.4
- Income taxes related to special items and fair value adjustments	312	(688)	-	166	(684)	-
Net income from continuing operations	1,788	5,875	-	514	3,175	-
Net income from discontinued operations	356	3,506	-	127	3,325	-
- of which income from discontinued operations, excluding special items and fair value adjustments	373	255	(31.6)	127	74	(41.7)
- of which fair value adjustments related to discontinued operations	(11)	0	-	0	0	-
- of which special items related to discontinued operations	(6)	3,251	-	0	3,251	-
Net income	2,144	9,381	-	641	6,500	-
Attributable to:						
Shareholders of the Parent Company	2,175	9,580	-	636	6,579	-
Minority interests	(31)	(199)	-	5	(79)	-
Net income, excluding special items and fair value adjustments	2,408	2,315	(3.9)	739	677	(8.4)

1) 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.

Revenue, external customers

DKKm	1-3Q 2006	1-3Q 2007	Change in %	3Q 2006	3Q 2007	Change in %
Business Nordic	8,559	8,740	2.1	2,853	2,831	(0.8)
Fixnet Nordic	6,558	6,372	(2.8)	2,183	2,086	(4.4)
Mobile Nordic	3,941	4,164	5.7	1,387	1,401	1.0
YouSee	1,800	2,093	16.3	617	709	14.9
Sunrise	6,889	6,619	(3.9)	2,337	2,228	(4.7)
Other activities ¹	1,898	1,622	(14.5)	667	635	(4.8)
TDC Group	29,645	29,610	(0.1)	10,044	9,890	(1.5)

1) Includes International Holdings, Headquarters and IT Nordic.

Balance Sheets

TDC (DKKm)	2006	3Q 2006	3Q 2007
Assets			
Intangible assets	32,193	32,396	31,058
Property, plant and equipment	24,956	24,928	24,788
Pension assets	6,004	5,794	6,264
Other non-current assets	2,990	2,949	2,682
Total non-current assets	66,143	66,067	64,792
Receivables	8,994	9,089	8,208
Marketable securities	-	-	-
Cash	3,455	2,387	6,617
Assets held for sale	5	88	119
Other current assets	2,172	1,757	2,269
Total current assets	14,626	13,321	17,213
Total assets	80,769	79,388	82,005
- of which interest-bearing receivables	78	79	69
Equity and liabilities			
Equity attributable to Company shareholders	3,289	1,816	11,874
Minority interests	282	225	185
Total equity	3,571	2,041	12,059
Loans	56,774	57,673	49,061
Deferred tax liabilities	3,401	3,323	3,413
Deferred income	1,088	1,102	994
Pension liabilities etc.	239	277	206
Other non-current liabilities	1,174	1,306	1,326
Total non-current liabilities	62,676	63,681	55,000
Loans	1,975	1,520	1,910
Trade and other payables	8,384	7,901	7,444
Deferred income	2,729	2,712	2,813
Liabilities concerning assets held for sale	-	-	11
Other current liabilities	1,434	1,533	2,768
Total current liabilities	14,522	13,666	14,946
Total liabilities	77,198	77,347	69,946
Total equity and liabilities	80,769	79,388	82,005
- of which interest-bearing payables	5	5	3
Net interest-bearing debt	55,221	56,732	44,288

Statements of Cash Flow

TDC Group (DKKm)	1-3Q06	1-3Q07	Change in %	3Q 2006	3Q 2007	Change in %
EBITDA	9,462	9,370	(1.0)	3,288	3,213	(2.3)
Reversal of items without cash flow effect	(256)	(150)	41.4	(107)	(38)	64.5
Pension contributions	(125)	(119)	4.8	(45)	(43)	4.4
Payments related to provisions	(35)	(86)	(145.7)	(8)	(48)	-
Cash flow related to special items	(780)	(30)	96.2	(143)	102	171.3
Change in net working capital excl. special items	(363)	(316)	12.9	177	305	72.3
Cash flow from operating activities before net financials and tax	7,903	8,669	9.7	3,162	3,491	10.4
Interest paid, net	(1,871)	(2,983)	(59.4)	(826)	(1,109)	(34.3)
Realized currency adjustments	722	723	0.1	66	(16)	(124.2)
Cash flow from operating activities before tax	6,754	6,409	(5.1)	2,402	2,366	(1.5)
Corporate income tax paid	(530)	(45)	91.5	(144)	(38)	73.6
Cash flow from operating activities in continuing operations	6,224	6,364	2.2	2,258	2,328	3.1
Cash flow from operating activities in discontinued operations	490	419	(14.5)	(13)	81	-
Total cash flow from operating activities	6,714	6,783	1.0	2,245	2,409	7.3
Investment in enterprises	(70)	(564)	-	(24)	(118)	-
Investment in property, plant and equipment	(2,950)	(2,627)	10.9	(1,005)	(791)	21.3
Investment in intangible assets	(800)	(678)	15.3	(212)	(232)	(9.4)
Investment in other non-current assets	(8)	(6)	25.0	(4)	(3)	25.0
Investment in marketable securities	0	0	-	2	0	-
Divestment of enterprises	51	3,189	-	0	0	-
Sale of property, plant and equipment	79	4,321	-	22	4,175	-
Divestment of associates and joint ventures, and other non-current assets	14	4	(71.4)	(11)	0	-
Sale of marketable securities	3,673	0	-	0	0	-
Change in loans to associates and joint ventures	99	(2)	(102.0)	101	0	-
Dividends received from associates and joint ventures	863	400	(53.7)	854	1	(99.9)
Cash flow from investing activities in continuing operations	951	4,037	-	(277)	3,032	-
Cash flow from investing activities in discontinued operations	(40)	4,007	-	(12)	4,017	-
Total cash flow from investing activities	911	8,044	-	(289)	7,049	-
Proceeds from long-term loans	47,049	1,672	(96.4)	0	294	-
Repayments of long-term loans	(18,850)	(12,628)	33.0	(452)	(5,044)	-
Change in short-term bank loans	(20)	(13)	35.0	(46)	(1)	97.8
Change in interest-bearing receivables	446	(1,115)	-	(42)	(1,415)	-
Change in minority interests	0	(1)	-	0	0	-
Dividends paid	(44,343)	(694)	98.4	(213)	0	-
Withholding tax on dividends	0	0	-	(15)	0	-
Acquisition and disposal of treasury shares, net	799	0	-	0	0	-
Cash flow from financing activities in continuing operations	(14,919)	(12,779)	14.3	(768)	(6,166)	-
Cash flow from financing activities in discontinued operations	(382)	1,114	-	44	1,413	-
Total cash flow from financing activities	(15,301)	(11,665)	23.8	(724)	(4,753)	-
Total cash flow	(7,676)	3,162	141.2	1,232	4,705	-
Cash and cash equivalents (end-of-period)	2,387	6,617	177.2	2,387	6,617	177.2

Capital expenditures excluding share acquisitions

TDC Group (DKKm) ¹	1-3Q06	1-3Q07	Change in %	3Q 2006	3Q 2007	Change in %
Capital expenditures excl. share acquisitions	3,707	3,346	9.7	1,267	1,105	12.8

Statement of Changes in Equity

TDC Group (DKKm)	1-3Q 2006			1-3Q 2007		
	Shareholders' equity	Minority interests	Total equity	Shareholders' equity	Minority interests	Total equity
Shareholders' equity at January 1	43,520	275	43,795	3,289	282	3,571
Net income	2,175	(31)	2,144	9,580	(199)	9,381
Dividends declared	(44,343)	NM	(44,343)	(694)	NM	(694)
Acquisition of treasury shares	(10)	NM	(10)	0	NM	0
Disposal of treasury shares	809	NM	809	0	NM	0
Share-based payments	(45)	0	(45)	0	0	0
Dilution gain/(loss)	(3)	3	0	22	61	83
Currency translation adjustments etc.	(93)	(25)	(118)	(155)	(30)	(185)
Tax related to changes in shareholders' equity	(194)	0	(194)	(168)	0	(168)
Additions to minority interests	NM	3	3	NM	71	71
Shareholders' equity at September 30	1,816	225	2,041	11,874	185	12,059

Customers

Customers ('000) (end-of-period)	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2006	1Q 2007	2Q 2007	3Q 2007
Domestic, retail and wholesale:								
Landline customers	2,712	2,678	2,634	2,594	2,594	2,525	2,476	2,426
- Retail	2,238	2,212	2,182	2,159	2,159	2,112	2,078	2,044
- Wholesale	474	466	452	435	435	413	398	382
Mobile customers	2,540	2,616	2,697	2,777	2,777	2,852	2,914	2,988
- Retail ¹	2,306	2,358	2,421	2,467	2,467	2,515	2,598	2,684
- of which Telmore	562	566	575	579	579	587	593	602
- Wholesale	234	258	276	310	310	337	316	304
Internet customers	1,282	1,298	1,312	1,348	1,348	1,371	1,396	1,409
- Broadband	931	1,050	1,085	1,151	1,151	1,202	1,247	1,267
- Non-broadband	351	248	227	197	197	169	149	142
TV customers	1,034	1,045	1,054	1,062	1,062	1,071	1,092	1,098
Domestic customers, total	7,568	7,637	7,697	7,781	7,781	7,819	7,878	7,921
International:								
Landline customers	699	706	700	717	717	717	1,253	1,285
- Sunrise	516	505	504	502	502	495	482	466
- TDC Song Nordic	5	5	5	5	5	5	5	4
- Others	178	196	191	210	210	217	766	815
Mobile customers	3,212	3,341	3,306	3,418	3,418	1,426	1,483	1,500
- Sunrise	1,273	1,289	1,317	1,361	1,361	1,411	1,467	1,491
- Bité	1,931	2,042	1,977	2,043	2,043	-	-	-
- TDC Song Nordic	8	10	12	14	14	15	16	9
Internet customers	426	408	410	419	419	418	481	531
- Sunrise	376	351	346	343	343	331	315	303
- TDC Song Nordic	42	47	52	61	61	70	76	100
- Others	8	10	12	15	15	17	90	128
International customers, total	4,337	4,455	4,416	4,554	4,554	2,561	3,217	3,316
Group customers, total	11,905	12,092	12,113	12,335	12,335	10,380	11,095	11,237

1) The numbers include mobile customers in Fixnet Nordic and Business Nordic.

Employees

Full-time equivalents ¹								
EoP	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2006	1Q 2007	2Q 2007	3Q 2007
Business Nordic	4,166	4,155	4,117	3,965	3,965	3,960	3,937	3,905
- of which in Denmark	2,611	2,581	2,569	2,462	2,462	2,445	2,423	2,423
Fixnet Nordic	6,504	6,455	6,405	6,208	6,208	6,161	6,135	6,026
- of which in Denmark	6,498	6,450	6,400	6,203	6,203	6,156	6,130	6,021
Mobile Nordic	1,249	1,245	1,214	1,226	1,226	1,258	1,242	1,238
- of which in Denmark	1,249	1,245	1,214	1,226	1,226	1,258	1,242	1,238
YouSee	1,046	1,084	1,095	1,118	1,118	1,095	1,094	1,086
Sunrise	2,421	2,264	2,261	2,246	2,246	2,225	2,226	2,101
International Holdings	1,303	1,308	1,337	1,342	1,342	749	1,647	1,446
- of which in Denmark	102	103	100	94	94	13	9	7
Others	2,297	2,257	2,163	2,059	2,059	2,256	2,065	2,041
- of which in Denmark	2,251	2,213	2,118	2,019	2,019	2,216	2,029	2,010
TDC	18,986	18,768	18,592	18,164	18,164	17,704	18,346	17,843
TDC, domestic	13,757	13,676	13,496	13,122	13,122	13,183	12,927	12,785

1) The number denotes end-of-period full-time equivalents including permanent employees, trainees and temporary employees. Furthermore, the number of full-time employee equivalents is exclusive of FTEs in discontinued operations.

Selected financial and operational data, 2003-3Q 2007

TDC Group ¹	2003	2004	2005	2006	1Q-3Q 2007	
Statements of Income:						
DKKm						
Revenue	33,506	34,689	38,848	39,941	29,610	
Income before depreciation, amortization and special items (EBITDA)	10,600	11,529	12,492	12,991	9,370	
Depreciation, amortization and impairment losses	(6,036)	(6,534)	(6,696)	(6,491)	(4,531)	
Operating income (EBIT), excluding special items	4,564	4,995	5,796	6,500	4,839	
Special items	(1,212)	357	(973)	(312)	4,534	
Operating income (EBIT), including special items	3,352	5,352	4,823	6,188	9,373	
Income from associates and joint ventures	777	5,632	334	449	424	
Net financials	(505)	(714)	(1,068)	(2,723)	(2,694)	
Income before income taxes	3,624	10,270	4,089	3,914	7,103	
Income taxes	(909)	(1,105)	(850)	(858)	(1,228)	
Net income from continuing operations	2,715	9,165	3,239	3,056	5,875	
Net income from discontinued operations	496	745	4,211	387	3,506	
Net income	3,211	9,910	7,450	3,443	9,381	
Attributable to:						
- Shareholders of the Parent Company	3,203	9,912	7,474	3,446	9,580	
- Minority interests	8	(2)	(24)	(3)	(199)	
Net income, excluding special items and fair value adjustments²:						
Operating income (EBIT), excluding special items	4,564	4,995	5,796	6,500	4,839	
Income from associates and joint ventures	1,351	566	334	439	424	
Net financials	(1,099)	(892)	(887)	(2,900)	(2,663)	
Income before income taxes	4,816	4,669	5,243	4,039	2,600	
Income taxes	(1,205)	(1,233)	(1,050)	(1,077)	(540)	
Net income from continuing operations	3,611	3,436	4,193	2,962	2,060	
Net income from discontinued operations	447	507	506	400	255	
Net income	4,058	3,943	4,699	3,362	2,315	
Balance Sheets						
DKKbn						
Total assets	92.6	90.3	93.5	80.8	82.0	
Net interest-bearing debt	28.8	20.1	16.5	55.2	44.3	
Total equity	35.9	38.9	43.8	3.6	12.1	
Shares outstanding (million)	213.6	204.6	195.2	198.0	198.1	
Statements of Cash Flow						
DKKm						
Operating activities	10,679	11,084	8,691	10,141	6,783	
Investing activities	(12,618)	2,889	(1,226)	(989)	8,044	
Financing activities	4,932	(12,573)	(4,229)	(15,760)	(11,665)	
Total cash flow	2,993	1,400	3,236	(6,608)	3,162	
Capital expenditures						
DKKbn						
Excluding share acquisitions	5.4	5.0	5.6	5.3	3.3	
Including share acquisitions	13.4	9.9	6.2	5.6	3.9	
Key financial ratios						
EPS, incl. special items and fair value adjustments	DKK	15.0	48.4	38.3	17.4	48.4
EPS, excl. special items and fair value adjustments	DKK	19.0	19.3	24.2	17.0	12.7
Dividend payments per share	DKK	11.5	12.0	12.5	223.9	3.5
EBITDA margin (EBITDA divided by revenue)	%	31.6	33.2	32.2	32.5	31.6
Capex, excl. share acquisitions-to-revenue ratio	%	16.0	14.5	14.3	13.2	11.3
Cash Earnings per share (CEPS), excl. special items and fair value adjustments ³	DKK	41.0	48.7	56.7	47.2	32.8
Return on capital employed (ROCE) ⁴	%	12.0	11.5	12.0	13.0	11.0
Subscriber base (end-of-period)⁵						
('000)						
Landline	3,631	3,483	3,471	3,311	3,711	
Mobile	4,108	4,536	5,588	6,195	4,488	
Internet	1,696	1,813	1,769	1,767	1,940	
TV customers	924	982	1,030	1,062	1,098	
Total subscribers	10,359	10,814	11,858	12,335	11,237	
Full-time employee equivalents⁶	19,071	18,565	19,373	18,164	17,843	

1) Pension costs are recognized in accordance with US GAAP FAS Nos. 87/88 for 2003 and in accordance with IAS 19 with effect from 2004.

2) Net income excluding special items and fair value adjustments excludes special items from income from associates and joint ventures as well as special items from income from discontinued activities.

3) CEPS is defined as (net income excluding special items and fair value adjustments attributable to shareholders of the Parent Company + depreciation, amortization and impairment losses + share-based compensation - income from associates and joint ventures - minority interests' share of depreciation, amortization and impairment losses together with share-based compensation) / number of average shares outstanding.

4) ROCE is defined as EBIT excluding special items plus interest and other financial income excluding fair value adjustments plus income from associates and joint ventures divided by average equity attributable to Company shareholders plus interest-bearing debt.

5) The number denotes end-of-period subscribers and includes customers with subscriptions and customers without subscriptions according to the following general principles:

- Landline subscribers who have generated traffic in the previous month.
- Mobile subscribers active for a certain period of time, up to 3 months.
- Internet subscribers active for a certain period of time, up to 3 months.

The number of subscribers also includes resale customers.

6) The number denotes end-of-period full-time employee equivalents including permanent employees, trainees and temporary employees. The number of full-time employee equivalents is exclusive of FTEs in discontinued operations.

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 Board of Directors and the Executive Committee have reviewed and approved the Earnings Release of the TDC Group for 3Q 2007.

The Earnings Release has been prepared in accordance with the International Financial Reporting Standards (IFRS) rules on recognition and measurement and additional Danish disclosure requirements for listed companies.

We consider the accounting policies applied to be appropriate. In our opinion, the Earnings Release gives a true and fair view of the Group's financial position as at September 30, 2007 as well as of the results of its operations and cash flows for 3Q 2007.

Executive Committee

Jens Alder	Hans Munk Nielsen
Mads Middelboe	Carsten Dilling
Klaus Pedersen	Eva Berneke
Jesper Theill Eriksen	

Board of Directors

Henning Dyremose	Vagn Sørensen
Kurt Björklund	Lawrence Guffey
Oliver Haarmann	Gustavo Schwed
Richard Wilson	Jan Bardino
Bo Magnussen	Steen M. Jacobsen
Leif Hartmann	

About TDC

TDC is the leading provider of communications solutions in Denmark with a strong Nordic focus. In the Nordic region TDC has four business units: Business Nordic, Fixnet Nordic, Mobile Nordic and YouSee. TDC's activities outside the Nordic Region comprise amongst others Sunrise, a leading telecommunications provider in Switzerland, and HTCC, a leading telecommunications provider in Hungary. TDC was partly privatized in 1994 and fully privatized in 1998. Nordic Telephone Company ApS owns 87.9% of TDC, with the remainder of the shares held by individual and institutional shareowners.

Listing

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Reuters TDC.CO.

Bloomberg TDC DC.

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