Earnings Release – 1Q 2007

May 9, 2007

Highlights for 1Q 2007

- Revenue down 1.1% to DKK 11,415m, attributable to the divestment of companies. Adjusted for divestments, revenue was up 0.7%
- EBITDA down 3.6% to DKK 3,207m; impacted by divestment of Bité, an unfavorable development in the Swiss exchange rate and more cable fault corrections. Adjusted for divestments, EBITDA was down 3.0%
- Net income down 27.3% to DKK 806m, following lower EBITDA and the change in the capital structure in 2006

Outlook for 2007 (unchanged)

- Revenue is expected to be on level with revenue in 2006. The decrease in the landline business and the divestment of Bité is expected to be off-set largely by continued growth in broadband and mobile activities.
- Net income is expected to decrease 5% - 10% in 2007, due to the full year impact of the change in the capital structure, partly compensated for by more efficient operations.

Contents

The earnings release has not been audited.

TDC Group, summarized Statements of Income

DKKm	1Q 2006	1Q 2007	Change in %
Revenue	**11,545**	**11,415**	**(1.1)**
Total operating expenses before depreciation etc.	(8,286)	(8,274)	0.1
Other income and expenses	69	66	(4.3)
EBITDA	**3,328**	**3,207**	**(3.6)**
Depreciation, amortization and impairment losses	(1,581)	(1,510)	4.5
EBIT[1]	**1,747**	**1,697**	**(2.9)**
Special items	(737)	1,186	-
Income from associates and joint ventures	115	101	(12.2)
Net financials	(335)	(596)	(77.9)
Income before income taxes	**790**	**2,388**	**-**
Income taxes	(275)	(353)	(28.4)
Net income from continuing operations	**515**	**2,035**	**-**
Net income from discontinued operations	0	0	-
Net income	**515**	**2,035**	**-**
Attributable to:			
Shareholders of the Parent Company	535	2,109	-
Minority interests	(20)	(74)	-
Net income excl. special items and fair value adjustments[2]	**1,108**	**806**	**(27.3)**
EBITDA margin in %	**28.8**	**28.1**	**-**

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

2) 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 19.

Highlights

TDC's revenue amounted to DKK 11,415m in 1Q 2007, down DKK 130m or 1.1%. Earnings before depreciation, amortization and special items (EBITDA) decreased by 3.6% to DKK 3,207m. Net income excluding special items and fair value adjustments was DKK 806m, down 27.3% due to lower EBITDA and higher interest expenses related to the change in the capital structure as from April 2006.

TDC's capital expenditures excluding share acquisitions totaled DKK 1,114m, a 4.9% reduction. The capex-to-revenue ratio was 9.8% compared with 10.2% in 1Q 2006.

As of January 1, 2007, TDC made some minor adjustments to the corporate structure to streamline the organization. TDC Mobile International is now presented in two segments; TDC Mobile, Nordic and TDC International Holdings, the latter includes all international business outside Switzerland and the Nordic region. As part of this restructuring, HTCC was organizationally transferred from TDC Solutions to TDC International Holdings. In this earnings release, all figures reflect the adjusted corporate structure.

Revenue

TDC's revenue amounted to DKK 11,415m in 1Q 2007, down DKK 130m or 1.1%, reflecting the divestment of Bité as of February 9, 2007 and TDC Switzerland, which was negatively impacted by an unfavorable development in the Swiss exchange rate. Higher revenue in TDC Cable TV due to more customers and a higher ARPU as well as in TDC Mobile, Nordic due to more customers and increased terminal handset sales, contributed with positive growth.

Adjusted for acquired and divested companies[1], revenue increased by 0.7%.

Operating expenses

Operating expenses were DKK 8,274m in 1Q 2007 and on a par with 1Q 2006. Transmission costs and the cost of goods sold increased by 1.3% to DKK 4,219m, primarily due to increased traffic toward other operators and increased roaming costs in TDC Mobile, Nordic and higher program costs in TDC Cable TV. This was partly counterbalanced by TDC International Holdings which incurred less costs due to the divestment of Bité.

Other external expenses decreased by 3.1% to DKK 2,178m primarily due to the divestment of Bité.

Wages, salaries and pension costs increased by 0.2% to DKK 1,877m, impacted by more cable fault corrections within installation in TDC Solutions and more employees in TDC Cable TV. This was partly balanced by fewer employees in TDC International Holdings and TDC Switzerland.

Adjusted for acquired and divested companies, operating expenses increased by 2.3% compared with 1Q 2006.

The number of full-time employee equivalents totaled 18,546, a reduction of 1,281 or 6.5% relative to 1Q 2006. The development was impacted by the divestment of Bité resulting in a reduction of full-time employee equivalents by 544. The remaining reduction is mainly related to redundancy programs.

EBITDA

EBITDA decreased by DKK 121m or 3.6% to DKK 3,207m in 1Q 2007.

EBITDA was negatively impacted by the divestment of Bité and by an unfavorable development in TDC Switzerland due to the Swiss exchange rate and lower landline revenue. More cable fault corrections also drove the negative EBITDA growth. EBITDA growth was positively impacted by increased revenue from leased lines and data communications and internet services in TDC Solutions and more customers in TDC Mobile, Nordic partly offset by decreasing mobile termination prices. Furthermore, an increasing number of customers as well as a higher ARPU in TDC Cable TV and general cost savings impacted positively.

Adjusted for acquired and divested companies, EBITDA decreased by 3.0%.

The EBITDA margin decreased from 28.8% in 1Q 2006 to 28.1% in 1Q 2007. Adjusted for acquired and divested companies, the EBITDA margin decreased from 29.3% to 28.2%.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses amounted to DKK 1,510m, down 4.5% relative to 1Q 2006. The decrease primarily reflects the divestment of Bité and lower amortization of customer relationships.

EBIT

EBIT amounted to DKK 1,697m, representing a decrease of 2.9%. This development results from the decrease in EBITDA partly balanced by lower depreciation, amortization and impairment losses.

[1] The development from 1Q06 to 1Q07 were impacted by the divestment of the following companies: Contactel (divested as of February 2, 2006) and Bité (divested as of February 9, 2007). In the remainder of this earnings release, “adjusted for acquired and divested companies” refers to the reported figures for the TDC Group, TDC Solutions and TDC International Holdings, adjusted for the impact of such divestments.

Special items

In 1Q 2007, special items amounted to an income of DKK 1,186m before tax and excluding special items in associated companies and joint ventures. This stems from the divestment of Bité as of February 9, 2007.

Income from associates and joint ventures

In 1Q 2007, income from associates and joint ventures amounted to DKK 101m, a decrease of DKK 14m compared with 1Q 2006, mainly related to Song due to gain in 1Q 2006 from sale of TP Network.

Net financials

In 1Q 2007, net financials amounted to an expense of DKK 596m compared with an expense of DKK 335m in 1Q 2006.

Net financials excluding fair value adjustments amounted to an expense of DKK 639m compared with an expense of DKK 256m in 1Q 2006. The higher expenses mainly reflect the change in the capital structure as from April 2006, and currency adjustments of derivatives in HTCC related to the acquisition of Invitel.

Fair value adjustments amounted to DKK 43m, primarily caused by an increased fair value of derivatives in TDC A/S. This was partly counteracted by negative value adjustments of derivatives in HTCC related to the acquisition of Invitel. Fair value adjustments were DKK (79)m in 1Q 2006.

Income before income taxes

Income before income taxes including special items and fair value adjustments was DKK 2,388m compared with DKK 790m in 1Q 2006.

Income before income taxes excluding special items and fair value adjustments was DKK 1,159m, down 27.8%. The decrease was mainly attributable to lower EBITDA and the increase in financial expenses.

Income taxes

Income taxes were DKK (353)m compared with DKK (275)m in 1Q 2006.

Income taxes related to net income excluding special items and fair value adjustments were DKK (353)m compared with DKK (498)m in 1Q 2006 due to lower income before income taxes. In 1Q 2007, the effective tax rate, excluding special items and fair value adjustments, was 30.5% compared with 31.0% in 1Q 2006.

The impact from the bill to amend to the corporate tax legislation, cf. Recent Developments, has not been included in income taxes for 1Q 2007.

Net income

Net income including special items and fair value adjustments came to DKK 2,035m, compared with DKK 515m in 1Q 2006, up DKK 1,520m due to gain from the divestment of Bité in 1Q 2007.

Net income excluding special items and fair value adjustments was DKK 806m, down DKK 302m or 27.3% due to lower EBITDA and an increase in financial expenses.

Statements of Cash Flow

In 1Q 2007, cash flow from operating activities amounted to DKK 1,850m, up 1.3% compared with 1Q 2006. This development is primarily due to an improved cash flow related to special items caused by lower payments regarding redundancy programs and payments from Swisscom to TDC Switzerland following the decision on LRIC related interconnect costs. Corporate income tax paid was also lower in 1Q 2007 compared with 1Q 2006, whereas higher interest payments had a negative impact on the cash flow.

Cash flow from investing activities was DKK 2,199m compared with DKK 1,358m in 1Q 2006. This growth reflects a positive cash flow from the divestment of Bité in 1Q 2007, which was partly counteracted by a positive cash flow from the sale of marketable securities in 1Q 2006.

Cash flow from financing activities amounted to DKK (718)m compared with DKK (4,449)m in 1Q 2006. The development was impacted by dividend payments in 1Q 2007, whereas dividends in 2006 were paid later in the year. Furthermore, the cash flow in 1Q 2006 was negatively impacted by repayments of long-term debt.

Balance Sheets

Net interest-bearing debt amounted to DKK 51,831m at the end of 1Q 2007 compared with DKK 15,204m at the end of 1Q 2006, up DKK 36.6bn, reflecting mainly the financing of dividends paid in 2Q 2006.

Compared with the end of 4Q 2006, net interest-bearing debt decreased by DKK 3.4bn, primarily due to proceeds from the disposal of Bité and a positive cash flow from operating activities, which more than compensated for the cash outflow to investments and dividends paid.

Net interest-bearing debt[1]

	TDC	
DKKm	**1Q 2006**	**1Q 2007**
Senior Facilities	7,891	46,723
Euro Medium Term Notes (EMTN)	14,648	9,522
Other loans	2,692	2,444
Loans	**25,231**	**58,689**
Interest-bearing payables	10	6
Gross interest-bearing debt	**25,241**	**58,695**
Interest-bearing receivables	(95)	(78)
Cash and cash equivalents	(9,942)	(6,786)
Net interest-bearing debt	**15,204**	**51,831**

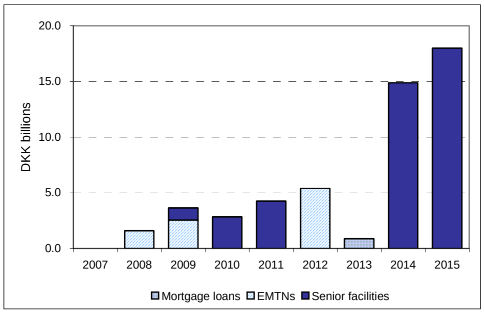
1) Net book value measured at amortized cost so that the difference between the proceeds received and the nominal value is recognized in the Statements of Income over the term of the loan.

Senior Facilities are the most prominent debt financing instrument in TDC, representing 80% of total loans (in terms of net book value) at the end of 1Q 2007. Apart from a 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). At the end of 1Q 2007, the following amounts (nominal value) drawn in Euros were outstanding under the Senior Facilities: Facility A: EUR 1,478m, Facilities B and C: EUR 2,465m, each.

On April 20, 2007, TDC made a prepayment totaling EUR 900m 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. As of April 20, 2007, the following amounts (nominal value) drawn in Euros were outstanding: Facility A: EUR 1,098m, Facility B: EUR 1,997 and Facility C: EUR 2,414m.

As of April 20, 2007, no installments under the Senior Facilities are scheduled in 2007 (prepayments can be made by TDC though). DKK 32.9bn or 64% of the total nominal debt[2] falls due in 2014 and 2015.

Maturity profile of nominal debt[1]



1) Nominal value of Senior Facilities, EMTN and Mortgage loans (excl. HTCC) as of April 20, 2007.

Capital expenditures

Capital expenditures excluding share acquisitions totaled DKK 1,114m, a reduction of DKK 58m or 4.9% compared with 1Q 2006. The decrease is mainly related to the divestment of Bité in 1Q 2007.

The capex-to-revenue ratio decreased from 10.2% in 1Q 2006 to 9.8% in 1Q 2007.

Adjusted for acquired and divested companies, capital expenditures increased by DKK 8m or 0.7% compared with 1Q 2006.

[2] Nominal values of Senior Facilities, EMTN and Mortgage loans (excl. HTCC).

Number of customers

TDC's customer base totaled 14.1m customers at the end of 1Q 2007, an 8.8% decrease relative to 1Q 2006 which is attributable to the divestment of Bité in February 2007.

Adjusted for Bité, customer base increased by 573,000 or 4.2% compared with 1Q 2006.

The domestic customer base totaled 7.8m, up 3.1%. This development is primarily the result of growth in the mobile, xDSL and cable-modem customer bases 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 11.4% to 2.9m.

The number of retail xDSL customers in TDC's domestic operations grew by 21.4% to 782,000. The total number of retail broadband customers, including cable modem customers, increased to 1,081,000, up 29.9% relative to 1Q 2006.

Recent developments

Bill to amend the Corporation Tax Act, etc.

Copenhagen – On April 18, 2007 the Danish Government introduced a bill to amend the Corporation Tax Act and various other tax laws. By introducing the bill, the Government complies with the agreement, "Intervention against tax speculation", which the Government and Dansk Folkeparti entered into on April 2, 2007. The bill contains, among other things, provisions that limit the right to deduct interest and reduce the possibility of certain tax depreciations.

TDC has reviewed the bill and has announced in a stock exchange release of April 23, 2007 that if the bill is passed unchanged by the Danish Parliament, TDC estimates on the basis of the current business plans for 2007 that the tax payment of the TDC Group will be increased by DKK 0.7bn calculated on a full-year basis. However, the effect on the tax payment for 2007 for the TDC Group is estimated to be less than the above-mentioned, since the bill contains different effective dates for the specific parts of the bill, including that some parts of the bill will not become effective until from the beginning of the income year 2008.

Re-organisation, merger with certain subsidiaries and enlargement of the Executive Committee of TDC A/S

On May 1, 2007 TDC announced its decision to accomplish a re-organisation with effect from July 1, 2007. The scope is among other things to achieve an increased businesslike integrated organisation for TDC's Nordic business. In future, TDC will in the Nordic region comprise 4 business units, Business Nordic, Fixed Nordic, Mobile Nordic and the existing Cable TV.

Further, it was announced that TDC A/S will accomplish a merger between TDC A/S and the large Danish subsidiaries, TDC Totalløsninger A/S, TDC Mobile International A/S, TDC Services A/S and TDC Mobil A/S and certain minor subsidiaries. The merger will be accomplished as soon as possible with effect retro-actively from January 1, 2007. The background for the merger is that TDC wants to implement a simplified legal structure, which is aligned with the new organisation. TDC Kabel TV continues as a separate legal entity, which is 100% owned by TDC A/S.

Finally, it was announced that in connection with the decision regarding the re-organisation it had been decided to enlarge the Executive Committee of TDC A/S with the following 2 new members with effect from July 1, 2007:

- <u>Klaus Pedersen</u>, aged 39, who has been with the TDC Group since 1992, since 2005 as managing director of TDC Totalløsninger A/S responsible for Business. Klaus Pedersen will in the future organisation be responsible for Business Nordic.
- <u>Eva Berneke</u>, aged 38, who will be engaged with the TDC Group from July 1, 2007 responsible for strategy. Eva Berneke has been with McKinsey & Co since 1994, since 1998 as partner of its branch in Paris.

The Executive Committee of TDC A/S will from July 1, 2007 consist of Chief Executive Officer and President Jens Alder; Chief Financial Officer Hans Munk Nielsen; Managing Director, Mobile Nordic Mads Middelboe; Managing Director, Business Nordic Klaus Pedersen; Group Strategy Officer Eva Berneke; Group Head of Staff Henriette Fenger Ellekrog.

Risk factors

TDC's Annual Report as of February 22, 2007 contains a description as of that date of certain risks which 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 which were described in the Annual Report and which have not been subject to material change, or risks that have arisen since the date of the Annual Report and which 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 which TDC currently deems to be immaterial may also materially adversely affect TDC's business, financial condition, results of operations or cash flows.

Anti-terror measures

As part of the anti-terrorism action plan, the Danish parliament has passed an act requiring telecommunications providers to install communication interception equipment without cost compensation. The act comes into force on July 1, 2007 (new systems) and on January 1, 2008 (existing systems).

In September 2006, the Danish government issued an executive order requiring the retention and storage of traffic data for one year by telcos for the purpose of investigation and prosecution of criminal offences. The executive order comes into force on September 15, 2007.

In February 2007, the Danish parliament passed a modified telecommunications act requiring telcos to establish the necessary databases and to cover any equipment costs related to the abovementioned data retention.

As a result, TDC will have to make additional investments in technical equipment and cover operational costs.

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 17.

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

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

Net income is expected to decrease 5% – 10% in 2007, as the increasing interest expenses from full year impact of the change in the capital structure in 2006 will be partly compensated for by more efficient operations.

Any impact from the amendment to the corporate tax legislation as proposed by the Danish Government in the bill as of April 18, 2007, cf. Recent developments, has not been included in the outlook for net income.

Statements of Income etc. for the business lines

DKKm	TDC Solutions		TDC Mobile, Nordic		TDC Switzerland		TDC International Holdings	
	1Q 2006	1Q 2007	1Q 2006	1Q 2007	1Q 2006	1Q 2007	1Q 2006	1Q 2007
Revenue, external customers	4,876	4,834	1,444	1,584	2,278	2,163	2,335	2,137
Revenue from other business lines	275	299	420	380	3	5	6	4
Total operating expenses before depreciation etc.	(3,541)	(3,510)	(1,294)	(1,381)	(1,688)	(1,615)	(2,153)	(1,930)
Other income and expenses	48	44	0	0	2	0	54	10
EBITDA	**1,658**	**1,667**	**570**	**583**	**595**	**553**	**242**	**221**
Depreciation, amortization and impairment losses	(798)	(801)	(223)	(158)	(344)	(318)	(127)	(97)
EBIT	**860**	**866**	**347**	**425**	**251**	**235**	**115**	**124**
Capital expenditures excl. share acquisitions	**645**	**682**	**155**	**171**	**124**	**132**	**145**	**39**

DKKm	TDC Cable TV		Other activities[1]		TDC Group	
	1Q 2006	1Q 2007	1Q 2006	1Q 2007	1Q 2006	1Q 2007
Revenue, external customers	579	681	33	16	11,545	11,415
Revenue from other business lines	2	5	(706)	(693)	0	0
Total operating expenses before depreciation etc.	(450)	(513)	840	675	(8,286)	(8,274)
Other income and expenses	0	0	(35)	12	69	66
EBITDA	**131**	**173**	**132**	**10**	**3,328**	**3,207**
Depreciation, amortization and impairment losses	(50)	(60)	(39)	(76)	(1,581)	(1,510)
EBIT	**81**	**113**	**93**	**(66)**	**1,747**	**1,697**
Capital expenditures excl. share acquisitions	**53**	**70**	**50**	**20**	**1,172**	**1,114**

1) Includes TDC A/S, TDC Services and eliminations.

Business line performance

TDC Solutions

TDC Solutions' activities mainly comprise Danish traditional landline services (voice, internet and data) as well as integrated solutions in Denmark, Sweden, Norway and Finland.

DKKm	1Q 2006	1Q 2007	Change in %
Revenue	**5,151**	**5,133**	**(0.3)**
Landline telephony	2,363	2,210	(6.5)
Leased lines	342	396	15.8
Data communications and internet services	1,262	1,311	3.9
Terminal equipment etc.	844	855	1.3
Other[1]	340	361	6.2
Operating expenses	(3,541)	(3,510)	0.9
Other income and expenses	48	44	(8.3)
EBITDA	**1,658**	**1,667**	**0.5**
Depreciation, amortization and impairment losses	(798)	(801)	(0.4)
EBIT	**860**	**866**	**0.7**

1) Includes mobile telephony, operator services etc.

1Q 2007 development

Revenue

In 1Q 2007, revenue totaled DKK 5,133m, down DKK 18m or 0.3%, primarily due to decreasing revenue from landline telephony as a result of fewer subscribers and lower traffic in the retail segment. This was partly counterbalanced by increasing revenue from leased lines due to higher sales of fiber solutions and raw copper to other operators. Also data communication and internet services carried increased revenue related to higher ADSL revenue comprising more customers and lower prices. This was partly offset by lower dial-up revenue.

Adjusted for acquisitions and divestments, revenue increased by 0.2% compared with 1Q 2006.

Operating expenses

Operating expenses were DKK 3,510m, down DKK 31m or 0.9%. This development was mainly driven by lower other external expenses comprising increased cost efficiency which more than compensated for higher costs related to cable fault corrections in the installation division.

Wages, salaries and pension costs were higher than in 1Q 2006 and were impacted by more cable fault corrections within installation as well as severance expenses.

Adjusted for acquired and divested companies, operating expenses were at the same level as in 1Q 2006.

EBITDA

EBITDA amounted to DKK 1,667m in 1Q 2007, up DKK 9m or 0.5% reflecting a rise in the number of broadband customers and fiber access combined with general cost savings, by and large counteracted by decreasing landline telephony, higher costs regarding cable fault corrections and severance expenses. Adjusted for acquisitions and divestments, EBITDA increased by 0.5%.

EBIT

EBIT amounted to DKK 866m in 1Q 2007, up DKK 6m or 0.7% due to increased EBITDA.

TDC Mobile, Nordic

TDC Mobile, Nordic includes TDC Mobil A/S and Telmore.

DKKm	1Q 2006	1Q 2007	Change in %
Revenue	**1,864**	**1,964**	**5.4**
Operating expenses	(1,294)	(1,381)	(6.7)
Other income and expenses	0	0	-
EBITDA	**570**	**583**	**2.3**
Depreciation, amortization and impairment losses	(223)	(158)	29.1
EBIT	**347**	**425**	**22.5**

1Q 2007 development

Revenue

In 1Q 2007, TDC Mobile, Nordic's revenue amounted to DKK 1,964m, up 5.4%. This growth comprises higher revenue in TDC Mobil A/S primarily related to more subscribers, higher traffic and increased terminal handset sales. This was partly counteracted by decreasing revenue from incoming mobile traffic due to lower mobile termination prices. Telmore generated higher revenue due to more customers and a higher ARPU.

Operating expenses

Total operating expenses increased by DKK 87m or 6.7% to DKK 1,381m, attributable to an 11.6% increase in transmission costs and the cost of goods sold due to increased traffic towards other operators, increased roaming costs and higher handset sales. Customer acquisition and marketing costs were lower than in 1Q 2006.

EBITDA

EBITDA amounted to DKK 583m, up DKK 13m or 2.3% driven by TDC Mobil A/S due to more subscriptions and higher traffic as well as a reduction in customer acquisition and marketing costs. This was partly counteracted by decreasing revenue from incoming mobile traffic.

EBIT

EBIT totaled DKK 425m, corresponding to a 22.5% increase, primarily attributable to lower depreciation, amortization and impairment losses.

TDC Switzerland

TDC Switzerland provides mobile, landline and internet services for the Swiss market using the sunrise brand name.

DKKm	1Q 2006	1Q 2007	Change in %
Revenue	**2,281**	**2,168**	**(5.0)**
Mobile telephony	1,356	1,308	(3.5)
Landline telephony	728	670	(8.0)
Internet services	197	190	(3.6)
Operating expenses	(1,688)	(1,615)	4.3
Other income and expenses	2	0	-
EBITDA	**595**	**553**	**(7.1)**
Depreciation, amortization and impairment losses	(344)	(318)	7.6
EBIT	**251**	**235**	**(6.4)**

1Q 2007 development

Revenue

In 1Q 2007, TDC Switzerland's revenue was DKK 2,168m, down 5.0% compared with 1Q 2006. In local currency, revenue decreased by 1.3%.

Compared with 1Q 2006, TDC Switzerland had a 10.8% increase in the number of mobile customers. Revenue from mobile activities came to DKK 1,308m in 1Q 2007, down 3.5%. In local currency, revenue from mobile activities was almost unchanged. This comprises an increased customer base counterbalanced by lower retail and wholesale prices.

Within landline telephony, revenue decreased by 8.0% to DKK 670m in 1Q 2007, reflecting the lower exchange rate and a decrease in the retail customer base and a lower ARPU, partly counteracted by higher wholesale volumes. In local currency, revenue from landline activities decreased by 4.6%.

Revenue from internet activities decreased by 3.6% to DKK 190m in 1Q07, due to the lower exchange rate. The revenue from internet activities was impacted by a 17.3% increase in the broadband customer base which is offset by a 44.1% decrease in dial up-customers. In local currency, revenue from internet activities was at the same level as in 1Q 2006.

Operating expenses

Operating expenses decreased by 4.3% to DKK 1,615m, reflecting primarily the lower exchange rate. Furthermore, lower other external expenses mainly related to lower network system maintenance costs and lower provisions for bad debt. The reduction in operating expenses was also attributable to lower wages, salaries and pension costs due to fewer employees partly stemming from a redundancy program in 2006. In local currency, operating expenses decreased by 0.6%.

EBITDA

EBITDA was DKK 553m, a decrease of 7.1% compared with 1Q 2006, impacted by an unfavorable development in the exchange rate. In local currency, EBITDA decreased by 3.6%. This was mainly due to decreasing landline revenue and lower mobile prices. TDC Switzerland's EBITDA margin decreased from 26.1% to 25.5% in 1Q 2007.

EBIT

EBIT totaled DKK 235m, corresponding to a 6.4% decrease on 1Q 2006, primarily due to lower EBITDA.

TDC International Holdings

TDC International Holdings mainly includes Talkline and HTCC. Bité was included until February 2007.

DKKm	1Q 2006	1Q 2007	Change in %
Revenue	**2,341**	**2,141**	**(8.5)**
Talkline etc.[1]	1,761	1,747	(0.8)
Bité[2]	297	114	(61.6)
Other	283	280	(1.1)
Operating expenses	(2,153)	(1,930)	10.4
Other income and expenses	54	10	(81.5)
EBITDA	**242**	**221**	**(8.7)**
Talkline etc.[1]	122	122	-
Bité[2]	47	23	(51.1)
Other	73	76	4.1
Depreciation, amortization and impairment losses	(127)	(97)	23.6
EBIT	**115**	**124**	**7.8**

1) Talkline etc. includes service provider activities in the United Kingdom and the Netherlands, which were closed down in 2006, and the German mobile company callmobile.

2) Bité was divested as of February 9, 2007.

1Q 2007 development

Revenue

In 1Q 2007, TDC International Holdings' revenue amounted to DKK 2,141m, down 8.5%, mainly due to the divestment of Bité as of February 9, 2007. Revenue in Talkline etc. was DKK 1,747m, down 0.8%, comprising lower ARPU and lower handset sale. This was partly counterbalanced by higher revenue from callmobile due to the start-up of operations in November 2005.

Adjusted for acquisitions and divestments, revenue decreased by 0.8% compared with 1Q 2006.

Operating expenses

Total operating expenses decreased by DKK 223m or 10.4% to DKK 1,930m, mainly due to the divestment of Bité.

Adjusted for acquisitions and divestments, operating expenses decreased by DKK 59m or 3.1% compared with 1Q 2006.

EBITDA

EBITDA amounted to DKK 221m, down DKK 21m or 8.7% due to the divestment of Bité in February 2007.

Adjusted for acquisitions and divestments, EBITDA increased by 1.5%.

EBIT

EBIT totaled DKK 124m, corresponding to 7.8% increase due to lower depreciation, amortization and impairment losses.

TDC Cable TV

TDC Cable TV provides cable TV services as well as internet access and IP telephony via cable modems in Denmark.

1Q 2007 development

TDC Cable TV's revenue rose by 18.1% to DKK 686m. This increase reflects a larger cable TV customer base and a higher ARPU due to new programs and price regulations. Furthermore, increased broadband customer base.

Operating expenses rose by 14.0% to DKK 513m. This increase primarily reflects higher program costs. Furthermore, wages, salaries and pension costs increased by 16.3% to DKK 107m, reflecting a higher number of full-time employees due to increased activity in the TV and internet business.

EBITDA rose by 32.1% to DKK 173m in 1Q 2007, while EBIT increased from DKK 81m in 1Q 2006 to DKK 113m in 1Q 2007 due to higher EBITDA.

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 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 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)	**1Q 2006**	**1Q 2007**	**Change in %**
Revenue	**11,545**	**11,415**	**(1.1)**
of which domestic revenue	6,033	6,174	2.3
of which international revenue	5,512	5,241	(4.9)
Transmission costs and cost of goods sold	(4,165)	(4,219)	(1.3)
Other external expenses	(2,247)	(2,178)	3.1
Wages, salaries and pension costs	(1,874)	(1,877)	(0.2)
Total operating expenses before depreciation etc.	(8,286)	(8,274)	0.1
Other income and expenses	69	66	(4.3)
EBITDA	**3,328**	**3,207**	**(3.6)**
of which domestic EBITDA	2,416	2,358	(2.4)
of which international EBITDA	912	849	(6.9)
Depreciation, amortization and impairment losses	(1,581)	(1,510)	4.5
EBIT, excluding special items	**1,747**	**1,697**	**(2.9)**
Special items[1]	(737)	1,186	-
EBIT, including special items	**1,010**	**2,883**	**185.4**
Income from associates and joint ventures	115	101	(12.2)
of which special items	0	0	-
Net financials	(335)	(596)	(77.9)
of which net financials, excluding fair value adjustments	(256)	(639)	(149.6)
of which fair value adjustments	(79)	43	-
Income before income taxes	**790**	**2,388**	**-**
Total income taxes	(275)	(353)	(28.4)
- Income taxes related to income, excluding special items and fair value adjustments	(498)	(353)	29.1
- Income taxes related to special items and fair value adjustments	223	0	-
Net income	**515**	**2,035**	**-**
Attributable to:			
Shareholders of the Parent Company	535	2,109	-
Minority interests	(20)	(74)	-
Net income, excluding special items and fair value adjustments	**1,108**	**806**	**(27.3)**

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.

Balance Sheets

DKKm	**1Q 2006**	**1Q 2007**
Assets		
Intangible assets	32,753	30,792
Property, plant and equipment	25,508	23,745
Pension assets	5,536	6,124
Other non-current assets	3,861	2,936
Total non-current assets	**67,658**	**63,597**
Receivables	7,923	8,387
Marketable securities	1,144	-
Cash	8,798	6,786
Other current assets	2,387	2,463
Total current assets	**20,252**	**17,636**
Total assets	**87,910**	**81,233**
- of which interest-bearing receivables	95	78
Equity and liabilities		
Equity attributable to Company shareholders	44,609	4,414
Minority interests	254	222
Total equity	**44,863**	**4,636**
Loans	19,842	56,764
Deferred tax liabilities	3,406	3,414
Deferred income	1,136	1,022
Pension liabilities etc.	310	222
Other non-current liabilities	1,299	1,389
Total non-current liabilities	**25,993**	**62,811**
Loans	5,389	1,925
Trade and other payables	7,776	7,633
Deferred income	2,634	2,855
Other current liabilities	1,255	1,373
Total current liabilities	**17,054**	**13,786**
Total liabilities	**43,047**	**76,597**
Total equity and liabilities	**87,910**	**81,233**
- of which interest-bearing payables	10	6
Net interest-bearing debt	**15,204**	**51,831**

Statements of Cash Flow

TDC Group (DKKm)	1Q 2006	1Q 2007	Change in %
EBITDA	3,328	3,207	(3.6)
Reversal of items without cash flow effect	(101)	(46)	54.5
Pension contributions	(38)	(42)	(10.5)
Payments related to provisions	(13)	(22)	(69.2)
Cash flow related to special items	(533)	(48)	91.0
Change in net working capital excl. special items	(537)	(589)	(9.7)
Cash flow from operating activities before net financials and tax	**2,106**	**2,460**	**16.8**
Interest paid, net	(377)	(873)	(131.6)
Realized currency adjustments	336	303	(9.8)
Cash flow from operating activities before tax	**2,065**	**1,890**	**(8.5)**
Corporate income tax paid	(239)	(40)	83.3
Cash flow from operating activities in continuing operations	**1,826**	**1,850**	**1.3**
Cash flow from operating activities in discontinued operations	0	0	-
Total cash flow from operating activities	**1,826**	**1,850**	**1.3**
Investment in enterprises	(29)	(24)	17.2
Investment in property, plant and equipment	(942)	(905)	3.9
Investment in intangible assets	(285)	(265)	7.0
Investment in other non-current assets	(2)	(1)	50.0
Divestment of enterprises	51	3,185	-
Sale of property, plant and equipment	21	110	-
Divestment of associates and joint ventures, and other non-current assets	16	4	(75.0)
Sale of marketable securities	2,531	0	-
Dividends received from associates and joint ventures	0	95	-
Cash flow from investing activities in continuing operations	**1,361**	**2,199**	**61.6**
Cash flow from investing activities in discontinued operations	(3)	0	-
Total cash flow from investing activities	**1,358**	**2,199**	**61.9**
Proceeds from long-term loans	7,888	0	-
Repayments of long-term loans	(13,147)	(13)	99.9
Change in short-term bank loans	(38)	(15)	60.5
Change in interest-bearing receivables	49	4	(91.8)
Dividends paid	0	(694)	-
Acquisition and disposal of treasury shares, net	799	0	-
Total cash flow from financing activities	**(4,449)**	**(718)**	**83.9**
Total cash flow	**(1,265)**	**3,331**	**-**
Cash and cash equivalents (end-of-period)	**8,798**	**6,786**	**(22.9)**

Capital expenditures

excluding share acquisitions

TDC Group (DKKm)[1]	1Q 2006	1Q 2007	Change in %
TDC Solutions	645	682	(5.7)
TDC Mobile, Nordic	155	171	(10.3)
TDC Switzerland	124	132	(6.5)
TDC International Holdings	145	39	73.1
TDC Cable TV	53	70	(32.1)
Others[2]	50	20	-
Capital expenditures excl. share acquisitions	**1,172**	**1,114**	**4.9**

1) A positive variance indicates a positive cash flow.

2) Includes TDC Services, TDC A/S and eliminations.

Equity

TDC Group (DKKm)	1Q 2006			1Q 2007		
	Share-holders' equity	Minority interests	Total equity	Share-holders' equity	Minority interests	Total equity
Shareholders' equity at January 1	**43,520**	**275**	**43,795**	**3,289**	**282**	**3,571**
Net income	535	(20)	515	2,109	(74)	2,035
Dividends declared	0	NM	0	(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
Currency translation adjustments etc.	(18)	(4)	(22)	(231)	9	(222)
Tax related to changes in shareholders' equity	(182)	0	(182)	(59)	0	(59)
Additions to minority interests	NM	3	3	NM	5	5
Shareholders' equity at March 31	**44,609**	**254**	**44,863**	**4,414**	**222**	**4,636**

Customers

Customers ('000) (end-of-period)	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2006	1Q 2007
Domestic, retail and wholesale:						
Landline customers	2,711	2,678	2,634	2,594	2,594	2,525
- Retail	2,237	2,212	2,182	2,159	2,159	2,112
- Wholesale	474	466	452	435	435	413
Mobile customers	2,559	2,632	2,722	2,777	2,777	2,852
- Retail[1, 2]	2,325	2,374	2,446	2,467	2,467	2,515
- of which Telmore	562	566	575	579	579	587
- Wholesale	234	258	276	310	310	337
Internet customers	1,282	1,298	1,312	1,348	1,348	1,371
- Broadband	931	1,050	1,085	1,151	1,151	1,202
- Non-broadband	351	248	227	197	197	169
TV customers	1,034	1,045	1,054	1,062	1,062	1,071
Domestic customers, total	**7,586**	**7,653**	**7,722**	**7,781**	**7,781**	**7,819**
International:						
Landline customers	699	706	700	717	717	717
- TDC Switzerland	516	505	504	502	502	495
- TDC Song Nordic	5	5	5	5	5	5
- Others	178	196	191	210	210	217
Mobile customers	6,745	6,922	7,031	7,160	7,160	5,142
- TDC Switzerland	1,273	1,289	1,317	1,361	1,361	1,411
- Talkline etc.	3,533	3,581	3,725	3,742	3,742	3,716
- Bité	1,931	2,042	1,977	2,043	2,043	-
- TDC Song Nordic	8	10	12	14	14	15
Internet customers	426	408	410	419	419	418
- TDC Switzerland	376	351	346	343	343	331
- TDC Song Nordic	42	47	52	61	61	70
- Others	8	10	12	15	15	17
International customers, total	**7,870**	**8,036**	**8,141**	**8,296**	**8,296**	**6,277**
Group customers, total	**15,456**	**15,689**	**15,863**	**16,077**	**16,077**	**14,096**

1) The definition of active prepaid customers was changed from 1Q 2006 from 12 months to 3 months corresponding to the definition used by the Danish National IT and Telecom Agency since January 1, 2004.

2) The numbers include mobile customers in TDC Solutions A/S.

Employees

Full-time equivalents[1]

EoP	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2006	1Q 2007
TDC Solutions	11,246	11,173	11,087	10,697	10,697	10,456
- of which in Denmark	9,684	9,593	9,534	9,189	9,189	8,935
TDC Mobile, Nordic	954	959	927	937	937	959
- of which in Denmark	954	959	927	937	937	959
TDC Switzerland	2,421	2,264	2,261	2,246	2,246	2,225
TDC International Holdings	2,143	2,158	2,191	2,189	2,189	1,591
- of which in Denmark	102	103	100	94	94	13
TDC Cable TV	1,046	1,084	1,095	1,118	1,118	1,095
Others	2,017	1,979	1,885	1,824	1,824	2,220
- of which in Denmark	1,971	1,935	1,840	1,784	1,784	2,179
TDC	**19,827**	**19,617**	**19,446**	**19,011**	**19,011**	**18,546**
TDC, domestic	**13,757**	**13,674**	**13,496**	**13,122**	**13,122**	**13,181**

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 discontinued operations.

Selected financial and operational data, 2003-1Q 2007

TDC Group[1]		2003	2004	2005	2006	1Q 2007
Statements of Income:	DKKm					
Revenue		40,152	42,339	46,588	47,429	11,415
Income before depreciation, amortization and special items (EBITDA)		**11,139**	**11,996**	**13,003**	**13,655**	**3,207**
Depreciation, amortization and impairment losses		(6,162)	(6,661)	(6,790)	(6,551)	(1,510)
Operating income (EBIT), excluding special items		**4,977**	**5,335**	**6,213**	**7,104**	**1,697**
Special items		(1,060)	385	(968)	(319)	1,186
Operating income (EBIT), including special items		**3,917**	**5,720**	**5,245**	**6,785**	**2,883**
Income from associates and joint ventures		777	5,632	334	449	101
Net financials		(561)	(716)	(1,056)	(2,697)	(596)
Income before income taxes		**4,133**	**10,636**	**4,523**	**4,537**	**2,388**
Income taxes		(1,098)	(1,041)	(1,026)	(1,094)	(353)
Net income from continuing operations		**3,035**	**9,595**	**3,497**	**3,443**	**2,035**
Net income from discontinued operations		176	315	3,953	0	0
Net income		**3,211**	**9,910**	**7,450**	**3,443**	**2,035**
Attributable to:						
- Shareholders of the Parent Company		3,203	9,912	7,474	3,446	2,109
- Minority interests		8	(2)	(24)	(3)	(74)
Net income, excluding special items and fair value adjustments[2]:						
Operating income (EBIT), excluding special items		**4,977**	**5,335**	**6,213**	**7,104**	**1,697**
Income from associates and joint ventures		1,351	566	334	439	101
Net financials		(1,155)	(894)	(872)	(2,861)	(639)
Income before income taxes		**5,173**	**5,007**	**5,675**	**4,682**	**1,159**
Income taxes		(1,348)	(1,360)	(1,224)	(1,320)	(353)
Net income from continuing operations		**3,825**	**3,647**	**4,451**	**3,362**	**806**
Net income from discontinued operations		233	296	248	0	0
Net income		**4,058**	**3,943**	**4,699**	**3,362**	**806**
Balance Sheets	DKKbn					
Total assets		92.6	90.3	93.5	80.8	81.2
Net interest-bearing debt		28.8	20.1	16.5	55.2	51.8
Total equity		35.9	38.9	43.8	3.6	4.6
Shares outstanding (million)		213.6	204.6	195.2	197.8	198.1
Statements of Cash Flow	DKKm					
Operating activities		10,679	11,084	8,691	10,141	1,850
Investing activities		(12,618)	2,889	(1,226)	(989)	2,199
Financing activities		4,932	(12,573)	(4,229)	(15,760)	(718)
Total cash flow		2,993	1,400	3,236	(6,608)	3,331
Capital expenditures	DKKbn					
Excluding share acquisitions		5.4	5.1	5.6	5.3	1.1
Including share acquisitions		13.5	10.0	6.3	5.7	1.1
Key financial ratios						
EPS, incl. special items and fair value adjustments	DKK	15.0	48.4	38.3	17.4	10.6
EPS, excl. special items and fair value adjustments	DKK	19.0	19.3	24.2	17.0	4.4
Dividend payments per share	DKK	11.5	12.0	12.5	223.9	3.5
EBITDA margin (EBITDA divided by revenue)	%	27.7	28.3	27.9	28.8	28.1
Capex, excl. share acquisitions-to-revenue ratio	%	13.5	12.2	12.1	11.2	9.8
Cash Earnings per share (CEPS), excl. special items and fair value adjustments[3]	DKK	41.5	49.3	57.2	47.5	11.4
Return on capital employed (ROCE)[4]	%	13.1	11.9	12.6	13.9	3.8
Subscriber base (end-of-year)[5]	(1,000)					
Landline		3,631	3,483	3,471	3,311	3,242
Mobile		6,199	7,126	9,022	9,937	7,994
Internet		1,696	1,814	1,769	1,767	1,789
TV customers		924	982	1,030	1,062	1,071
Total subscribers		**12,450**	**13,405**	**15,292**	**16,077**	**14,096**
Full-time employee equivalents[6]		**20,034**	**19,497**	**20,225**	**19,011**	**18,546**

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-year 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-year full-time employee equivalents including permanent employees, trainees and temporary employees. The number of full-time employee equivalents is exclusive of 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. Will be included in the results as from 2Q 2007.

Management Statement

The Board of Directors and the Executive Committee have reviewed and approved the Earnings Release of the TDC Group for 1Q 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 March 31, 2007 as well as of the results of its operations and cash flows for 1Q 2007.

Executive Committee

Jens Alder	Hans Munk Nielsen
Mads Middelboe	Henriette Fenger Ellekrog

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 a Danish-based provider of communications solutions with presence in selected markets in Northern and Central Europe. TDC was partly privatized in 1994 and fully privatized in 1998. As of March 31, 2007, Nordic Telephone Company ApS holds 87.9% of the shares, with the remainder held by individual and institutional shareholders.

Listing

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Reuters TDC.CO.

Bloomberg TDC DC.

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