

Interim Financial Report Q1 2017

TDC (TDC.CO, TDC DC), a leading communication and home entertainment company in Denmark and Norway, announces its interim financial report for the first quarter of 2017:

Highlights

- **EBITDA** stabilisation with only slight decline of 0.9% YoY. An EBITDA decrease of 3.1% YoY in Denmark partly offset by Norway (+5.3% YoY); EBITDA development positively affected by one-offs of approximately DKK 25m
- The **GP trend improved** in Denmark with a decline of 2.3% YoY vs. - 5.9% FY 2016 YoY; at the best level since 2011, driven by improvements across business lines
- **Organic Group opex** reduction of 2.0% YoY driven by renegotiation of contracts e.g. IT and roaming, reduced fault-handling hours due to improved productivity, fewer call centre calls and FTE reductions
- An **EFCF increase** of DKK 126m driven by reduced net interest paid
- Loss of **22k TV customers** vs. Q4 in Denmark in line with market development; Furthermore a large MDU (9k) was lost with impact from Q2
- Loss of **12k broadband customers** vs. Q4 in Business and Consumer due to intense price pressure
- Loss of **4k mobility services customers** in Consumer and Business vs. Q4; however continued growth in mobility services revenue and GP
- **Roam Like at Home** mobile portfolios launched across all brands; price increases in YouSee for all existing customers from 1 July to include Roam Like at Home in EU; awaiting market response
- Improvement in **customer satisfaction**; touchpoints and operational KPIs performed well in Q1. Telmore (across Danish industries) and Get (among Norwegian TV-providers) have won awards for the **best customer service in 2017**
- Divestment of **TDC Hosting** completed on 31 March 2017
- **2017 guidance** reaffirmed on all parameters; EBITDA > DKK 8.2bn; EFCF: Stable or moderate growth; DPS: DKK 1.05

Pernille Erenbjerg, Group CEO, TDC A/S, says:

"The results are satisfactory, which confirms that we are on the right track in our efforts to stabilise the business in 2017. All key financial ratios are showing improvement."

"There are several positive signs in the financial statements, but I am particularly pleased that we are now seeing signs of improvement in the otherwise very challenging Danish market, customer satisfaction is increasing, and Get continues to deliver high growth rates in Norway. However, we are only one quarter into the year, and some of the greater challenges and uncertain factors are waiting in the coming quarters, including the impact of the EU's roaming regulation and a large public tender in the Danish market."

Conference call details

A conference call will be held on 5 May 2017 at 14:30 CET.

Presentation material will be available prior to the conference call on www.tdcgroup.com

Dial-in details can be found at:

<http://event.onlineseminarsolutions.com/r.htm?e=1412143&s=1&k=6B175D3E3F0B51B8E248B941A6320CC5>

Audio cast: <http://edge.media-server.com/m/p/7zxshu6d>

For investor enquiries: +45 66 63 76 80

For media enquiries: +45 70 20 35 10

This notification is made by Dennis Callesen, Investor Relations Manager at TDC A/S.

TDC listing

Shares: NASDAQ Copenhagen.

Reuters TDC.CO.

Bloomberg TDC DC.

Nominal value DKK 1.

ISIN DK0060228559.

LEI 529900N96EOVRB114D28.