

17 July 2018

TDC A/S - COMPANY ANNOUNCEMENT**TDC Group divests its Norwegian business to Telia Company**

TDC Group announces today that it has signed a share purchase agreement whereby it is selling all its shares in its Norwegian business Get (Get AS and its subsidiaries including the Norwegian B2B business, TDC Norway) to Telia Company AB for a cash purchase price of NOK 21.0 billion on a cash and debt free basis, corresponding to a EV/EBITDA multiple of 12.1x and a EV/(EBITDA-CAPEX) multiple of 23.7x¹.

The transaction is subject to the approval of the Norwegian competition authority.

Over the last months, TDC Group has reviewed their strategic options and developed detailed plans for delivering on their vision. Get and TDC Norway are high quality businesses, but it has become clear that TDC Group does not need to own these businesses to succeed with what is essentially a Danish focused ambition.

With the implementation of the NetCo/OpCo organisation, which was announced on June 28, and today this agreement, TDC Group is off to a good start in executing on their plans and fulfilling the ambition.

TDC Group believes it has found a good long-term owner for the Norwegian activities. The combination of TDC Norway and Get's strong fiber and cable networks with Telia Company's high quality mobile network means that Get and TDC Norway can continue to invest in innovation and further development of converged services, and for TDC Group it means they can focus fully on delivering on the vision for Denmark.

TDC Group acquired Get in September 2014 for a purchase price of NOK 13.8 billion on a cash and debt free basis. Subsequently the existing Norwegian B2B business of TDC Group was transferred to Get. During the period from 2015 and until and including Q2 2018, Get has generated Operating Free Cash Flow (OPFCF) (i.e. EBITDA-CAPEX) of more than NOK 2.5 billion (more than DKK 2 billion).

The divestment of Get is estimated to result in a gain of approximately DKK 5.0 billion after tax (calculated on the basis of an estimated closing of the transaction by the end of Q3 2018), which after closing of the transaction will be recognised as special items related to 'Discontinued operations' in the TDC Group's consolidated financial statements.

Following signing of the divestment agreement, Get is classified as 'Discontinued operations' in TDC Group's consolidated financial statements effective from Q3 2018. Comparative figures in the income statements and cash flow statements will be restated accordingly.

Following completion, part of the sales proceeds is expected to be applied towards debt reductions with a view to maintaining an appropriate capital structure. Accordingly, it is not expected that the sale will itself have a negative impact on TDC Group's corporate credit ratings. The final application of the sales proceeds will be determined closer to completion based on, among others, market conditions and subject to the requirements under TDC Group's new credit facilities and applicable law. This may also include reinvestment of part of the sales proceeds in TDC Group's Danish activities.

¹ EBITDA and Operating Free Cash Flow (EBITDA-CAPEX) based on 2017 numbers

In TDC Group's guidance for 2018, the Norwegian business was assumed to impact EBITDA by DKK 1.3-1.4 billion and EFCF by approximately DKK 900 million.

For reference 2017 financial key figures for TDC Group's Norwegian business:

	NOKm	DKKk
Revenue	3,999	3,190
EBITDA	1,738	1,386
CAPEX	853	679
OPFCF (EBITDA-CAPEX)	885	707

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

TDC A/S

Teglholmsgade 1
DK-0900 Copenhagen
Denmark
tdc.dk

DKT Finance ApS

c/o Intertrust (Denmark) A/S
Sundkrogsgade 21
DK-2100 Copenhagen
Denmark