

T D C G R O U P

Earnings Release Third Quarter 2001

November 1, 2001

Highlights

- Net income outlook for 2001 upgraded 25% to DKK 750m
- Net revenues of DKK 12,928m, up 16%
- Net revenues from mobile telephony of DKK 4,572m, up 44%
- Total number of customers on a pro rata basis of 14.1m, up 36%
- EBITDA of DKK 3,255m, up 6.0%
- Net income of DKK 256m



TDC Group

Statements of Income, highlights¹⁾

DKKm	3Q 2000	3Q 2001
Net revenues	11,147	12,928
Total revenues	11,630	13,488
Total operating expenses	-8,559	-10,233
EBITDA	3,071	3,255
Depreciation and amortization	-1,504	-2,208
Operating income (EBIT)	1,567	1,047
Net financials	-143	-445
Income before income taxes	1,424	602
Income taxes	-668	-455
Income before minority interests	756	147
Minority interests' share of net income	-9	109
Net income	747	256
Earnings per share, DKK	3.45	1.18

¹⁾ Excluding one-time items

COPENHAGEN, Denmark, November 1, 2001 – TDC, formerly Tele Danmark, the full-service European communications provider based in Denmark, today reported 3Q 2001 net revenues of DKK 12,928m, up 16%, EBITDA of DKK 3,255m, up 6.0%, and net income of DKK 256m.

TDC has upgraded its full-year net income outlook for 2001 by 25% to DKK 750m compared with previous outlook statements, reflecting a favorable development in depreciation, net financials and taxes. The 2001 outlook for EBITDA is reaffirmed at DKK 12.8bn.

"The third quarter of 2001 shows that we are on the right track. Our focused effort on key growth drivers and disciplined expense management continues to improve revenues and EBITDA in line with our plans. At EBITDA level we saw year-on-year growth for the first time since mid-2000 and despite adverse economic conditions, our overall performance has enabled us to upgrade TDC's net income outlook for 2001," said CEO Henning Dyremose. "Moving ahead, we will further improve the operating performance of the companies in the TDC Group."

Net revenues totaled DKK 12,928m, up 16% or DKK 1.8bn compared with 3Q 2000, driven primarily by the inclusion of TDC Switzerland and the strong growth in TDC Mobile International.

EBITDA increased 6.0% in 3Q 2001, driven primarily by improvements in TDC Tele Danmark and TDC Mobile International. TDC Tele Danmark has improved due to increased demand for Internet/IP and ISDN services, while TDC Mobile International was positively impacted by better margins for Danish operations, cost improvements in Talkline and further improvements in the international mobile network operations.

Domestic mobile EBITDA margin increased from 26.2% in 2Q 2001 to 31.8% in 3Q 2001, due primarily to reduced handset subsidies. TDC Tele Danmark domestic operations also improved EBITDA margin from 33.7% in 2Q 2001 to 37.2% in 3Q 2001, due primarily to positive impact from increased demand for Internet/IP and ISDN services.

In 3Q 2001, cash flow from operations contributed DKK 2,584m. Capital expenditures totaled DKK 3,594m compared with DKK 1,992m in 3Q 2000, reflecting primarily the acquisition of a Danish UMTS license as well as TDC Switzerland.

EBIT was DKK 1,047m compared with DKK 1,567m in 3Q 2000. This reduction reflects increased depreciation and goodwill amortization related to TDC Switzerland.

Net financials totaled DKK -445m compared with DKK -143m in 3Q 2000. This rise reflects an increase in net interest-bearing debt to DKK 34.1bn combined with a reduction in the average interest rate paid. The increase in net interest-bearing debt is primarily related to TDC Switzerland.

Tax expenses in 3Q 2001 amounted to DKK 455m compared with DKK 668m in 3Q 2000, reflecting the lower income before income taxes.

Net income was DKK 256m compared with DKK 747m in 3Q 2000. This reduction reflects primarily impact of TDC Switzerland as planned.

TDC's total pro rata customer base grew 36% to 14.140m. Similarly, the number of mobile users grew 56% to 6.544m, Internet dial-up subscribers grew 81% to 1.724m, landline customers increased 13% to 5.058m, and the number of cable-TV subscribers increased 2% to 814,000.

During 3Q 2001, TDC acquired a 20-year UMTS license in Denmark for DKK 950m, which is to be paid over 10 years.

"Together with our leading position for mobile services in Denmark, the UMTS license provides a valuable platform for introducing our mobile customers to the advanced services of the future," said CEO Henning Dyremose.

During 3Q 2001, TDC sold its remaining 6.6% stake in Pannon, a Hungarian GSM provider, to Norwegian Telenor with a profit of approximately DKK 550m. The transaction is expected to close in 4Q 2001.

TDC Tele Danmark Group

TDC Tele Danmark activities cover predominantly Danish landline operations, but also include mobile telephony derived from Duét.

Net revenues and EBITDA

DKKm	3Q 2000	3Q 2001	Change in %
Net revenues			
Landline telephony ¹	3,391	3,012	-11.2
Mobile telephony	153	143	-6.5
Operator services	167	143	-14.4
Data communications services	176	163	-7.4
Terminal equipment, etc.	629	705	12.1
Leased lines	507	487	-3.9
Other	131	138	5.3
Net revenues, total^{*)}	5,154	4,791	-7.0
Domestic	4,660	4,591	-1.5
International	494	200	-59.5
EBITDA	1,603	1,696	5.8
Domestic	1,643	1,707	3.9
International	-40	-11	72.5

^{*)} Adjusted for divestments and change in ownership, net revenues grew 0.5% compared with 3Q 2000.

Landline telephony revenues, including revenues from domestic and international landline operations, totaled DKK 3,012m, down 11% on 3Q 2000. However, adjusted for divestments and change in ownership, such as Telenordia and sunrise, growth amounted to 0.3%.

EBITDA for TDC Tele Danmark totaled DKK 1,696m, compared with DKK 1,603m in 3Q 2000. Stringent expense discipline, including a streamlining project, had a significant impact on TDC Tele Danmark's domestic EBITDA margin, which improved to 37.2% compared with 35.3% in 3Q 2000. As market leader, TDC Tele Danmark continues to focus on key growth areas such as IP, VPN and ADSL which, together with stringent expense discipline, will create a predictable platform for cash generation and growth.

By the end of 3Q 2001, TDC Tele Danmark had 3.5m domestic customers. The domestic subscriber base includes 2.7m PSTN subscriptions, 396,000 ISDN2 subscriptions and 261,000 Duét subscriptions. TDC Tele Danmark's market share has stabilized in 2001 after several years with a declining market share following deregulation of the Danish communications market.

During 3Q 2001, TDC Tele Danmark continued its accelerated rollout of ADSL infrastructure in Denmark, and by the end of 3Q, 83% of all households and businesses in Denmark were covered by the infrastructure rollout.

¹ Revenues from domestic landline subscriptions were DKK 1,147m. Domestic landline traffic revenues totaled DKK 1,237m compared with DKK 1,261m in 3Q 2000. A total of 6.1bn minutes were sold. Domestic revenues from international traffic were DKK 549m compared with DKK 617m in 3Q 2000.

TDC Mobile International Group

TDC Mobile International includes mainly TDC Mobil A/S, the leading Danish mobile operator, Talkline, Polkomtel, Bité, Ben, UMC and Connect Austria. Net revenues include mobile telephony and landline telephony and Internet services in Talkline.

Net revenues and EBITDA

DKKm	3Q 2000	3Q 2001	Change in %
Net revenues			
Mobile telephony	3,321	3,859	16.2
Landline telephony	822	543	-33.9
Terminal equipment, etc.	77	92	19.5
Other	90	166	84.4
Net revenues, total	4,310	4,660	8.1
Domestic	1,085	1,301	19.9
International	3,225	3,359	4.2
EBITDA	468	809	72.9
Domestic	382	414	8.4
International	86	395	NM

TDC Mobile International achieved *net revenues* of DKK 4,660m, up 8.1% and *EBITDA* of DKK 809m, up 73% on 3Q 2000.

Domestic business achieved *net revenues* of DKK 1,301m, up 20% and *EBITDA* of DKK 414m, up 8.4%. Traffic revenues increased 20% to DKK 1,033m and subscription revenues decreased 4% to DKK 113m. Mobile data revenues totaled DKK 63m, up 97% compared with 3Q 2000.

Domestic business has gained a significant market share in 2001 as part of a marketing strategy focused on the post-paid segment of the mobile market. During 3Q 2001, handset subsidies were withdrawn for pre-paid customers, and in October, all handset subsidies were abolished. Consequently, the EBITDA margin of the domestic mobile activities increased compared to the first half of 2001.

The domestic customer base grew 32% to 1.668m from 3Q 2000 to 3Q 2001. The number of customers increased 51,000 during 3Q 2001.

The volume of domestic mobile traffic increased 19% to 668m minutes and the SMS traffic volume expanded 88% to 109m SMS messages.

Talkline, the 100% owned German mobile, Internet and landline service provider, recorded net revenues of DKK 2,458m and EBITDA of DKK 130m compared with DKK 88m in 3Q 2000. By the end of 3Q 2001, Talkline had 1.924m mobile customers.

During 2001, TDC has investigated Talkline's strategic options. TDC decided to restructure Talkline. Closure of loss-making landline and Internet activities is planned, and divestment of Dutch mobile activities has been implemented. The profitable German mobile and Infodienst activities will continue as operating activities and may be sold.

Bité, the 100% owned Lithuanian mobile GSM operator, increased its net revenues by 37% to DKK 103m and EBITDA grew 200% to DKK 48m. Its customer base grew 54% to 220,000 compared with 3Q 2000.

Polkomtel, the 19.6% owned Polish mobile operator, achieved net revenues of DKK 444m, up 31% and EBITDA of DKK 173m, up 56% compared with 3Q 2000. On a pro rata basis, Polkomtel had 621,000 mobile customers by the end of 3Q 2001, an increase of 45%.

On a pro rata basis, other mobile activities, including the 14.7% shareholdings in Ben, 16.3% in UMC and 15% in Connect Austria, recorded net revenues of DKK 353m and EBITDA of DKK 44m. The number of proportionally consolidated customers in these companies totaled 502,000 at the end of 3Q 2001, up 53%, compared with 3Q 2000.

TDC Switzerland

TDC Switzerland was created in 2001 following the acquisition and merger of sunrise and diAx. TDC Switzerland expands TDC's position in high-growth markets and increases the EBITDA growth rate for the TDC Group. TDC Switzerland provides mobile, landline and Internet services for the Swiss market through the sunrise brand and is the second-largest provider in Switzerland.

Net revenues and EBITDA

DKKm	3Q 2001
Net revenues	
Mobile services	914
Landline services	838
Internet services	155
Net revenues, total	1,907
EBITDA	-14

During 3Q 2001, TDC Switzerland performed as planned. Net revenues totaled DKK 1,907m and EBITDA was DKK -14m. Net revenues have been stable since 2Q 2001, reflecting primarily reduced wholesale revenues.

At the end of 3Q 2001, TDC Switzerland's controlled customer base comprised 834,000 mobile customers, up 43% compared with year end 2000; 525,000 Internet customers, up 17%; and 1.066m landline customers, up 11%. The mobile customer base comprises 49% post-paid customers. The total average monthly mobile churn rate in 3Q 2001 has been successfully reduced to 2.6% per month.

Merger synergies materialized further in 3Q 2001. The total number of call centers and other locations was reduced and subsequently costs related to administration, marketing and network transmission were further decreased.

Through campaigns in the summer months, the sunrise marketing brand has been successfully established together with the new slogan "communication is life". Targeted marketing initiatives have successfully followed this campaign in order to enhance the average revenue per customer and net customer intake.

TDC Internet Group

TDC Internet activities include ISP and web services in Denmark, Eastern European Internet web-service operations, and Dan Net, the leading data clearing provider.

Net revenues in TDC Internet totaled DKK 270m, up 96% compared with 3Q 2000. Likewise, domestic net revenues grew 83% to DKK 245m, international net revenues rose to DKK 25m compared with DKK 3m. TDC Internet's EBITDA was DKK -96m compared with DKK -100m in 3Q 2000, with domestic EBITDA of DKK -63m compared with DKK -95m in 3Q 2000, and international EBITDA of DKK -33m compared with DKK -5m in 3Q 2000.

Compared with earlier reported 2001 quarters, 3Q 2001 EBITDA does not include ADSL connection fees, as they are capitalized. This capitalization is eliminated in TDC Group EBITDA. The impact of this cost recognition method improved 3Q 2001 EBITDA by DKK 83m. In TDC Internet's full-year 2001 result, ADSL connection fees will be capitalized as from January 2001.

TDC Internet's dial-up customer base grew to 686,000, up 23% compared with 3Q 2000, and the number of ADSL customers was 68,000 by the end of 3Q 2001.

Dan Net realized 25% growth in net revenues, which totaled DKK 65m, and EBITDA of DKK 18m, up 50%, compared with 3Q 2000.

TDC Directories Group

TDC Directories provides directory services, specialist B2B catalogs and inquiry on-line services in the Danish, Swedish and Norwegian markets.

TDC Directories achieved net revenues of DKK 223m, up 8.3%. EBITDA totaled DKK 20m compared with DKK 38m in 3Q 2000, as planned. The EBITDA contribution in the third quarter is lower than for other quarters due to seasonality in the publishing of directories.

Based on its market-leader position in the Danish market, TDC Directories has expanded into the Nordic region through acquisitions of both traditional catalog publishers and of DM-huset, a business information provider. In the Swedish market, TDC Directories has launched "Gulan", a competitive yellow-pages service in Stockholm, Gothenburg and Malmoe. The financial benefits of these strategic moves will materialize from next year onwards.

TDC Cable TV Group

TDC Cable TV provides cable-TV services in Denmark.

Net revenues from TDC Cable TV were DKK 293m in 3Q 2001, up 6%, and EBITDA was DKK -12m in 3Q 2001 compared with DKK 3m in 3Q 2000.

During 3Q 2001, the subscriber poll was abolished, giving TDC Cable TV better negotiating leverage in relation to content providers. TDC Cable TV continued to expand the return-path upgrade as a platform for offering customers Internet and telephony services. Thus, TDC Cable TV is well positioned to introduce additional services and expand future revenue streams.

The customer base increased 2% to 814,000.

Outlook

TDC's financial outlook for 2001 was described in detail in the Earnings Release for 2000 and the Annual Report for 2000. At TDC Group level, the outlook for 2001 comprises total revenues of DKK 54.7bn compared with DKK 54.2bn in the August outlook. EBITDA is unchanged at DKK 12.8bn and net income excluding one-time items is increased to DKK 750m compared with DKK 600m in the August outlook.

For the major business lines, the outlook for 2001 is as follows:

TDC Group

Outlook 2001 (excl. one-time items)

DKKbn	1999	2000	2001	Growth 00/01(%)
TDC Tele Danmark Group				
Total revenues	21.0	22.0	21.5	-2
EBITDA	7.5	6.9	7.0	2
TDC Mobile International Group				
Total revenues	12.9	16.9	18.0	6
EBITDA	1.2	1.9	2.3	20
TDC Internet Group				
Total revenues	0.4	0.6	1.1	75
EBITDA	-0.3	-0.4	-0.4	-14
TDC Cable TV Group				
Total revenues	0.8	1.1	1.2	8
EBITDA	-0.0	-0.1	-0.1	-72
TDC Directories Group				
Total revenues	0.9	1.4	1.6	17
EBITDA	0.4	0.6	0.5	-12
TDC Services Group				
Total revenues	3.1	3.4	3.8	12
EBITDA	0.9	1.0	1.1	8
TDC Switzerland Group				
Total revenues	NA	NA	7.6	-
EBITDA	NA	NA	-0.2	-
Net income	NA	NA	-2.2	-
TDC Group				
Total revenues	40.4	46.8	54.7	17
EBITDA	12.3	13.0	12.8	-1
Net income	3.8	3.6	0.75	-78

Safe harbor statement

Certain sections of this quarterly report contain forward-looking statements that reflect the Management's current views with respect to certain future events and financial performance. Statements concerning the outlook naturally involve uncertainties, and consequently actual results may differ materially from those projected or implied in these forward-looking statements. Further, certain forward-looking statements are based on assumptions of future events that may prove not to be accurate.

Factors that may cause actual results to differ materially from those projected or implied in the forward-looking statements include – but are not limited to – economic trends and developments in financial markets and the economic impact of unexpected events; technological developments; changes in applicable Danish legislation and EU legislation; changes in interconnect rates; developments in competition within domestic and international communications solutions; introduction of and demand for new services and products; developments in the demand, product mix and prices in the mobile market, including marketing expenses; developments in the market for multimedia services; the possibilities of being awarded licenses; developments in TDC's international activities, which also involve certain political risks; and investments and divestitures in domestic and foreign companies.

Conference call

TDC invites you to participate in a conference call today at 16.00 CET to be hosted by Henning Dyremose, Chief Executive Officer, and Hans Munk Nielsen, Chief Financial Officer. To participate, please call +353 1 240 5434 from outside Denmark and 8080 2001 from Denmark about 10 minutes before the conference call is due to start.

The conference call will refer to a slide deck that is available at www.tdc.dk and participants wishing to obtain the full benefit of the conference call should obtain these slides in due time before the conference call begins.

For further information, please contact Investor Relations on +45 3343 7680.

Financial calendar

TDC Investor Day 2001 is scheduled for November 9, 2001 in Zurich, Switzerland.

TDC full-year 2001 Report will be released on February 27, 2002.

TDC 1Q 2002 Report will be released on May 2, 2002.

TDC Group

Statements of Income

DKKm	3Q 2000	3Q 2001	Change in %	1-3Qs 2000	1-3Qs 2001	Change in %
Landline telephony	4,040	4,287	6.1	11,739	12,942	10.2
Mobile telephony	3,166	4,572	44.4	9,292	12,838	38.2
Terminal equipment, etc.	644	605	-6.1	2,050	2,001	-2.4
Internet services	310	556	79.4	646	1,443	123.4
Leased lines	393	363	-7.6	1,096	1,162	6.0
Operator services	146	120	-17.8	446	360	-19.3
Directories	166	197	18.7	817	883	8.1
Data communications services	170	157	-7.6	520	512	-1.5
Cable TV	255	293	14.9	824	867	5.2
Other activities (incl. Belgacom)	1,857	1,778	-4.3	5,359	5,202	-2.9
Net revenues, Group	11,147	12,928	16.0	32,789	38,210	16.5
of which domestic revenues	5,640	5,695	1.0	17,151	17,264	0.7
of which international revenues	5,507	7,233	31.3	15,638	20,946	33.9
Total revenues, Group	11,630	13,488	16.0	34,376	39,872	16.0
Total operating expenses	-8,559	-10,233	-19.6	-24,394	-30,927	-26.8
EBITDA, Group	3,071	3,255	6.0	9,982	8,945	-10.4
of which domestic EBITDA	2,282	2,301	0.8	7,533	6,741	-10.5
of which international EBITDA	789	954	20.9	2,449	2,204	-10.0
Depreciation, amortization and write-downs etc.	-1,504	-2,208	-46.8	-4,550	-6,214	-36.6
of which goodwill amortization	-171	-387	-126.3	-530	-1,138	-114.7
Operating income (EBIT) before one-time items	1,567	1,047	NM	5,432	2,731	NM
One-time items, net	4,099	0	NM	4,099	394	NM
Operating income (EBIT) including one-time items	5,666	1,047	NM	9,531	3,125	NM
Net financials	-143	-445	NM	-559	-1,093	NM
Income before income taxes	5,523	602	NM	8,972	2,032	NM
Total income taxes	-1,315	-455	NM	-2,811	-1,725	NM
of which related to ordinary income	-668	-455	NM	-2,164	-1,397	NM
of which related to one-time items	-647	0	NM	-647	-328	NM
Income before minority interests	4,208	147	NM	6,161	307	NM
Minority interests	-9	109	NM	-26	370	NM
of which related to ordinary income	-9	109	NM	-26	303	NM
of which related to one-time items	0	0	NM	0	67	NM
Net income	4,199	256	NM	6,135	677	NM

Statements of Income for the business lines

DKKm	TDC Tele Danmark Group		TDC Mobile International Group		TDC Internet Group		TDC Cable TV Group	
	3Q00	3Q01	3Q00	3Q01	3Q00	3Q01	3Q00	3Q01
Net revenues, external customers	4,806	4,349	4,002	4,268	121	232	276	293
Net revenues, other business lines	348	442	308	392	17	38	1	0
Other revenues ¹⁾	344	417	33	91	6	5	2	14
Total revenues	5,498	5,208	4,343	4,751	144	275	279	307
Total operating expenses	-3,895	-3,512	-3,875	-3,942	-244	-371	-276	-319
EBITDA	1,603	1,696	468	809	-100	-96	3	-12
Depreciation, amortization and write-downs	-690	-650	-304	-385	-15	-50	-69	-56
Operating income before one-time items	913	1,046	164	424	-115	-146	-66	-68
Capital expenditures	856	828	691	1,388	12	292	39	74

DKKm	TDC Directories Group		TDC Switzerland Group		Other ²⁾		TDC Group	
	3Q00	3Q01	3Q00	3Q01	3Q00	3Q01	3Q00	3Q01
Net revenues, external customers	166	192	0	1,907	1,776	1,687	11,147	12,928
Net revenues, other business lines	39	31	0	0	-713	-903	0	0
Other revenues ¹⁾	3	4	0	0	95	29	483	560
Total revenues	208	227	0	1,907	1,158	813	11,630	13,488
Total operating expenses	-170	-207	0	-1,921	-99	39	-8,559	-10,233
EBITDA	38	20	0	-14	1,059	852	3,071	3,255
Depreciation, amortization and write-downs	-21	-23	0	-549	-405	-495	-1,504	-2,208
Operating income before one-time items	17	-3	0	-563	654	357	1,567	1,047
Capital expenditures	13	4	0	907	381	101	1,992	3,594

1. Includes other operating income and work performed for own purposes and capitalized

2. Includes Belgacom, TDC Services and eliminations

Balance Sheets

TDC Group (DKKm)	3Q 2000	3Q 2001
Assets		
Intangible assets, net	10,458	32,167
Property, plant and equipment, net	26,329	34,735
Investments and other assets, net	1,421	1,725
Total fixed assets	38,208	68,627
Total inventories	1,044	1,300
Total accounts receivable	19,888	22,180
Marketable securities	4,291	647
Cash	4,361	1,827
Total current assets	29,584	25,954
- of which interest-bearing assets	8,652	2,474
Total assets	67,792	94,581
Liabilities and shareowners' equity		
Shareowners' equity	32,112	33,060
Minority interests	236	-135
Total liabilities	35,680	61,521
- of which interest-bearing debt	16,478	36,579
Total liabilities and shareowners' equity	67,792	94,581

Statements of Cash Flow

TDC Group (DKK m)	3Q 2000	3Q 2001	Change in %
Cash flow from operating activities	2,895	2,584	-10.7
Cash flow from investing activities	5,581	-3,321	-159.5
Cash flow from financing activities	-1,042	155	114.9
Increase/(decrease) in cash and cash equivalents	7,434	-582	NM
Cash and cash equivalents	8,652	2,474	-71.4

Shareowners' equity

TDC Group (DKKm)	3Q00	3Q01
Shareowners' equity at July 1	27,789	33,073
Net income	4,199	256
Acquisition of treasury shares	0	0
Disposal of treasury shares	8	0
Currency translation adjustments	116	-269
Shareowners' equity at September 30	32,112	33,060

Statistics

Number of pro rata subscribers

Subscribers ('000)	3Q 2000	3Q 2001	Change in %
Domestic:			
Landline subscribers incl. wholesale and ADSL	3,187	3,225	1.2
Mobile subscribers including wholesale and Duét	1,531	1,929	26.0
Internet dial-up subscribers	559	686	22.7
Cable-TV subscribers	798	814	2.0
Domestic subscribers, total	6,075	6,654	9.5
International:			
Landline subscribers	1,306	1,833	40.4
Mobile subscribers	2,652	4,615	74.0
Internet dial-up subscribers	392	1,038	164.8
International pro rata subscribers, total	4,350	7,486	72.1
Group subscribers, total	10,425	14,140	35.6

Domestic traffic data

Traffic volume (million minutes):	3Q 2000	3Q 2001	Change in %
Domestic landline traffic	6,326	6,496	2.7
International traffic	569	604	6.2
Mobile traffic	610	716	17.4

Employees

TDC and wholly-owned subsidiaries	3Q 2000	3Q 2001	Change in %
Employees	18,233	19,078	4.6

Key Figures 1996 – 3Q 2001

		1996	1997	1998	1999	2000	1Q-3Q 2001
Statements of Income		DKK m					
Net revenues		23,608	29,386	33,989	38,206	44,552	38,210
Total revenues		25,010	31,036	35,867	40,437	46,757	39,872
Total operating expenses		-15,964	-21,189	-24,889	-28,139	-33,786	-30,927
EBITDA		9,046	9,847	10,978	12,298	12,971	8,945
Depreciation, amortization and write-downs		-4,633	-5,265	-5,270	-5,583	-6,178	-6,214
Operating income before one-time items		4,413	4,582	5,708	6,715	6,793	2,731
One-time items, net		0	-2,292	755	0	6,161	394
Operating income (EBIT)		4,413	2,290	6,463	6,715	12,954	3,125
Net financials		520	21	-108	-215	-612	-1,093
Income before income taxes		4,933	2,311	6,355	6,500	12,342	2,032
Total income taxes		-1,916	-1,162	-1,888	-2,685	-3,240	-1,725
Income before minority interests		3,017	1,149	4,467	3,815	9,102	307
Minority interests		-7	27	-34	-62	-15	370
Net income		3,010	1,176	4,433	3,753	9,087	677
Net income before one-time items		3,010	2,635	3,522	3,753	3,591	544
Balance Sheets		DKK bn					
Total assets		55.9	58.8	53.4	62.2	75.1	94.6
Total shareowners' equity		32.7	32.1	24.3	25.9	32.6	33.1
Shares issued (million)		262.0	262.0	216.5	216.5	216.5	216.5
Cash Flows		DKK bn					
Operating activities		7.5	7.7	9.0	8.5	8.9	7.6
Investing activities		-10.1	-8.9	-5.9	-11.3	-7.5	-19.9
Financing activities		-0.7	-1.0	-8.9	3.0	3.3	8.8
Change in cash and cash equivalents		-3.3	-2.2	-5.8	0.2	4.7	-3.5
Key Ratios							
Reported EPS	DKK	11.49	4.49	19.22	17.34	41.98	3.13
EPS before one-time items	DKK	11.49	10.06	15.27	17.34	16.59	2.51
Pro forma EPS ¹⁾	DKK	13.20	12.39	18.14	20.52	20.47	7.87
Dividend per share	DKK	8.50	9.00	9.50	10.00	10.50	-
Net interest-bearing debt ²⁾	DKKbn	(2.6)	0.0	8.6	13.6	14.1	34.1
Operating profit ratio (EBIT margin)	%	18.7	15.6	16.8	17.6	15.2	7.1
Return on capital employed (ROCE) ³⁾	%	15.3	14.0	18.4	21.1	17.9	6.5
Other Data - domestic activities							
('000, end of period):							
- Voice lines (64 kb equivalents)		3,279	3,368	3,465	3,628	3,735	3,749
- Mobile-telephone users ⁴⁾		806	894	995	1,294	1,648	1,929
- Cable-TV users ⁴⁾		752	765	812	825	801	814
Traffic volume (million minutes):							
-Total domestic landline traffic		13,409	14,407	17,511	21,608	26,096	20,057
-International traffic		1,302	1,396	1,506	1,698	2,137	1,667
-Mobile traffic		958	1,242	1,656	2,046	2,307	2,034
Number of employees		16,763	17,268	16,410	17,464	18,363	19,078
Capital expenditures (DKK m)		10,669	9,314	7,983	11,525	16,102	20,549
USD/DKK exchange rate		5.94	6.83	6.39	7.40	8.02	8.12
EUR/DKK exchange rate						7.46	7.44

1) Pro forma EPS is defined as net income before goodwill amortization and one-time items.

2) Net interest bearing debt is interest bearing liabilities less interest bearing assets

3) Return on capital employed (ROCE) is defined as income before income taxes, one-time items and interest expenses divided by total shareowners' equity plus interest-bearing debt.

4) The definition for mobile prepaid and cable-TV customers was been changed in 2000.

TDC, formerly Tele Danmark, is a Danish-based European full-service provider of communications solutions. It is organized in seven main business lines; TDC Tele Danmark, TDC Mobile International, TDC Internet, TDC Switzerland, TDC Cable TV, TDC Services and TDC Directories. TDC is the leading provider of communications services in Denmark, the second-largest communications provider in Switzerland and holds significant interests in a range of communications companies across Northern and Continental Europe. TDC was privatized in 1994. Today, SBC Communications owns a 41.6% stake in TDC and the remaining shares are held by individual and institutional shareowners all over the world.

TDC Listings

Shares: Copenhagen Stock Exchange.

Reuters TDC.CO.

Bloomberg TDC DC.

Nominal value DKK 5.

ISIN DK00-10253335.

SEDOL 5698790.

ADSs: New York Stock Exchange.

One ADS represents half of one common share.

Reuters TLD.N.

Bloomberg TLD US.

SEC 1-12998.

Half of one common share.

CUSIP 87236N102.

SEDOL 2883094.