PROSPECTUS

TDC A/S

(*incorporated as a public limited company in Denmark*)

€273,547,000 5.875 per cent. Notes due 2015

Issue price: 99.429 per cent.

The €273,547,000 5.875 per cent. Notes due 2015 (the **Notes**) are issued by TDC A/S (the **Issuer** and **TDC**).

The Issuer may, at its option, redeem all, but not some only, of the Notes at any time at the Issuer Redemption Price (as defined in Condition 6.3) plus accrued interest. Also, the Issuer may, at its option, redeem all, but not some only, of the Notes at any time at par plus accrued interest, in the event of certain tax changes as described under "*Conditions of the Notes - Redemption and Purchase*". The Notes mature on 16 December 2015.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 (the **Luxembourg Act**) on prospectuses for securities to approve this document as a prospectus and to the Luxembourg Stock Exchange for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the Luxembourg Stock Exchange's regulated market. Such application relates solely to the approval of this Prospectus and the listing and admission to trading of the Notes. The Exchange Offer Memorandum and the Exchange Offer (each as defined under "*The Exchange Offer*", below) have not been submitted for clearance to or approved by the CSSF or the Luxembourg Stock Exchange.

The Notes will be rated BB by Fitch Ratings Ltd. (**Fitch**) and Ba3 by Moody's Investors Service, Inc. (**Moody's**), and are expected to be rated BB- by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc (**S&P**). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Notes will initially be represented by a temporary global note (the **Temporary Global Note**), without interest coupons, which will be deposited on or about 16 December 2009 (the **Issue Date**) with a common depositary for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the **Permanent Global Note** and, together with the Temporary Global Note, the **Global Notes**), without interest coupons, on or after 26 January 2010 (the **Exchange Date**), upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances - see "*Summary of Provisions relating to the Notes while represented by the Global Notes*".

An investment in Notes involves certain risks. Prospective investors should have regard to the factors described under the heading "Risk Factors" on page 5.

The date of this Prospectus is 14 December 2009

This Prospectus comprises a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the **Prospectus Directive**) and for the purposes of the Luxembourg Act.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below). This Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Prospectus.

Save for the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by either Dealer Manager (as defined under "*The Exchange Offer*", below) or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution.

No person is or has been authorised by the Issuer or the Trustee to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the distribution of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, either of the Dealer Managers or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, either of the Dealer Managers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Notes should subscribe for any Notes. Each investor contemplating subscribing for any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer, either of the Dealer Managers or the Trustee to any person to subscribe for any Notes.

Neither the delivery of this Prospectus nor the offering or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealer Managers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Dealer Managers and the Trustee do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully delivered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealer Managers or the Trustee which is intended to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes.

All references in this document to **U.S. dollars**, **U.S.$** and **$** refer to the currency of the United States of America, to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, and to **Danish kroner** and **DKK** are to the currency of the Kingdom of Denmark.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes

The business of TDC A/S (**TDC**) and its consolidated subsidiaries (together with TDC, the **TDC Group**) is exposed to various risks including intensified competition, changes in the economic environment, operational and technological developments, environmental challenges, changes in relation to suppliers and distributors, inability to control costs, loss of key personnel, regulatory changes, financial and taxation risks and legal risks. Any such risks could harm the TDC Group and adversely affect the TDC Group’s business, financial position, results of operations or cash flow.

Domestic Business Activities

Market risks

The Danish telecommunications sector is highly competitive, and a number of the main markets in which the TDC Group is present are either approaching saturation, for example, broadband and mobile telephony, or even declining, such as landline telephony.

In all markets in which the TDC Group operates, its future success will depend on the TDC Group’s ability to stimulate and increase usage, for example, by offering add-on services to continuously attract new customers, and especially retain existing customers, thereby maintaining a sufficiently large customer base to achieve profitable operations. The TDC Group is therefore focusing on market initiatives that increase customer loyalty. At the same time, price regulation is limiting prices in a number of markets and even implying price decreases, which are resulting in revenue decline in areas such as mobile termination and international roaming. If the TDC Group fails to increase sales to existing customers or expand its subscriber base and increase total revenue as a result of the market saturation, the TDC Group’s business, financial position and results of operations could be materially adversely affected.

The TDC Group expects the future landline market to be dominated by providers offering bundles such as broadband, telephony and TV in one package, and the TDC Group has recently launched TDC HomeDuo and TDC HomeTrio, both bundled product combinations. However, such types of bundled products complicate matters due to the technological, logistical and pricing complexities of combining these three services as a single product offering. If the TDC Group fails to adapt to or lead technological developments, or to offer attractive packages of bundled products, the TDC Group’s market shares and profit margins in the landline business may be adversely affected.

Competitors

The TDC Group faces significant competition from both established competitors, such as Telenor and TeliaSonera, and newer competitors such as utility companies, HI3G Denmark ApS (which is part of the conglomerate Hutchinson Whampoa), mobile service providers and the digital terrestrian television (**DTT**) provider Boxer. The TDC Group must match its competitors' product offerings, services, acquisition costs, and prices, or it may lose market shares. If the TDC Group is forced to lower its prices to match its competitors and if cost savings initiatives are not implemented with the required speed and effect, the TDC Group may experience decreasing profit margins and earnings.

Telephony

The customer base for traditional landline telephony is decreasing owing to strong landline-to-mobile migration and migration to Voice over Internet Protocol (**VoIP**) as mobile prices decrease and as broadband providers are offering VoIP at reduced prices compared with traditional Public Switched Telephone Network (**PSTN**) telephony. Continuing competition is also expected in landline telephony from internet protocol-based internal networks (such as internet protocol virtual private networks for business customers), antenna and housing association networks and the utility companies using their infrastructure to provide telephony and broadband. In all, the TDC Group may risk losing its PSTN customers even faster than expected. Compared with the traditional landline market, the TDC Group has smaller shares of both the mobile telephony market and the VoIP market, which implies that migration may negatively affect the TDC Group's earnings. Even if the TDC Group could manage to capture all of the customer migration from traditional landline telephony to the substitution products, the TDC Group's total telephony business may still experience decreasing profit, as margins for these substitution products are generally lower than the margins for traditional telephony, for example the TDC Group's own price level for VoIP is lower than that for PSTN.

Similarly, low-cost VoIP may threaten the TDC Group's mobile telephony business in the long term, as will the continuing decreases in market prices of mobile telephony. Failure to lead or adapt to changes in the mobile market, to keep pace with new mobile technologies or to compete with or adopt new business models may have a materially adverse effect on the TDC Group's mobile business.

Broadband and data

The Danish landline broadband market had minimal growth in 2008 and the market is approaching saturation. At the same time, competition has intensified among existing and new competitors, resulting in increased bandwidth at unchanged prices or even reduced prices as well as more competition for broadband add-on services. In turn, the market for mobile broadband is growing strongly and mobile broadband appears for some customers to be a viable alternative to landline broadband, as prices have decreased while bandwidth and coverage have increased.

The TDC Group, as the dominant player in the Danish landline broadband market, has to lead or adapt to product and technological developments, including market demand for even higher digital subscriber line (**DSL**) speeds, add-on service offerings and bundling of mobile and landline broadband, telephony and TV, in order to maintain its customer base. In the mobile broadband market, the TDC Group's market share is increasing, but the success of the TDC Group will depend on its ability to further increase its mobile broadband market share as the overall market grows. This will require that the TDC Group adapts to market demands for higher bandwidths, increased coverage and attractive pricing. If the TDC Group does not succeed in increasing its mobile broadband market share, a possible migration from landline broadband to mobile broadband will negatively affect the TDC Group's business, financial position, results of operations and cash flow.

Continuing competition for leased lines is likely from substitution products, including Internet Protocol (**IP**)-based transmission and fiber solutions. Such products are often priced lower than leased lines, and product quality may be considered sufficiently high by some customer segments to constitute a viable alternative to traditional leased line solutions. This may result in either increased pressure on the TDC Group's leased line prices or a reduced subscriber base.

TV

YouSee's cable-TV business, a subsidiary of the TDC Group, and the IP-based TDC TV are expected to face increasing competition from sources such as the utility companies and DTT. Competition is driven by price, convenience and the range of channels offered. At the end of March 2008, the Swedish operator Boxer was selected as the commercial gatekeeper for DTT in Denmark. Boxer offers four basic packages with a variety of additional packages and channels[*]. The increased range of channels in the generally accessible terrestrial network, as well as the supply of TV through the utility companies' roll-out of 'Fiber to the Home' (**FTTH**), will significantly increase competition and the profit margins on TV for the TDC Group may be adversely affected. In the long term, increased competition in the Danish cable-TV market may also arise from internet-based content providers, for example, media and communications companies. Failure by TDC Group to meet these challenges may have a materially adverse effect on the TDC Group's market share of the Danish TV-distribution market.

Online

Online represents an increasing sales channel for telecommunications products and services. The online portal is a potential means of reducing selling expenses and stimulating sales per customer. The TDC Group is challenged by competitors that may develop successful online portals more quickly. Thus, if the TDC Group is unable to further develop the online channel to explore the potential market and develop an effective online procedure, this may negatively impact the TDC Group's revenue and costs.

Content

Technological developments are increasingly enabling customers to receive content whenever and wherever they wish, and are contributing to increasing demand for content. Future growth in content services is expected to be driven by increased quantitative and qualitative capabilities of content providers. The TDC Group's cable-TV business, YouSee, has given the TDC Group significant experience of, and access to, the content market and content delivery products. The TDC Group's future success with content services will depend on its ability to offer attractive TV channels and popular music and games, and to adapt and lead technological developments in content delivery. Failure to provide content services and adapt to technological developments may negatively impact sales of the TDC Group's products and services with a content component, such as cable TV, broadband and mobile.

Economic recession

The current recession in the Danish economy and the ongoing crisis in the global financial markets might affect both the residential and business telecoms markets in which the TDC Group operates. In the business markets, potential customers may be exposed to reduced investment levels, lower profit, restructuring and consolidation, leading to a review of telecom spending or increased level of foreclosures that could for example, result in reduced revenue in the TDC Group's integrator service business, and possibly increased churn in all business areas. Residential markets are experiencing higher unemployment, lower disposable income and a decrease in consumer spending, which may result in an increased focus on the basic telecoms services and low-cost services. One consequence could be fewer mobile broadband customers than expected, and lower average revenue per user (**ARPU**) than expected for both mobile broadband and landline broadband, and possibly also increased churn rates in the residential telecoms markets. These factors may

[*] Source: http://www.boxertv.dk

negatively affect the TDC Group's business, financial position and results of operations in its Danish, Nordic and international businesses.

Operational risks

IT, technology and networks

In 2008, the TDC Group completed the design of the end-state IT architecture that is expected to enable the TDC Group to lower costs and at the same time improve customer satisfaction through reduced delivery times and improved customer insight. During the ongoing upgrade process, the TDC Group may discover issues not included in the plan, which may entail additional investments that the TDC Group cannot be sure to have sufficient liquidity to fund in the future, and this may have adverse effects on its business and results of operations.

The TDC Group has modern networks, is rolling out technologies such as third generation (**3G**), FTTH and Ethernet, and offers new products such as VoIP, mobile broadband and internet protocol TV. The technological innovation and product development, however, are rapidly continuing and the TDC Group must react to these changes, and develop or apply new, enhanced products and services rapidly enough to maintain its position. If the technologies develop faster than the TDC Group anticipates, greater capital investments may be required more quickly than expected for which the TDC Group may not have the resources available. This would adversely affect the TDC Group's business, as market shares and customers may be lost, and substitution technologies introduced by competitors may result in lower profit margins. New technologies may become dominant, rendering the TDC Group's current systems obsolete. There is also a risk that the TDC Group may fail commercially, and not reach as many customers as expected despite the development of an attractive product portfolio.

Equipment and network systems are vulnerable in many respects. The TDC Group's equipment and networks have been affected by floods and storms in the past, and steps have been taken to improve the situation through preventive maintenance. If, however, the damage to network and installations increases, the TDC Group's costs will increase, and, moreover, the image of a reliable telecommunications provider could potentially suffer. The TDC Group's networks and services may be damaged or disrupted by numerous other events, including fire, other natural disasters, power outages and equipment or system failures (major disruptive events). The TDC Group's equipment and networks may further be subject to terrorist attacks, and other events that may disrupt the TDC Group's services.

A major disruption event could affect the TDC Group's infrastructure or a third party's systems, resulting in failure of the TDC Group's networks or systems or of the third-party-owned local and long-distance networks on which the TDC Group relies to provide its subscribers with interconnection and roaming services. This could affect the quality of the TDC Group's services or cause temporary service interruptions, which could result in customer dissatisfaction, regulatory penalties and reduced revenue. Network or system failures could also harm the TDC Group's reputation or impair the TDC Group's ability to attract new customers, which could have a materially adverse effect on the TDC Group's business, financial position and results of operations. The TDC Group's business continuity plans, network security policies, or the TDC Group's monitoring activities may not mitigate the impact of or prevent such disruptive events.

The TDC Group's business relies on certain sophisticated critical systems, including exchanges, switches, other key network points and the TDC Group's billing and customer service systems. The hardware supporting those systems is housed at relatively few locations and if damage were to occur to any of these locations, or if those systems develop other problems, the TDC Group's business could be materially adversely affected.

Based on risk analyses, it is the TDC Group's policy not to insure a substantial part of the network (underground, air and sea cables). Losses in this part of the network due to numerous events, such as fire, flood or other natural disasters, power outages and equipment or system failures, and terrorist acts are not insured, and the TDC Group may not have the capital to make necessary repairs or replacements.

As the telecommunications sector has become increasingly digitalized, automated and online, the TDC Group is also exposed to increasing risks of hacking, piracy and general IT system failures. Unanticipated IT problems, system failures, computer viruses or hacker attacks could affect the quality of the TDC Group's services and cause service interruptions, which may reduce revenue and harm the TDC Group's reputation.

Risk of discontinuance of supplier relations

In the past years the TDC Group has outsourced substantial parts of its IT operation and development to the Computer Sciences Corporation (**CSC**) and operation and development of the mobile network to Ericsson Danmark A/S. This has exposed the TDC Group to additional operational dependency and risks, as the TDC Group relies on these and other suppliers to maintain and upgrade its hardware, software and network. Any discontinuance of these supply agreements, or failure by the TDC Group's suppliers to comply with their obligations under these agreements, any financial instability of its suppliers or failure to deliver certain products to the TDC Group according to supplier contracts in the future, could lead to the delay of upgrades and new products and features from suppliers. These risks could be amplified if suppliers off-shore part of their businesses. Such actions could impact the TDC Group's product development programs and supply of existing products and deteriorate the quality of the support services, which could affect operational and customer services and increase in-stock levels affected by customer-returned equipment. Failure by suppliers, which may delay or prevent the TDC Group from providing its customers with products and services, may adversely impact the TDC Group's revenue, and if this occurs, the TDC Group may be unable to recover payments made to such suppliers for their products and services or obtain contractual damages. The TDC Group's internal processes also depend on IT systems, and lack of development may weaken the TDC Group's competitiveness, resulting in loss of market shares.

Although most of the TDC Group's equipment and software suppliers can be replaced, switching to alternative suppliers could cause difficulty or delays in providing support and maintenance, new products and upgrades, and operational services, which could harm the TDC Group's financial position and results of operations. Moreover, the termination of such agreements may lead to loss of business from certain supplementary service providers that the TDC Group may be unable to maintain through independent relationships. Furthermore, any price rises introduced by suppliers may cause a margin squeeze, which could also adversely impact the TDC Group's business, financial position and results of operations.

Risks regarding distributors

The TDC Group depends on a small number of distributors, retailers and sales agencies to distribute or sell its mobile and broadband products and other services to end users. There is a risk that the TDC Group's distributors may stop distributing the TDC Group's products to end users and may enter into further distribution agreements with the TDC Group's competitors. New distributors that can provide the same level of sales, may be difficult to find. In addition, the TDC Group's distributors already have distribution agreements with the TDC Group's competitors that may negatively affect gross activations and thus the TDC Group's market share. The TDC Group's distributors may more actively promote competitors' products and services. If the TDC Group fails to maintain these key distribution relationships, or its distribution partners fail to procure sufficient customers for the TDC Group, this could have a materially adverse effect on the TDC Group's financial position and results of operations.

*Risk of inability to recoup the Universal Mobile Telecommunications Systems (**UMTS**) and fibernet investments*

The TDC Group's UMTS-based 3G service in Denmark has required substantial investments in UMTS services, networks, and licenses. A profitable market for mobile data services may, however, not develop, limiting the TDC Group's ability to recoup its investments in UMTS services, licenses and networks, which could adversely affect its results of operations. The UMTS network will in addition require further investments, for which the TDC Group may not have resources available.

The TDC Group's fibre network strategy has required substantial investments in networks, including the recent acquisition of Dong Energy Sales & Distribution A/S's (**Dong Energy**) fiber network. There is a risk that the investments may not be recouped if demand for fibre does not develop as expected by the TDC Group.

Risks regarding the revenue sharing model with Dong Energy

As a part of the sales agreement between Dong Energy and the TDC Group regarding the acquisition of Dong Energy's fibre network, Dong Energy will receive a part of future fibre revenues generated by the TDC Group. Even though the revenue share model to be followed has been agreed, there is a risk that following such a model will result in disputes between Dong Energy and the TDC Group, given the duration of the agreement, which is very comprehensive and is set to proceed until 2023. If the revenue share agreement is disputed, the TDC Group may be compelled to settle with Dong Energy before expiration of the revenue share agreement at a higher price than expected.

Risk of inability to control other costs

As the TDC Group's profitability is under general pressure owing to declining market prices and market saturation it is continuously required to reduce costs and improve efficiency to maintain and improve profitability.

As part of its cost reduction initiatives, the TDC Group will continue to streamline its workforce in the years ahead. Many of the TDC Group's employees in Denmark, however, have civil servant pension rights and some are entitled to special severance benefits. Therefore any workforce reduction entails significant redundancy costs, which would affect the TDC Group's earnings. Although Danish law imposes no significant restrictions on workforce reductions, and the TDC Group's labor unions have no right under Danish law to veto any workforce reductions, reductions may lead to strikes, work stoppages or other industrial action. The TDC Group has therefore entered into arrangements to prevent unrest with the telecommunications departments of the Danish Metal Workers Union, the Association of Managers and Employees in Special Positions of Trust in TDC (*Lederforeningen i TDC, LTD*) and the Danish Confederation of Professional Associations (*Akademikernes Centralorganisation - AC*). In these arrangements, the TDC Group has agreed to follow certain procedural guidelines when reducing its workforce. The arrangements will expire at the end of 2011.

In addition, costs associated with the operating licenses for the TDC Group's existing networks and technologies, including UMTS and those that the TDC Group may develop in the future, and related costs and rental expenses could be considerable. The amount and timing of future capital requirements may differ materially from current estimates due to various factors, many beyond the TDC Group's control. It is uncertain whether sufficient cash flows will be generated in the future to meet capital expenditure needs, sustain operations or meet other capital requirements.

Risk of loss of key personnel

The TDC Group's success relies heavily on the skills, experience and efforts of its management. In addition, as the TDC Group's business develops in a highly competitive market, the TDC Group believes that its future success will depend on its continued ability to attract and retain highly skilled and qualified personnel.

Risks regarding third parties

The TDC Group's cooperation agreements and contracts with suppliers are subject to change of control provisions which, if exercised by third parties, may adversely affect the TDC Group's competitiveness and profitability.

The TDC Group's high-quality mobile and landline telecoms services outside Denmark depend on interconnection with the telecoms networks and services of other mobile and landline operators, particularly larger competitors, over which the TDC Group has no direct control. Outside Denmark, the TDC Group also relies on third-party operators for international roaming services for mobile subscribers. For example, in Switzerland, the TDC Group depends on Swisscom's local loop network and facilities to reach a significant number of end users. These components may be impaired or slower than the TDC Group anticipated, affecting the TDC Group's ability to roll out additional direct access products and attract direct access customers.

The TDC Group has interconnection and roaming agreements with other operators, but has no direct control over the quality of their networks and the interconnections and roaming services they provide. Any difficulties or delays in interconnecting with other networks and services, or unreliable interconnection services, could result in a loss of subscribers or a decrease in traffic, which would reduce the TDC Group's revenue and adversely affect TDC's financial position and results of operations.

Regulatory Risks

Denmark's regulatory regime governing its telecoms sector requires TDC to deliver a broad range of products to the retail and wholesale markets, and subjects TDC to price regulation and other regulatory requirements. The price regulation has in general resulted in favorable conditions for TDC's competitors in Denmark and thus negatively affected TDC's competitiveness.

EU regulatory framework

Several EU directives implemented in Danish law specify a number of submarkets within landline telephony, mobile telephony, leased lines, unbundled access, broadband and TV and radio transmission on which the National IT and Telecom Agency (**NITA**) must perform market analyses. Based on the results of the market analyses, NITA may designate a dominant telecommunications provider as having 'significant market power' (**SMP**) in such a submarket. If imperfections in a submarket in which an operator has been designated as having SMP are identified, NITA may impose remedies against such an operator in order to promote competition. In the wholesale market, such measures may include the acceptance of a reasonable request for interconnection, non-discrimination, reference offers, transparency, accounting separation, specific cost-accounting obligations and price-control methods.

Initially, 18 submarkets were recommended by the EU Commission, and NITA has issued final decisions on all the submarkets. A new round of market analyses was initiated by NITA in 2008 based on a new EU Commission recommendation that has reduced the number of submarkets to seven. So far, NITA has issued only one decision on the new submarkets. The current regulation will be maintained until new decisions are made.

The EU regulatory framework is currently being reviewed, which may result in new regulatory measures to be implemented into Danish law.

SMP designation

TDC has been designated as having SMP by NITA in 11 of the 18 initially specified submarkets in Denmark. TDC has also been designated as having SMP by NITA in the only decision so far on the new submarket for wholesale (physical) network infrastructure access (including shared or fully unbundled access) at a fixed location, which replaces the NITA's decision on the equivalent submarket included in the initial 18 submarkets.

As a result, TDC is subject to the regulatory burdens summarized below. NITA may impose additional regulatory requirements on TDC as a result of its current SMP status or give TDC SMP status in additional markets as a result of the analyses performed on the new markets.

Retail markets

The majority of TDC's retail offerings of leased lines must comply with a rule-of-cost orientation imposed as a result of TDC's SMP status. TDC is therefore required to calibrate leased line prices annually to ensure that they match the corresponding cost. TDC has also been designated as having SMP status on four retail submarkets for landline subscriptions and telephony without being subjected to any regulatory requirements.

Wholesale markets

The majority of TDC's prices are regulated in the wholesale markets where TDC has SMP status. Since 1 January 2003, NITA has used a landline long run average incremental cost (**LRAIC**) model to set TDC's prices for switched interconnection traffic, interconnection capacity, shared access and raw copper and related co-location. From 2007, the pricing of bitstream access and sub-loops of the unbundled local loop (the **ULL**) has been included in the LRAIC model. NITA calculates these prices once a year in accordance with the LRAIC model. The LRAIC model for 2009 has resulted in price decreases for bitstream access. The next comprehensive adjustment of the LRAIC model for the landline network has been initiated. The revised model will be based on a hypothetical 'all-internet protocol network', which may lead to significant reductions of the LRAIC regulated prices from 1 January 2010.

In the market for termination of mobile calls, NITA has decided that TDC, Telia, Sonofon, Barablu and Hi3G have SMP and are subject to price regulation. The mobile termination prices of TDC, Telia, Sonofon, and Hi3G are set using a LRAIC mobile model, whereas the mobile termination prices of Barablu are set according to a best practice analysis. The regulation has resulted in further price decreases compared with already regulated prices and will adversely impact the TDC Group's business and results of operations.

The EU Commission is currently drafting a recommendation for a fundamental change of the long run investment cost pricing regulation method regarding both landline and mobile to the avoidable cost method, which could lead to significant reduction of wholesale prices and thus also adversely impact the TDC Group's earnings and increase the competitive power of the TDC Group's competitors.

NITA's decision in 2006 on the submarket for broadband access requires TDC to offer wholesale broadband solutions (bitstream access) without compulsory landline subscriptions, which improved TDC's competitors' conditions for offering broadband solutions combined with VoIP. A revised market analysis and decision on the submarket for broadband access is expected by the end of 2009. In this new analysis, broadband over the cable-TV network, as supplied by TDC's subsidiary YouSee and other cable operators, will probably be included in the market definition. The revised decision may require TDC to offer wholesale access to broadband over the cable-TV network and may fuel further competition on the broadband market.

*EU Universal Service Obligation (**USO**) directive*

TDC is designated as the universal service provider (**USP**) in Denmark, in line with the EU USO Directive and Danish USO Regulation, which are designed to ensure that all end users have access to certain basic affordable telecommunications services regardless of their geographical location. In the past, NITA fixed the prices that TDC could charge its Danish USO customers for using PSTN services, but these price caps were lifted at the end of 2005. However, NITA may reintroduce a price cap on TDC's USO products and services at some point in the future.

EU international roaming charge regulation

The EU has adopted a new regulation that reduces the international roaming charges both for the wholesale and retail voice and short message service (**SMS**) as well as for the wholesale data markets, which will have a negative impact on the TDC Group's revenue and earnings.

Anti-terror measures

As part of the anti-terrorism action plan issued in 2005, the Danish parliament has passed an act requiring telecommunications providers to provide communication interception services without cost compensation for investments. As a result of executive orders from 2006 and a subsequent amendment of the Telecommunications Act in 2007 (Amendment Act No. 200 of 6 March 2007), telecommunications providers are required to retain and store traffic data for one year for the purpose of investigation and prosecution of criminal offences. Also, telecommunications providers are required to establish the necessary logging functions and databases and cover any equipment costs related to the abovementioned data retention. As a result, the TDC Group must make ongoing additional investments in technical equipment and cover operating costs.

International Business Activities

Nordic Business

In the pan-Nordic market, the TDC Group's business customers are increasingly demanding Nordic solutions covering cross-border landline telephony, data communications, broadband telephony and mobile communications, where competition, especially from other pan-Nordic providers, is intense. The TDC Group faces increasing competition from the Nordic operators Telenor and TeliaSonera, which both offer full product suites of fixed and mobile voice, broadband and TV. These competitors may have better access to financing, more comprehensive product offerings, greater personnel resources, greater brand-name recognition and longer relationships with customers than the TDC Group. If the TDC Group is unable to provide competitive cross-border solutions for the TDC Group's Nordic business customers, an important segment of the TDC Group's customer base may be lost.

TDC's foreign subsidiaries outside the pan-Nordic market are also facing market saturation and increasing competition, which could adversely affect their revenue and profit margins.

Sunrise

On 25 November 2009, TDC announced that it has entered into a conditional agreement to combine its Swiss subsidiary Sunrise Communications SA (**Sunrise**) with Orange Communications SA (**Orange**), a subsidiary of France Telecom SA (**France Telecom**) (also see "*Business combination of Sunrise and Orange in Switzerland*" in Recent Events below).

The combined entity will have a share buyback programme targeted at TDC's 25 per cent. shareholding to be executed at the discretion of the board of the combined entity using cash generated by the combined entity. If so decided, the annual share buybacks will be executed in the first quarter of each of 2012, 2013 and 2014. Furthermore, TDC will have the right to sell its stake to third parties from the second anniversary of the closing of the transaction or to conduct an initial public offering of the combined entity in respect of TDC's share from the third anniversary of the transaction's close.

The transaction shall, amongst other conditions, be subject to confirmatory due diligence and approvals from TDC's lenders and the Swiss competition authorities.

There is also a risk that the exit strategy as agreed between the parties may not be completed as anticipated, as the share buy-back provisions are subject to the combined entity having sufficient available cash and reserves and board approval of the combined entity. TDC may not be able to avail itself of its rights to sell its holding to third parties after two years or its right to offer its shares in an IPO.

The TDC Group may be exposed to unsubstantiated or inadequate management decisions made on behalf of the combined entity over which TDC does not have full control. The other shareholder may fail to or be unwilling to supply the required operational, strategic and financial resources relating to, for example, the build-out of infrastructure, and the cost of meeting regulatory requirements or effective marketing, which could adversely affect the implementation of business plans of the combined entity, and the expected return on TDC's investment and/or exit strategy.

There are also existing risks relating to the current business conducted by Sunrise. It has experienced price decreases in the Swiss landline market owing to competition from established competitors, for example, the incumbent Swisscom, which may result in loss of customers, reduced revenue and a lower profit margin in Switzerland. Such competition is expected to intensify as established cable network operators, such as Cablecom, are offering landline telephony at very low or flat-rate prices through their existing networks.

Competition in the Swiss retail broadband market is weak due to Swisscom's dominant position in the wholesale and retail markets. Sunrise is currently investing substantial amounts in broadband infrastructure to enhance its capacity to deliver broadband based on Swisscom's ULL. This will reduce Sunrise's dependency on Swisscom's broadband wholesale services and is expected to increase Sunrise's contribution margin and competitiveness in the broadband market. Any roll-out delays will therefore adversely impact Sunrise's expected margin improvement.

In the Swiss mobile market, Sunrise faces the risk of increased pricing pressure from both new mobile virtual network operators entering the market and Swisscom. Future growth in revenue and earnings within the mobile telephony sector will also depend on Sunrise's ability to gain market shares in the business market, which Sunrise may be unable to achieve. In the past year, Swisscom's attempt to retain its market share has intensified competition, which may reduce margins and dilute earnings. The Swiss mobile market is beginning to approach saturation level. This may lead to fierce competition for remaining customers, which could, in turn, lead to rising customer acquisition and retention costs, and further pressure on earnings.

Sunrise has outsourced its operation and development of networks. The outsourcing to Alcatel-Lucent exposes Sunrise to the same risks as the TDC Group's domestic mobile business (as described in the section above on risk regarding discontinuance of suppliers).

Regulatory risks

Due to the EU regulation on international roaming and the subsequent price reduction made by Swisscom, political and regulatory pressure, especially for data roaming, could lead to price decreases in this area.

The Swiss competition authority is reviewing competition in the mobile call termination market and is currently investigating whether the Swiss mobile operators, including Sunrise, have a dominant position and, if so, abuse such a position. Consequently, the Swiss authorities may require Swisscom and/or Sunrise to cut the mobile call termination prices agreed between the operators step by step. Such price reductions may materially adversely affect the earnings and profit margins of the TDC Group's Swiss operations. It is uncertain whether the Swiss competition authority will impose a material fine on Sunrise if Sunrise is found to have a dominant position in the mobile call termination market and to have abused such a position.

The Swiss regulatory authority for the Swiss telecommunications market has decided ULL tariffs for 2007 and 2008 and Sunrise's business plan and earnings forecasts are based on ULL prices near the EU average. The decided prices are comparable with the EU average, but are increasing. If this trend continues, Sunrise's forecasts must be adjusted downwards. Moreover, utility companies will start using their infrastructure to provide telephony and broadband services, and they will probably subsidize the telecommunications business, which could lead to additional margin pressure.

The TDC Group's UMTS-based 3G service in Switzerland has required substantial investments in services, networks, and licenses. As in Denmark, a favorable market for UMTS-based 3G services may not develop, limiting the TDC Group's ability to recoup its investments in UMTS services, licenses and networks, which could adversely affect the TDC Group's business and results of operations.

Nawras

TDC has a 14.6 per cent. share of the Omani Qatari Telecommunications Company SAOC (**Nawras**), a mobile telephony provider. This shareholding is subject to the same risks as the TDC Group, but also exposes the TDC Group's business to unsubstantiated or inadequate management decisions made on behalf of companies over which TDC does not have full control and that rely on TDC and/or other shareholders for strategic and financial support. Such other shareholders may fail to or be unwilling to supply the required operational, strategic and financial resources relating to, for example, the build-out of infrastructure, and the cost of meeting regulatory requirements or effective marketing, which could adversely affect the implementation of business plans, and the expected return on TDC's investment.

Financial and taxation risks

Exchange rate risks

The TDC Group is subject to exchange-rate risks owing to revenue originating in Switzerland, Sweden and Norway where the TDC Group conducts its business operations and prepares its financial statements in currencies other than Danish kroner or euro. Any loss in the value of these currencies against the Danish kroner will reduce the value of the TDC Group's investments in the relevant business activities and the income derived from them.

Risks regarding borrowing facilities

Part of TDC's debt has a floating interest rate and hence an increase in interest rates will raise TDC's payment obligations and negatively impact its financial results and position. Hedging may also be expensive to maintain and may inadequately protect TDC against adverse movements in interest rates.

TDC's ability to generate the significant amount of cash needed to service its debt depends on many factors beyond its control. TDC's ability to pay and refinance its debt and fund working capital and capital expenditures will depend on its future operating performance and ability to generate sufficient cash. This depends, to some extent, on general economic, financial, competitive, market, legislative, regulatory and other factors, many of which are beyond TDC's control, as well as the other factors discussed in this section. Noteholders cannot be sure that the TDC Group's business will generate sufficient cash flows from operations or that sufficient future debt and equity financing will be available for TDC to pay its debts when due or to fund its liquidity needs. If TDC's future cash flows from operations and other capital resources (including its existing borrowing facilities) are insufficient to pay its debts as they mature or to fund its liquidity needs, TDC may be forced to reduce or delay its business activities and capital expenditures, sell assets, raise additional debt or equity capital or restructure or refinance all or a portion of TDC's debt on or before maturity.

Noteholders cannot be certain that any of these alternatives will be accomplished on a timely basis or on satisfactory terms. In addition, the terms of TDC's debt, and that of its parent company and any future debt, may limit TDC's ability to pursue any of these alternatives.

TDC is subject to significant restrictive debt covenants that limit its operating flexibility under its existing borrowing facilities, including covenants that restrict TDC's ability to for example, incur or guarantee additional indebtedness, make investments or other restricted payments, create liens or consolidate, merge or sell all or substantially all of TDC's assets.

These covenants could limit TDC's ability to finance its future operations and capital needs and pursue acquisitions, investments and other business activities that may be in its interest.

TDC's existing borrowing facilities require it to comply with financial ratios and satisfy specified financial tests. Events beyond TDC's control may affect its ability to do so and, as a result, TDC cannot assure Noteholders that these ratios and tests will be met. If a default occurs under such agreements, the lenders thereto could terminate their commitments and upon acceleration declare all amounts owed to them due and payable. Defaults in relation to certain of TDC's parent company's debt would also result in a default in accordance with TDC's existing borrowing facilities. Borrowings under other debt instruments that contain cross-acceleration or cross-default provisions could also be accelerated and become due and payable in such circumstances. TDC may be unable to pay these debts in such circumstances.

TDC is subject to restrictions on paying dividends / making upstream loans

TDC's ability to pay dividends or otherwise distribute funds, including upstream loans and other debts, is subject to restrictions under applicable Danish law and certain other restrictions for example, earnings retained for distribution. TDC's dividend and distribution capacity may be inadequate to fund distributions in amounts and in time to allow its parent company to pay its debts as they fall due, which may result in cross-acceleration or cross-default provisions being triggered in TDC's existing borrowing facilities.

Risks regarding changes in tax legislation

The TDC Group is subject to the tax legislation in force in the countries where it conducts business. Consequently, an amendment of the tax and value added tax (**VAT**) rules in the countries in question may affect the TDC Group's payable corporate tax and VAT, and its future results. The TDC Group's Danish entities and its jointly-taxed related parties in the Nordic Telephone Company Investment Group are subject to the Danish rules on limitation of interest deduction. As a consequence of the limitations of interest deduction between the jointly taxed entities, these rules may lead to unproportional tax consequences depending on the development in the financial markets.

TDC pursues an active tax policy and evaluates potential tax advantages against potential costs and other disadvantages. This tax policy implies a natural risk for TDC's tax position to be challenged by local tax authorities. Therefore, TDC keeps a well-documented transfer-pricing set-up in accordance with Danish and international directions as defined by the Organisation for Economic Co-operation and Development.

Other risks

Risk of loss of important property rights

Some of the TDC Group's intellectual property rights, including the TDC Group's key trademarks and domain names, which are well known in the telecommunications markets, are vital to the TDC Group's business. A significant part of the TDC Group's revenue is derived from products and services marketed under the brand names TDC, Sunrise, YouSee, Telmore and Fullrate and the TDC Group relies upon a combination of trademark laws, copyright and database protection as well as contractual arrangements to establish and protect its intellectual property rights.

The TDC Group also risks that a third party may claim that the TDC Group is infringing intellectual property rights, for example, patent rights. As a result, the TDC Group may be unable to use intellectual property that is material to the operation of its business. Alternatively, a third party may allege that one of the TDC Group's suppliers is infringing on such a third party's intellectual property rights and may take legal action to prevent such a supplier from providing the TDC Group with products or services important to the TDC Group's business.

The TDC Group cannot be sure that any lawsuits, or similar actions initiated to protect its intellectual property rights will be successful or that its suppliers will be cleared of infringing the intellectual property rights of third parties. Although the TDC Group is unaware of any material infringements of any intellectual property rights that are significant to the TDC Group's business, any lawsuits, regardless of outcome, could result in substantial costs and diversion of resources. The illegal use by third parties or the loss of the TDC Group's important intellectual property rights, such as trademarks and domain names, could also have a materially adverse effect on the TDC Group's business, financial position and results of operations. The TDC Group could also be prevented from using certain products and services or be forced to pay significant damages or higher prices for important products or services due to a third party's successful intellectual property claim, which may affect the TDC Group's business.

Risk regarding loss of key technologies

TDC is licensed to provide mobile telecommunications services in Denmark and in Switzerland. For example, TDC has UMTS licenses to provide 3G services in Denmark and Switzerland, three global systems for mobile communications (**GSM**) licenses in Denmark (including licenses for DCS 1800, DC56 and GSM, respectively) and one GSM license in Switzerland. TDC's Danish and Swiss UMTS licenses are valid until 31 October 2021 and 31 December 2016, respectively. TDC's Danish GSM licenses are valid until 12 June 2017, 1 January 2011 and 1 March 2012, respectively, and TDC's Swiss GSM license is valid until 31 December 2013. NITA or the Swiss regulator may withdraw existing licenses if TDC cannot meet the license conditions, including obtaining the regulator's consent in the event of a change of control. After the expiry dates, TDC will have to re-apply for a new Danish UMTS license and new Swiss GSM and UMTS licenses. Any application for renewal of such licenses may be unsuccessful. The three Danish GSM licenses will be extended automatically for periods of 10 years unless NITA decides otherwise no later than one year before the scheduled expiry date. In the event that TDC is unable to renew a license or obtain a new license for any technology that is important for the provision of TDC's service offerings, the TDC Group could be forced to stop using that technology and the TDC Group's financial position and results of operations could be materially adversely affected.

Risks regarding alleged health risks from the use of mobile phones and environmental protection legislation

The TDC Group is subject to regulations and guidelines relating to radio frequency emissions and other non-ionizing radiation. Alleged health risks, including some forms of cancer, have been associated with such emissions from mobile telephones and from other mobile telecommunications devices. The European Commission has been investigating these concerns since 1995, and although the results of these studies have been inconclusive, the TDC Group cannot provide assurances that further medical research will not establish a link between the radio frequency emissions of mobile handsets and health concerns. Consequently, the EU and Danish or Swiss authorities could increase regulation of mobile phones and base stations. In Switzerland in particular, public concern over alleged adverse health effects related to electromagnetic radiation, and strict Swiss rules on radiation may result in increased costs related to the GSM and UMTS networks and may thereby impede both the continuation of the TDC Group's 2G and the growth of the TDC Group's 3G mobile telephony business.

The actual or perceived risk of mobile telecommunications devices, press reports or litigation relating to such risks could adversely affect the TDC Group by reducing growth in the TDC Group's customer base, usage and ARPU and increasing regulatory burdens on the TDC Group or significant litigation costs.

The TDC Group is also subject to various laws and regulations relating to land use and environmental protection, including those governing the storage, management and disposal of hazardous materials and clean-up of contaminated sites. The TDC Group could incur substantial costs, including clean-up costs, fines, sanctions and third party claims for property damage and personal injury, as a result of violations of, or liabilities under, such laws and regulations. However, the TDC Group believes that it is in substantial compliance with such laws and regulations.

Risks relating to the review of strategic alternatives for TDC

There is no guarantee that any outcomes or actions taken from the recently announced review initiated by the majority shareholder of TDC, Nordic Telephone Company ApS (**NTC**) to evaluate strategic alternatives for TDC, will not be adverse to Noteholders and any such actions or outcomes may affect the business, operations and financing of TDC in the future. At the date of this Prospectus, TDC is unable to assess the impacts of such a review on the TDC Group, nor can there be any assurances that any particular course of action will be pursued or what the timing or the terms of such alternatives will be.

Risks relating to the proposed merger between TDC and NTC

There is no guarantee that the proposed merger between TDC and NTC, where TDC will be the surviving entity, will go ahead as proposed as it is conditional upon a final merger resolution to be adopted by the board of directors of each entity no earlier than four weeks after the Danish Commerce and Companies Agency has announced its receipt of the merger plan. It is also open to the shareholders representing more than five per cent. of the shares in TDC to request an extraordinary general meeting before the merger may be finally approved. There is no assurance that the anticipated benefits of the proposed merger, namely, an increase in TDC's equity, optimising its capital structure, simplifying TDC's shareholding structure and minimising costs, will be realised within any given time frame or at all.

Factors which are material for the purpose of assessing the market risks associated with the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are subject to optional redemption by the Issuer

The Notes contain an optional redemption feature, which is likely to limit their market value. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Risks related to the Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Noteholders have no direct recourse to the Issuer

In order to have recourse to the Issuer, Noteholders must first direct the Trustee to take enforcement action against the Issuer in accordance with the Trust Deed. The Trustee shall not be required to act unless it has been indemnified by the Noteholders to its satisfaction. Noteholders have no direct recourse to the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and that failure shall be continuing.

Modification, waivers and substitution

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Conditions 14 and 13.

Because the Notes in global form are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes may be represented by one or more global Notes. Such global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in such global Notes, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the global Notes. While the Notes are represented by one or more global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or more global Notes the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the global Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States, including Belgium from 1 January 2010, are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The conditions of the Notes are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus.

Denominations involve integral multiples: definitive Notes

The Notes have denominations consisting of a minimum of €50,000 plus one or more higher integral multiples of €1,000. It is possible that the Notes may be traded in amounts that are not integral multiples of €50,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than €50,000 in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to €50,000.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of €50,000 may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. As such, the Notes generally will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of them.

Credit ratings may not reflect all risks

Fitch and Moody's have assigned, and S&P is expected to assign, credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been filed with the CSSF shall be incorporated in, and form part of, this Prospectus:

(a) the Annual Report of the Issuer for the financial year ended 31 December 2007 (save for the section "Outlook" on page 27 of such Annual Report), including the information set out at the following pages in particular:

Consolidated Statements of Income	Page 71
Consolidated Balance Sheets	Pages 72 to 73
Consolidated Statements of Cash Flow	Page 74
Consolidated Statements of Changes in Equity	Page 75
Notes to the Consolidated Financial Statements	Pages 76 to 128
Independent Auditor's Report	Page 161

Any other information not listed above but contained in such document is incorporated by reference for information purposes only;

(b) the Annual Report of the Issuer for the financial year ended 31 December 2008 (save for the section "Outlook" on page 25 of such Annual Report), including the information set out at the following pages in particular:

Consolidated Statements of Income	Page 63
Consolidated Balance Sheets	Pages 64 to 65
Consolidated Statements of Cash Flow	Page 66
Consolidated Statements of Changes in Equity	Page 67
Notes to the Consolidated Financial Statements	Pages 68 to 118
Independent Auditor's Report	Page 149

Any other information not listed above but contained in such document is incorporated by reference for information purposes only;

(c) the unaudited interim consolidated financial statements for the three months ended 31 March 2009 of the Issuer (save for the eighth paragraph on page 1 and the paragraph "Outlook for 2009" on page 8 of such financial statements), including the information set out at the following pages in particular:

Consolidated Statements of Income	Pages 19 and 20
Balance Sheets	Page 21
Consolidated Statements of Cash Flow	Page 22
Consolidated Statements of Changes in Equity	Page 23
Explanatory Notes in accordance with IAS 34	Pages 7 to 8 (Accounting Policies), 9 (Major Events), 10 (Key Financial Data by Business Line), 17 (Risk Factors) and 24 (Segment Reporting)
Management Statement	Page 29

Any other information not listed above but contained in such document is incorporated by reference for information purposes only;

(d) the unaudited interim consolidated financial statements for the six months ended 30 June 2009 of the Issuer (save for the sixth paragraph on page 1 and the paragraph "Outlook for 2009" on page 8 of such financial statements), including the information set out at the following pages in particular:

Consolidated Statements of Income	Pages 19 and 20
Balance Sheets	Page 21
Consolidated Statements of Cash Flow	Page 22
Consolidated Statements of Changes in Equity	Page 23
Explanatory Notes in accordance with IAS 34	Pages 7 to 8 (Accounting Policies), 9 (Major Events), 10 (Key Financial Data by Business Line), 17 (Risk Factors), 24 to 25 (Segment Reporting) and 26 (Investment in Enterprises)
Management Statement	Page 31

Any other information not listed above but contained in such document is incorporated by reference for information purposes only; and

(e) the unaudited interim consolidated financial statements for the nine months ended 30 September 2009 of the Issuer (save for the ninth paragraph on page 1 and the paragraph "Outlook for 2009" on page 9 of such financial statements), including the information set out at the following pages in particular:

Consolidated Statements of Income	Pages 22 and 23
Balance Sheets	Page 24
Consolidated Statements of Cash Flow	Page 25
Consolidated Statements of Changes in Equity	Page 26
Explanatory Notes in accordance with IAS 34	Pages 7 to 8 (Accounting Policies), 10 to 11 (Major Events), 12 (Key Financial Data by Business Line), 20 (Risk Factors), 27 to 28 (Segment Reporting) and 29 (Investment in Enterprises)
Management Statement	Page 33

Any other information not listed above but contained in such document is incorporated by reference for information purposes only.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of each document incorporated by reference are available on the website of the Luxembourg Stock Exchange at www.bourse.lu. Copies of this Prospectus and each document incorporated by reference can also be obtained, free of charge, from the Issuer at Teglholmsgade 1 - 3, 0900 Copenhagen C, Denmark, Telephone: +45 66 63 76 80, Fax: +45 33 15 75 70, E-mail: investorrelations@tdc.dk.

THE EXCHANGE OFFER

On 30 November 2009, the Issuer announced an invitation (the **Exchange Offer**) to holders of its €750,000,000 6.50 per cent. Notes due 2012 (the **Existing Notes**) to offer to exchange any or all of such securities for the Notes, subject to the terms and conditions set out in the Exchange Offer Memorandum dated 30 November 2009.

In connection with the Exchange Offer, the Issuer entered into a dealer manager agreement dated 30 November 2009 with BNP Paribas and Credit Suisse Securities (Europe) Limited (the **Dealer Managers**), which contains certain provisions regarding payment for fees, expense reimbursement and indemnity arrangements.

The Exchange Offer Memorandum does not constitute an offer to sell or buy or the solicitation of an offer to sell or buy the Existing Notes and/or the Notes, as applicable, and offers of Existing Notes for exchange pursuant to the Exchange Offer have not been and will not be accepted from persons in any circumstances in which such offer or solicitation is unlawful. No person in any jurisdiction in which, or from whom, it is unlawful to make an invitation to participate in the Exchange Offer or for there to be such participation under applicable securities laws may participate in the Exchange Offer. The distribution of the Exchange Offer Memorandum in certain jurisdictions may be restricted by law.

No action has been or will be taken in any jurisdiction by the Issuer, the Dealer Managers, the Trustee or Deutsche Bank AG, London Branch as exchange agent for the Exchange Offer, in relation to the Exchange Offer that would permit a public offering of securities other than in Switzerland.

CONDITIONS OF THE NOTES

The following is the text of the Conditions of the Notes which (subject to modification) will be endorsed on each Note in definitive form (if issued):

The €273,547,000 5.875 per cent. Notes due 2015 (the **Notes**, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 16 and forming a single series with the Notes) of TDC A/S (the **Issuer**) are constituted by a Trust Deed dated 16 December 2009 (the **Trust Deed**) made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the **Trustee**, which expression shall include its successor(s)) as trustee for the holders of the Notes (the **Noteholders**) and the holders of the interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons** respectively).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the Agency Agreement dated 16 December 2009 (the **Agency Agreement**) made between the Issuer, the initial Paying Agents and the Trustee are available for inspection during normal business hours by the Noteholders and the Couponholders at the registered office for the time being of the Trustee, being at the date of issue of the Notes at Fifth Floor, 100 Wood Street, London EC2V 7EX and at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in denominations of €50,000 and integral multiples of €1,000 in excess thereof up to and including €99,000, each with Coupons attached on issue. No Notes will be issued with a denomination above €99,000. Notes of one denomination may not be exchanged for Notes of the other denomination.

1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

1.3 Holder Absolute Owner

The Issuer, any Paying Agent and the Trustee may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon or of any trust or interest therein) and shall not be required to obtain any proof thereof or as to the identity of such bearer.

2. STATUS

The Notes and the Coupons relating to them constitute (subject to Condition 3) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 3, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

3. NEGATIVE PLEDGE

3.1 Restriction

So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed), the Issuer will not and will ensure that no Principal Subsidiary (as defined in Condition 9) will (subject as provided in Condition 3.3) create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (**Security**) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes, the Coupons and the Trust Deed (a) are secured equally and rateably therewith, or (b) have the benefit of such other security or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to interests of the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

The prohibition contained in this Condition 3 does not apply to:

(a) Security created in connection with a project financing where the Issuer does not have any liability, actual or contingent, in respect of the obligations of the project or the company raising the finance. The Security permitted by this sub-paragraph must be limited to the assets of the project being financed or the shares of the company raising the finance;

(b) Security arising in the ordinary course of banking transactions including sale and repurchase agreements and share, loan and bond lending transactions provided that any such transactions are for the purpose of financing or refinancing the assets which are the subject of the Security;

(c) Security existing in connection with Relevant Debt which is assumed by the Issuer or any relevant Principal Subsidiary at the time of the assumption or existing prior to an entity (whether or not a Subsidiary (as defined in Condition 9)) becoming a Principal Subsidiary; or

(d) Security arising in respect of financial lease transactions provided that any such transactions are for the purpose of financing or refinancing the assets which are the subject of the Security.

3.2 Relevant Debt

For the purposes of this Condition, **Relevant Debt** means any present or future indebtedness in the form of, or represented by, any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is for the time being, or is capable of being, quoted, listed or traded on any stock exchange or in any over-the-counter or other securities market.

3.3 Note

The prohibition contained in this Condition 3 shall apply to a Principal Subsidiary only to prohibit a Principal Subsidiary from creating or permitting to subsist Security which secures Relevant Debt of the Issuer or a guarantee or indemnity given by the Issuer in respect of Relevant Debt and not otherwise.

4. INTEREST

4.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 16 December 2009 at the rate of 5.875 per cent. per annum, payable annually in arrear on 16 December (each an **Interest Payment Date**). The first payment (representing a full year's interest) shall be made on 16 December 2010.

4.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event interest shall continue to accrue as provided in the Trust Deed.

4.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full year, it shall be calculated on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the **Accrual Date**) to but excluding the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to but excluding the next following Interest Payment Date.

5. PAYMENTS

5.1 Payments in respect of Notes

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

5.2 Method of Payment

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by euro cheque.

5.3 Missing Unmatured Coupons

Each Note should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition *7*) in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 8) but not thereafter.

5.4 Payments subject to Applicable Laws

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 7.

5.5 Payment only on a Presentation Date

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 4, be entitled to any further interest or other payment if a Presentation Date is after the due date.

Presentation Date means a day which (subject to Condition 8):

(a) is or falls after the relevant due date;

(b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and

(c) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET2 Settlement Day.

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place and **TARGET2 Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

5.6 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

(a) there will at all times be a Principal Paying Agent;

(b) there will at all times be at least two Paying Agents (one of which may be the Principal Paying Agent) having specified offices in at least two major European cities (which so long as the Notes are listed on the Luxembourg Stock Exchange shall include Luxembourg);

(c) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and

(d) there will at all times be such other Paying Agents as may be required by any other stock exchange on which the Notes may be listed.

Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12.

6. REDEMPTION AND PURCHASE

6.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 16 December 2015.

6.2 Redemption for Taxation Reasons

If the Issuer satisfies the Trustee immediately before the giving of the notice referred to below that:

(a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 7), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 16 December 2009, on the next Interest Payment Date the Issuer would be required to pay additional amounts as provided or referred to in Condition 7; and

(b) the requirement cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be required to pay such additional amounts, were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and cannot be avoided by the Issuer taking reasonable measures available to it, and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

6.3 Redemption at the Option of the Issuer

The Issuer may, having given:

(a) not less than 30 days' nor more than 60 days' notice to the Noteholders in accordance with Condition 12; and

(b) notice to the Trustee and the Principal Paying Agent not less than 15 days before the giving of the notice referred to in (a);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes, on the redemption date specified in such notice at the Issuer Redemption Price together with interest accrued to but excluding the date of redemption.

For the purposes of this Condition:

Adjusted Comparable Yield means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity of the Comparable Issue plus the Comparable Issue Margin. For these purposes, the price of the Comparable Issue will be calculated by the Special Calculation Agent, with respect to any redemption date, as being the average of the Quotation Agents' Quotations for such redemption date;

Comparable Issue means the 3.25 per cent. Bundesrepublik Deutschland Bundesobligationen due July 2015 (WKN: 113528) or, should such issue no longer be in issue, the Comparable Issue shall be such other securities as the Trustee, on the advice of an investment bank or broker of recognised standing operating in the euro market as selected by the Issuer and approved by the Trustee, may determine;

Comparable Issue Margin means 0.25 per cent., provided however that, should the Comparable Issue specified above be replaced in the manner specified herein, the Comparable Issue Margin shall also be such other margin as the Trustee, on the advice of an investment bank or broker of recognised standing operating in the relevant currency market as selected by the Issuer and approved by the Trustee, may determine;

Issuer Redemption Price means (i) 100 per cent. of the outstanding nominal amount of the Notes, plus accrued interest to the date of redemption or, if greater, (ii) as determined by the Special Calculation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes (not including any portion of such payments of interest accrued as of the date of redemption). The present values will be determined by discounting the remaining principal and interest payments to the original redemption date using the Adjusted Comparable Yield. The Special Calculation Agent shall advise the Principal Paying Agent and the Trustee of the Issuer Redemption Price as so calculated;

Quotation Agents means a group of at least four reference dealers that are primary dealers in the Comparable Issue. The Special Calculation Agent will appoint the Quotation Agents after first consulting with the Issuer;

Quotation Agents' Quotations means, with respect to any redemption date, the average, as determined by the Special Calculation Agent, of the bid and offer prices for the Comparable Issue (expressed in each case as a percentage of its outstanding nominal amount) quoted in writing to the Special Calculation Agent by the Quotation Agents at 5.00 p.m. (London time) on the fifth Business Day (as defined in Condition 5.3) in London before the redemption date;

Special Calculation Agent means an investment bank of international repute, as selected by the Issuer and approved by the Trustee, appointed by the Issuer for the purposes of calculating the Issuer Redemption Price.

6.4 Purchases

The Issuer or any of its Subsidiaries (as defined above) may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.

6.5 Cancellations

All Notes which are (a) purchased by or on behalf of the Issuer or any of its Subsidiaries may (at the option of the Issuer or the relevant Subsidiary), or (b) redeemed shall, forthwith be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be held, reissued or resold.

6.6 Notices Final

Upon the expiry of any notice as is referred to in paragraph 6.2 or 6.3 above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such paragraph.

7. TAXATION

7.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

(a) presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Note or Coupon by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note or Coupon; or

(b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or

(d) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that date to have been a Presentation Date (as defined in Condition 5).

7.2 Interpretation

In these Conditions:

(a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12; and

(b) **Relevant Jurisdiction** means the Kingdom of Denmark or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes and Coupons.

7.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

8. PRESCRIPTION

Notes and Coupons will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 5.

9. EVENTS OF DEFAULT

9.1 Events of Default

If any of the following events (**Events of Default**) occurs and is continuing, the Trustee (subject in each case to it being indemnified and/or secured and/or prefunded to its satisfaction) at its discretion may, and if so requested by holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their principal amount together with accrued interest as provided in the Trust Deed:

(a) default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of any amounts in respect of any of the Notes; or

(b) the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days (or such longer period as the Trustee may permit) after notice of such default shall have been given to the Issuer by the Trustee; or

(c) (i) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any default on the part of the Issuer (provided that any applicable grace period has expired), or (ii) any such indebtedness of the Issuer or of any of its Principal Subsidiaries is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due or, as the case may be, within any applicable grace period any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, or (iv) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person),

provided that:

(A) the aggregate amount of the indebtedness, guarantees, indemnities or indebtedness secured by such mortgage, charge, pledge, lien or other encumbrance in respect of which one or more of the events mentioned above in sub-paragraphs (i) to (iv) have occurred equals or exceeds U.S.$25,000,000 or its equivalent in other currencies (as determined by the Trustee); and

(B) in the case of the occurrence of one or more of such events in respect of a Principal Subsidiary that the Issuer has not within seven days after the relevant event discharged the relevant indebtedness, guarantee or indemnity on behalf of the relevant Principal Subsidiary; and

(C) payment of such indebtedness referred to in sub-paragraphs (i) and (ii) and payment under such guarantee or indemnity referred to in sub-paragraph (iii) shall not have been disputed in good faith by the Issuer or the relevant Principal Subsidiary as the case may be; or

(d) a distress, attachment, execution or other legal process is levied or enforced on or against any (in the opinion of the Trustee) material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 90 days *provided that* in the case of a default by the Principal Subsidiary which is the subject of such event, such default is not in the opinion of the Trustee remedied within 14 days after notice of such default shall have been given to the Issuer by the Trustee; or

(e) the Issuer is (or is deemed by a court to be) insolvent (meaning that its total liabilities exceed its total assets) or the Issuer or any of its Principal Subsidiaries is (or is deemed by a court to be) bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or (in the opinion of the Trustee) a material part of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all or (in the opinion of the Trustee) a material part of the debts of the Issuer or any of its Principal Subsidiaries; or

(f) an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer of any of its Principal Subsidiaries, or the Issuer or any of its Principal Subsidiaries shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on (either directly or through one or more Subsidiaries or Affiliates) a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, consolidation or disposal (i) where immediately following such reconstruction, amalgamation, reorganisation, merger, consolidation or disposal, any of the then current credit ratings assigned to the Issuer or any successor to the Issuer is not lower primarily as a direct result of such reconstruction, amalgamation, reorganisation, merger, consolidation or disposal or (ii) on terms approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (iii) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries. For the purposes of this Condition 9.1(f), a **substantial part of its business or operations** shall mean all or a part of the business or operations of the relevant company (as the circumstances may require) which in either case represents over three quarters of the consolidated total assets of the Issuer and its Subsidiaries, taken as a whole, as certified by two Authorised Signatories of the Issuer and calculated on the basis of the then most recent consolidated accounts of the Issuer (whether audited or unaudited) that are available to the public; or

(g) any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

provided that in the case of each of paragraphs (b), (d), (e) and (f) the Trustee shall have first certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

9.2 Interpretation

For the purposes of these Conditions:

(a) **Affiliates** means in relation to any person (i) any entity controlled, directly or indirectly, by that person, (ii) any entity that controls, directly or indirectly, that person, or (iii) any entity directly or indirectly under common control with that person. For this purpose, **control** of any entity or person means ownership or control of at least 20 per cent. of the voting rights of that entity or person.

(b) **Principal Subsidiary** means any Subsidiary of the Issuer the total assets or revenues of which equal or exceed 10 per cent. of the consolidated total assets or consolidated total revenues of the Issuer. These figures will be calculated on the basis of the then most recent consolidated accounts of the Issuer (whether audited or unaudited) that are available to the public and the then most recent audited financial statements of the relevant Subsidiary (whether or not it was a Subsidiary at the time of their preparation). If a Subsidiary prepares consolidated accounts, those accounts will be used.

A report by two Authorised Signatories of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

(c) **Subsidiary** shall have the meaning given thereto in the Trust Deed.

10. ENFORCEMENT

10.1 Enforcement by the Trustee

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (a) it has been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding and (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

10.2 Enforcement by the Noteholders

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

11. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent or the Paying Agent in Luxembourg, or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to the Noteholders, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

12. NOTICES

All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in London or such other English language daily newspaper with general circulation in Europe as the Trustee may approve and, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, in one daily newspaper published in Luxembourg approved by the Trustee and/or on the website of the Luxembourg Stock

Exchange at www.bourse.lu. It is expected that publication will normally be made in the *Financial Times* and (where applicable) the *Luxemburger Wort* or the *Tageblatt*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or the relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this paragraph.

13. SUBSTITUTION

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of any other company being a Subsidiary of the Issuer (such substituted company being hereinafter called the **New Company**), subject to:

(a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution; and

(b) certain other conditions set out in the Trust Deed being complied with.

Not later than 14 days after the compliance with the relevant requirements, the New Company shall give notice thereof in a form previously approved by the Trustee to the Noteholders in the manner provided in Condition 12.

14. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

14.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be two or more persons present holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting two or more persons present whatever the principal amount of the Notes held or represented by them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be two or more persons present holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders.

14.2 Modification, Waiver, Authorisation and Determination

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error.

14.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

14.4 Notification to the Noteholders

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12.

15. INDEMNIFICATION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER

15.1 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

15.2 Trustee Contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of the Issuer's Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

16. FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Noteholders or Couponholders to create and issue further notes or bonds (whether in bearer or registered form) either (a) ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding notes or bonds of any series (including the Notes) constituted by the Trust Deed or any supplemental deed or (b) upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may determine at the time of the issue. Any further notes or bonds which are to form a single series with the outstanding notes or bonds of any series (including the Notes) constituted by the Trust Deed or any supplemental deed shall, and any other further notes or bonds may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes or bonds of other series in certain circumstances where the Trustee so decides.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

17.1 Governing Law

The Trust Deed, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and the Coupons, are governed by, and will be construed in accordance with, English law.

17.2 Jurisdiction of English Courts

The Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Trustee, the Noteholders and the Couponholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes or the Coupons (including any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes or the Coupons) and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee, the Noteholders and the Couponholders may take any suit, action or proceeding (together referred to as **Proceedings**) arising out of or in connection with the Trust Deed, the Notes or the Coupons respectively (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes or the Coupons) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

17.3 Appointment of Process Agent

The Issuer has, in the Trust Deed, irrevocably and unconditionally appointed Wilmington Trust SP Services (London) Limited at the latter's registered office for the time being as its agent for service of process in England in respect of any Proceedings and has undertaken that in the event of such agent ceasing so to act it will appoint such other person as the Trustee may approve as its agent for that purpose.

18. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES

The following is a summary of the provisions to be contained in the Trust Deed to constitute the Notes and in the Global Notes which will apply to, and in some cases modify, the Conditions of the Notes while the Notes are represented by the Global Notes.

1. Exchange

The Permanent Global Note will be exchangeable in whole but not in part (free of charge to the holder) for definitive Notes only:

(a) upon the happening of any of the events defined in the Trust Deed as "Events of Default";

(b) if either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Trustee is available; or

(c) if the Issuer would suffer a disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear and/or Clearstream, Luxembourg which would not be suffered were the Notes in definitive form and a certificate to such effect signed by two Authorised Signatories of the Issuer is given to the Trustee.

Thereupon (in the case of (a) and (b) above) the holder of the Permanent Global Note (acting on the instructions of one or more of the Accountholders (as defined below)) or the Trustee may give notice to the Issuer and (in the case of (c) above) the Issuer may give notice to the Trustee and the Noteholders, of its intention to exchange the Permanent Global Note for definitive Notes on or after the Exchange Date (as defined below).

On or after the Exchange Date the holder of the Permanent Global Note may or, in the case of (c) above, shall surrender the Permanent Global Note to or to the order of the Principal Paying Agent. In exchange for the Permanent Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the Trust Deed. On exchange of the Permanent Global Note, the Issuer will procure that it is cancelled and, if the holder so requests, returned to the holder together with any relevant definitive Notes.

For these purposes, **Exchange Date** means a day specified in the notice requiring exchange falling not less than 60 days after that on which such notice is given and being a day on which banks are open for general business in the place in which the specified office of the Principal Paying Agent is located and, except in the case of exchange pursuant to (b) above, in the place in which the relevant clearing system is located.

2. Payments

On and after 26 January 2010, no payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by a Global Note will, subject as set out below, be made to the bearer of such Global Note and, if no further payment falls to be made in respect of the Notes, against surrender of such Global Note to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purposes. A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Note by or on behalf of the Principal Paying Agent, which endorsement shall be *prima facie* evidence that such payment has been made in respect of the Notes. Payments of interest on the Temporary Global Note (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

3. Notices

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relative Accountholders rather than by publication as required by Condition 12, provided that, so long as the Notes are listed on the Luxembourg Stock Exchange, notice will also be given by publication in a daily newspaper published in Luxembourg and/or on the website of the Luxembourg Stock Exchange at www.bourse.lu if and to the extent that the rules of the Luxembourg Stock Exchange so require. Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

4. Accountholders

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (each an **Accountholder**) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Notes for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Noteholders and giving notice to the Issuer pursuant to Condition 9) other than with respect to the payment of principal and interest on such principal amount of such Notes, the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of the relevant Global Note in accordance with and subject to its terms and the terms of the Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the bearer of the relevant Global Note.

5. Prescription

Claims against the Issuer in respect of principal and interest on the Notes represented by a Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 7).

6. Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions of the Notes to be cancelled following its redemption or purchase will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant part of the schedule thereto.

7. Euroclear and Clearstream, Luxembourg

References in the Global Notes and this summary to Euroclear and/or Clearstream, Luxembourg shall be deemed to include references to any other clearing system approved by the Trustee.

DESCRIPTION OF THE ISSUER

History and Development

TDC is a Danish-based European full-service provider of communications solutions. TDC is the leading provider of telecommunications solutions in Denmark, the second-largest full-range telecommunications provider in the Swiss market (both measured by total revenue) and is represented in the pan-Nordic market.

The Issuer's legal and commercial names are TDC A/S and TDC, respectively. The Issuer was incorporated as an "aktieselskab" (public limited liability company) on 14 November 1990 and is organised under the laws of the Kingdom of Denmark (its Central Business Registration number in Denmark is 1477 3908). The Issuer is headquartered at Teglholmsgade 1 - 3, DK-0900 Copenhagen C, Denmark (telephone: +45 66 63 77 77). TDC's shares are listed on the Nasdaq OMX Copenhagen Exchange (ISIN DK00 1025333 5).

The objects of the Issuer are to conduct business within communications, services, directories, media, investment, financing, advisory services, trade and any other related business, whether in Denmark or abroad, if appropriate in the form of joint ventures with other Danish or foreign-based companies, as specified in paragraph 3 of the Issuer's Articles of Association. The Issuer's current Articles of Association were adopted by the Issuer's annual general meeting on 19 March 2009.

TDC was partly privatized in 1994 and fully privatized in 1998. TDC's current majority shareholder, NTC (prior to the proposed merger – see "*Proposed TDC merger with NTC*" further below in Recent Events), is – through a number of holding companies – ultimately controlled by investment funds, each of which is advised or managed, directly or indirectly, by Apax Partners Worldwide LLP, The Blackstone Group International Limited, Kohlberg Kravis Roberts & Co. L.P., Permira Advisers KB or Providence Equity Partners Limited.

Recent Events

Changes to organisational structure

On 5 February 2009, TDC announced a change to the organisational structure of the TDC Group to a customer-centric rather than a technology-centric organisation. Following the change of the organisational structure, the TDC Group was organized in the following business lines: Consumer, Business Nordic, Operations & Wholesale (responsible for sales to wholesale customers, networks, IT and operations), the wholly-owned subsidiaries YouSee and Sunrise (also see "*Business combination of Sunrise and Orange in Switzerland*" further below in Recent Events), and Headquarters. The previous business lines, Fixnet Nordic and Mobile Nordic, were dissolved and their operations have been incorporated into the new business lines. On 23 September 2009, a restructuring of Business Nordic was announced, with the Business Nordic business line being further divided into TDC Business and TDC Nordic.

Acquisition of Fullrate A/S and A+

In March 2009, TDC acquired Fullrate A/S, a leading low price broadband and VoIP provider also providing mobile broadband. In June 2009, TDC acquired A+, a TV and broadband service provider.

Sale of TDC's shares in Invitel

At the end of September 2009, the Issuer announced that it had entered into an agreement to sell its 64.6 per cent. shareholding in Invitel Holdings A/S (**Invitel**) to the Central and Eastern European equity fund Mid Europa Partners. Invitel (formerly known as Hungarian Telephone and Cable Corporation (**HTCC**)) is a Hungarian based fixed line operator with wholesale operations in Eastern Europe. Invitel's operations were re-classified to "Discontinued operations" in TDC's consolidated financial statements as of June 2009, and the sale is part of TDC's strategy to dispose of non-core assets and will not have any impact on the operations of TDC. The sale was completed in the fourth quarter of 2009.

Acquisition of Dong Fiber

On 17 November 2009 TDC and Dong Energy entered into an agreement regarding TDC's acquisition of 100 per cent. of the share capital of Fiber Newco A/S, a newly established company to which Dong Energy simultaneously transfers all of its activities relating to the roll out and operation of fibernet in Greater Copenhagen and Northern Zealand. The agreement is expected to be closed before the end of 2009.

Review of strategic alternatives for TDC A/S

On 23 November 2009, TDC announced that it has been informed by its majority shareholder, NTC, that a process with the purpose of evaluating strategic alternatives for TDC has been initiated.

TDC will to the extent necessary and appropriate assist in this strategic review.

TDC does not expect to publicly disclose additional information regarding the status of the review of strategic alternatives until the review has been completed. There can be no assurances that any particular course of action will be pursued nor of what the timing or the terms of such alternatives will be.

Business combination of Sunrise and Orange in Switzerland

On 25 November 2009, TDC announced that it has entered into a conditional agreement to combine its Swiss subsidiary Sunrise with Orange in Switzerland, a subsidiary of France Telecom. As a result of a series of transactions, TDC will receive a payment of EUR 1.5 billion at closing from France Telecom and become a 25 per cent. shareholder of the combined entity.

TDC will continue to consolidate Sunrise in its financial statements until further notice. Upon deconsolidation, Sunrise's activities will be reclassified to discontinued operations. After closing, the 25 per cent. shareholding in the combined entity will be accounted for as an associate (equity method).

The signing of final transaction documentation is expected to take place in the second half of February 2010. The transaction shall, amongst other conditions, be subject to confirmatory due diligence and approvals from TDC's lenders and the Swiss competition authorities. TDC currently expects closing of the agreement to take place in the second quarter of 2010.

Proposed TDC merger with NTC

On 26 November 2009 the Board of Directors of TDC signed a merger plan with NTC. TDC intends that the merger will be implemented as soon as possible, with TDC as the surviving company. The merger is intended to be effective from 1 January 2009 for accounting purposes. The purpose of the merger is to simplify the group structure and to optimise TDC's capital structure. The merger is expected to be adopted by the Board of Directors of TDC before the end of 2009.

NTC is a wholly-owned subsidiary of Nordic Telephone Company Holding ApS. In connection with the merger, it is proposed that Nordic Telephone Company Holding ApS will acquire the shares held by NTC in TDC prior to the merger, amounting to DKK 871,849,550 nominal value (174,369,910 shares of DKK 5). NTC has no material assets or liabilities other than its holding of TDC shares, and therefore the merger will not affect the NTC group’s ownership interest in TDC.

Acquisition of 100 per cent. of Unotel

In 2007, TDC acquired 20 per cent. of Unotel A/S. On 11 December 2009 TDC entered into an agreement to acquire the remaining 80 per cent. of Unotel A/S, which brings TDC's ownership to 100 per cent. The agreement is expected to be closed in early January 2010.

Business Activities of the TDC Group

Customers

At 30 September 2009, the TDC Group had 8.5 million customers in Denmark. In addition, the TDC Group had 2.8 million customers in Switzerland and TDC Nordic had 0.1 million customers.

The TDC Group's total customer base amounted to 11.4 million customers[*] at 30 September 2009, up 7.4 per cent from 30 September 2008, which was attributable mainly to the acquisition of Tele2 in Switzerland by Sunrise in November 2008. The domestic customer base totalled 8.5 million, up 3.4 per cent. from 30 September 2008. This development resulted primarily from more mobile voice and data customers and more TV customers, partly counteracted by fewer landline voice customers.

Business Lines

The TDC Group's main business lines are as follows:

Consumer

In the 9 months to 30 September 2009, Consumer's revenue[**] was DKK 7,399 million, constituting 27.6 per cent. of the TDC Group's total external revenue. At 30 September 2009, Consumer had 2,246 full-time employee equivalents. Consumer is the leading provider of landline and mobility services to residential and SoHo (Small Office/Home Office, which refers to a category of business which is defined by, among others, having fewer than two employees and with limited revenue during the last year (<DKK 30,000)) customers in Denmark. The landline services include PSTN and VoIP telephony, ADSL (Asymmetric Digital Subscriber Line, based on DSL technology) broadband, TVoIP (television programs provided over the internet), CPE (Customer Premises Equipment) and various value added services, for example, security services, whereas the mobile communications services consist of postpaid and prepaid voice services, mobile broadband, content and handsets. Consumer also provides the broadband-based multi-play products, TDC HomeTrio and TDC HomeDuo. TDC HomeTrio consists of digital IP TV with 28 channels, internet access with a speed of up to 10 Mbps and landline telephony. TDC HomeDuo consists of internet access with a speed of up to 10 Mbps, and landline telephony. Consumer also comprises the fixed-mobile convergence product Duét, TDC Shops, Customer Centre including directory services, Telmore and Fullrate. Telmore offers mobile voice, mobile broadband and ADSL products. Fullrate offers self-service ADSL broadband, VoIP and mobile broadband products. Fullrate was acquired in the first quarter of 2009.

TDC Business

In the 9 months to 30 September 2009, TDC Business and TDC Nordic had a total revenue[**] of DKK 8,372 million, constituting 31.2 per cent. of the TDC Group's total external revenue. At 30 September 2009, TDC Business and TDC Nordic had 3,052 full-time employee equivalents[***]. TDC Business provides telecommunications solutions for the TDC Group's business customers in Denmark. Its activities include

[*] Customer figures are excluding Invitel.
[**] Including revenue across segments.
[**] Including revenue across segments.
[***] As the split of Business Nordic into TDC Business and TDC Nordic is not included in the 3Q 2009 Earnings Release, revenue and FTE-figures are only supplied for TDC Business and TDC Nordic as a total.

mainly data communications and internet services, comprising broadband solutions, landline telephony, convergence products (combined landline and mobile telephony), mobile services, terminal equipment and leased lines, including fiber access. TDC Business also provides the broadband-based multi-play products, TDC HomeTrio Work, giving businesses the opportunity to offer their employees broadband combined with landline telephony and digital IP TV, similar to the TDC HomeTrio solution offered by Consumer. TDC Business also provides internet protocol (**IP**) and local area network (**LAN**) infrastructure through NetDesign.

TDC Nordic

TDC Nordic is responsible for the TDC Group's activities in the other Nordic countries and TDC Hosting (operation of ERP-solutions (Enterprise resource planning) and web applications that are critical to TDC's customers), and provides telecommunications solutions for the TDC business customers outside Denmark. TDC Nordic's products include mainly IP-VPN (IP-based Virtual Private Network, which is a network that enables organizations to use a shared network to connect remote sites or users together) and internet access on its pan-Nordic network. TDC Nordic also offers CPE as well as a wide range of services in data communications, landline telephony and mobile telephony, and provides hosting solutions and IT-outsourcing through TDC Hosting.

Operations & Wholesale

In the 9 months to 30 September 2009, Operations & Wholesale's revenue[**] was DKK 1.902 million, constituting 7.1 per cent. of the TDC Group's total external revenue. At 30 September 2009, Operations & Wholesale had 4,334 full-time employee equivalents. Operations & Wholesale operates TDC's Danish fixed-line and mobile networks and provides network based services and products for TDC's business lines, Consumer and TDC Business, as well as TDC's wholesale customers in Denmark. Operations also include IT solutions and supply of supporting facilities, i.e. buildings, cars and billing services to other segments'. Operating expenses in Operations corresponding to other segments use of the infrastructure and supply functions are allocated to the relevant business lines.

YouSee (subsidiary)

In the 9 months to 30 September 2009, YouSee's revenue[**] was DKK 2,652 million, constituting 9.9 per cent. of the TDC Group's total external revenue. At 30 September 2009, YouSee had 1,263 full-time employee equivalents. YouSee is a Danish provider offering its customers TV, broadband and telephony as a triple-play solution, and digital TV to all its TV customers at no extra charge through a fully digitalized hybrid fiber coaxial-cable network. From the fourth quarter of 2009, YouSee also offers mobile broadband.

Sunrise (subsidiary)

In the 9 months to 30 September 2009, Sunrise's revenue[**] was DKK 7,340 million, constituting 27.3 per cent. of the TDC Group's total external revenue. At 30 September 2009, Sunrise had 1,523 full-time employee equivalents. Sunrise is the second-largest full-range telecommunications provider in Switzerland (measured by total revenue). Its activities include mobile and landline telephony and internet services. Sunrise has its own national backbone landline and internet service provider (**ISP**) network, as well as its own mobile network based on GSM/EDGE (Enhanced Data rates for GSM Evolution) and UMTS/HSDPA (high speed download packet access) technology. The latter is still being expanded, and Sunrise management expects it to finish at the end of 2011. On 25 November 2009, TDC A/S announced that it has entered into a conditional agreement to combine its Swiss subsidiary Sunrise with Orange in Switzerland, a subsidiary of France Telecom. For further information, see "*Business combination of Sunrise and Orange in Switzerland*" in Recent Events above.

[**] Including revenue across segments.

Headquarters

Headquarters provides internal services for the TDC Group's domestic business lines. Headquarters also undertakes the TDC Group's staff functions including finance, legal affairs, human resources, marketing and communications.

The TDC Group's Network

The TDC Group operates an extensive telecommunications network in Denmark. The backbone network has high-capacity transmission capabilities and is fully digitalized. The landline access network reached almost 100 per cent. of Denmark’s population as at year end 2008. The mobile access network includes GSM and UMTS. In Switzerland, the TDC Group has its own landline and GSM/EDGE and UMTS/HSDPA networks. The TDC Group also operates its own landline network in the Nordic region.

Research and development

TDC’s research and development activities currently focus on developing broadband applications and services, as well as IP-based and UMTS network platforms and wireless LAN capabilities. High-speed data solutions, for example, HSDPA, have been implemented in the network since early 2008. TDC also participates in international programs, including standardization efforts, and cooperates with independent research organizations.

Intellectual property

TDC owns or has the right to use the various brands, including property rights, used within its operation.

Property, plant and equipment

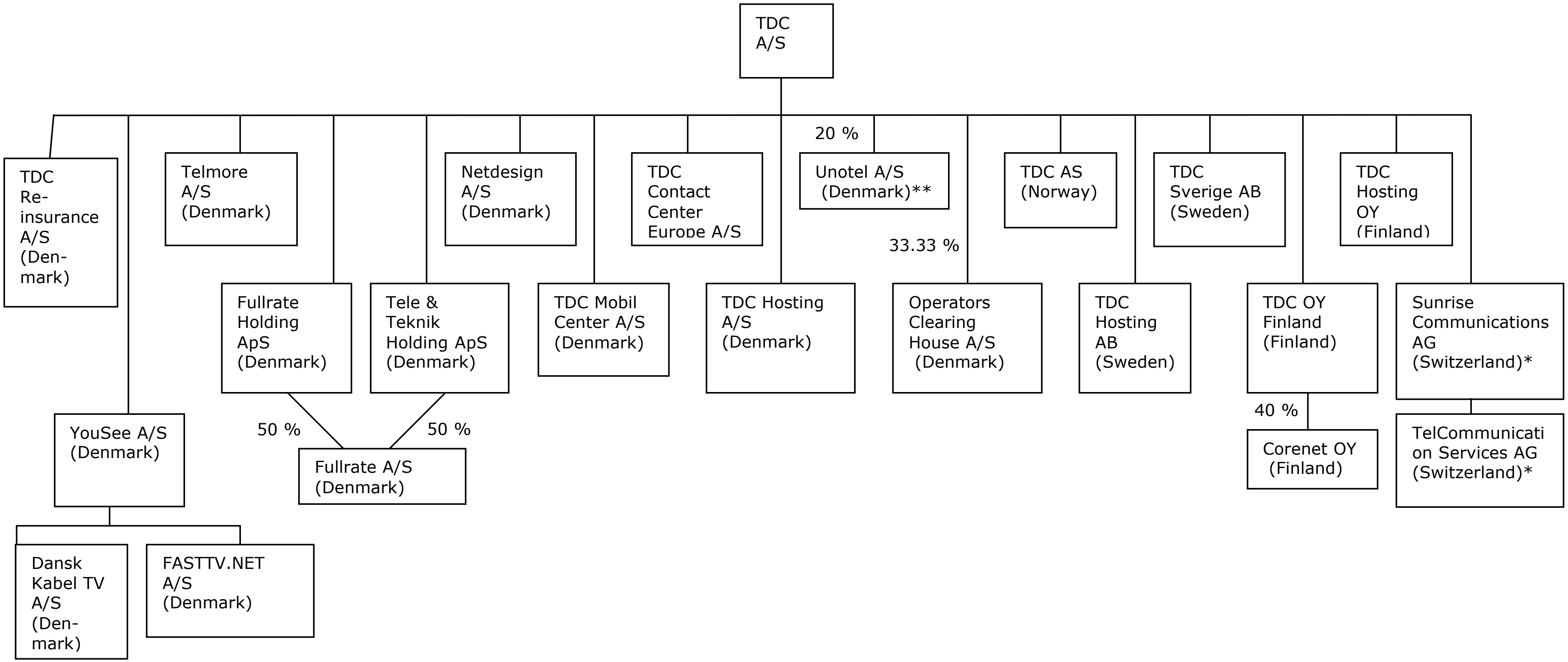
Headquarters manages the majority of the TDC Group’s office premises and floor space in Denmark. However, some of the TDC Group’s Danish operations, such as Telmore, manage their own premises.

The TDC Group’s principal properties consist of numerous telecommunications installations, including exchanges of various sizes, transmission equipment, cable networks, base stations for mobile networks and equipment for radio communications, most of which are located in Denmark. The TDC Group also has numerous computer installations, which are located principally in Copenhagen and Aarhus.

Organisational Structure

NTC is the Issuer's majority shareholder, and its ultimate holding company is Angel Lux Parent S.a.r.l (see "*Major Shareholders*" below). The Issuer also has several subsidiaries, namely YouSee, Sunrise and Fullrate.

The diagram below shows a simplified legal structure of the TDC Group, reflecting an overview of TDC's main subsidiaries and associated companies as at 11 December 2009. For a more comprehensive list of TDC's subsidiaries and associated companies, see "*Overview of TDC subsidiaries and associated companies*". The ownership structure of TDC is reflected in TDC's Annual Report 2008 on page 158 (Shareholder information), such structure being subject to the proposed merger between TDC and NTC (see "*Proposed TDC merger with NTC*" in Recent Events above).



* On 25 November 2009, TDC A/S announced that it has entered into a conditional agreement to combine its Swiss subsidiary Sunrise with Orange in Switzerland, a subsidiary of France Telecom. As a result of a series of transactions, TDC will become a 25 per cent. shareholder of the combined entity. TDC currently expects closing of the agreement to take place in the second quarter of 2010.

** In 2007, TDC acquired 20 per cent. of Unotel A/S. On 11 December 2009 TDC entered into an agreement to acquire the remaining 80 per cent. of Unotel A/S, which brings TDC's ownership to 100 per cent. The agreement is expected to be closed in early January 2010.

Overview of TDC subsidiaries and associated companies

Company Name	Company Address	TDC Group Shareholding
TDC A/S (parent company)		
Sunrise Communications AG*	Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	100%
YouSee A/S	Strandlodsvej 30 0900 Copenhagen C Denmark	100%
Telmore International Holding A/S in liquidation	Teglholmsgade 1 0900 Copenhagen C Denmark	100%
TDC-Qtel Mena Investcom BSC(c)	c/o KPMG Fakhro Advisory 5th floor, Chamber of Commerce Building PO Box 710 Manama Kingdom of Bahrain	20.816%
Nawras (Omani Qatari Telecommunications Company) (SAOC)	PO Box 874 PC 111 SEEB Sultanate of Oman	14.56% (70% owned by TDC-Qtel Mena Investcom BSC(c))
Tele Danmark Reinsurance S.A.	19 rue de Bitbourg B.P. 593 L-2015 Luxembourg	100%
TDC Reinsurance A/S	Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
ADSB Telecommunications B.V.	Teleportboulevard 140 1043EJ Amsterdam The Netherlands	35%
*Sunrise Group (Sunrise Communications AG)**		
Teldas GmbH*	Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	23% owned by Sunrise Communications AG
TelCommunication Services AG (formerly Tele2 Telecommunication Services AG)*	Hardturmstrasse 185 CH-8005 Zürich Switzerland	100% owned by Sunrise Communications AG

Econophone GmbH*	c/o TelCommunication Services AG Hardturmstrasse 185 CH-8005 Zürich (registration of name change pending) Switzerland	100% owned by TelCommunicati-on Services AG
Sunrise Internet Services AG*	c/o Sunrise Communications AG Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	100% owned by Sunrise Communications AG
Tele Danmark Communications Switzerland GmbH*	c/o Sunrise Communications AG Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	100% owned by Sunrise Communications AG
TDC Switzerland GmbH*	c/o Sunrise Communications AG Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	100% owned by Sunrise Communications AG
diAx GmbH*	c/o Sunrise Communications AG Hagenholzstr. 20/22 CH - 8050 Zürich Switzerland	100% owned by Sunrise Communications AG
Come-2-IT AG*	Stauffacherstr. 65 CH - 3014 Bern Switzerland	40% owned by Sunrise Communications AG
YouSee A/S		
Dansk Kabel TV A/S	Taastrupgårdsvej 20 2630 Taastrup Denmark	100%
FASTTV.NET A/S	Roholmsvej 19 2620 Albertslund Denmark	100%
TDCKT XII ApS (inactive)	c/o Christer Tønder Bell Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
Nordic		
TDC Sverige AB	Box 799 SE - 191 27 Sollentuna Sweden	100% (owned by TDC Nordic AB)
TDC Hosting A/S	Olof Palmes Alle 36 8200 Århus C Denmark	100%

TDC AS	Sandakerveien 130 N - 0484 Oslo Postboks 4600 Nydalen N - 0405 Oslo Norway	100%
TDC Con SQOV AB	Norra Malmvägen 143, Box 764 SE-19127 Sollentuna Sweden	100%
TDC Nordic AB	Norra Malmvägen 143, Box 764 SE-19127 Sollentuna Sweden	100% (owned by TDC Con SQOV AB)
TDC Hosting AB	Norra Malmvägen 143, Box 764 SE-19127 Sollentuna Sweden	100% (owned by TDC Nordic AB)
Song Communications AB	Norra Malmvägen 143, Box 764 SE-19127 Sollentuna Sweden	100% (owned by TDC Sverige AB)
Effero Group AB	ARZ 405 08 Göteborg Sweden	100% (owned by TDC Sverige AB)
Effero AB	ARZ 405 08 Göteborg Sweden	100% (owned by Effero Group AB)
SNPAC AB (Swedish Number Portability Administrative Centre AB)	Arenavägen 41, 12tr SE - 12177 Johanneshov Sweden	20% (owned by TDC Sverige AB)
TDC Oy Finland	Mechelininkatu 1a FIN-00094 TDC SONG Finland	100% (owned by TDC Nordic AB)
Corenet Oy	Vilhonkatu 13 Box 488 FIN-00100 Helsinki Finland	40% (owned by TDC Oy Finland)
Song Products Oy (inactive)	Mechelininkatu 1a FIN-00094 TDC SONG Finland	100% (owned by TDC Oy Finland)
TDC Hosting Oy	Mechelininkatu 1a FIN-00094 TDC Finland	100% owned by TDC Nordic AB U
Song Mobile Oy	Mechelininkatu 1a FIN-00094 TDC SONG Finland	100% (owned by TDC Oy Finland)

TDC Song AS	Sandakerveien 130 N - 0484 Oslo Postboks 4600 Nydalen N - 0405 Oslo Norway	100% (owned by TDC Nordic AB)
Waveon AS	Fjøsangerveien 65 5059 BERGEN Norway	64.2% owned by TDC AS, reg.no. 971 054 905
Nasjonal Referansedatabase AS	St Olavs Plass 3 0165 Oslo Norway	1/7% (ca. 14%) owned by TDC AS, reg.no. 971 054 905
TDC Song Danmark A/S	Lautruphøj 2-10 2750 Ballerup Denmark	100% (owned by TDC Nordic AB)
Tele1 Europe ApS (to be dissolved on the basis of a statement of discharge)	Lautruphøj 2 2750 Ballerup Denmark	100% (owned by TDC Song Danmark)
Business		
TDC Mobil Center A/S	Kochsgade 31 5000 Odense C Denmark	100%
Servicehosting A/S (in liquidation, shell company)	Lautruphøj 2 2650 Ballerup Denmark	100%
NetDesign A/S	Gammelgårdsvej 91 3520 Farum Denmark	96.15% (NetDesign holds the remaining 3.85%)
Wholesale & Operations		
Kaisai A/S	Olof Palmes Allé 36 8200 Århus N Denmark	100%
Unotel A/S**	Adelgade 116 Postboks 485 8660 Skanderborg Denmark	20%
Operators Clearing House A/S	c/o Telia Ejby Industrivej 135 2600 Glostrup Denmark	33.33%
TDC Carrier Services USA Inc. (Dissolution effective on 2 December 2008. The company continues to exist until 2 December 2011)	111 Pavonia ave. Suite 901 Jersey City, NJ 07310 USA	100%

DPTG I/S	Lautrupbjerg 7 2750 Ballerup Denmark	25%
DRTG I/S (in liquidation)	Lautrupbjerg 7 2750 Ballerup Denmark	50%
Consumer		
Telmore A/S	Carl Gustavsgade 3 2630 Taastrup Denmark	100%
TDC Contact Center Europe A/S (formely TDC Call Center Europe A/S)	Ellegårdvej 23 A 6400 Sønderborg Denmark	100%
Fullrate A/S	Jemtelandsgade 1 2300 Copenhagen S Denmark	Owned 50% by Tele & Teknik Holding ApS and 50 % by Fullrate Holding ApS
Tele & Teknik Holding ApS	Teglholmsgade 1- 3 0900 Copenhagen C Denmark	100%
Fullrate Holding ApS (formely JMI Invest 11 ApS)	Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
TDC A/S (innovation)		
TWMJ Holding ApS (holds shares in Atchik-Realtime through 4Web A/S)	Teglholmsgade 1 - 3 1165 Copenhagen K Denmark	26.81% owned by TDC A/S 18.77% owned by 4Web A/S TDC in total: 43.29%
4Web A/S (formerly Zellsoft A/S - owns Atchik-Realtime Group shares directly)	Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	71.99% owned by TDC A/S 21.52% owned by TWMJ Holding 6.49% treasury shares owned by 4Web A/S TDC in total: 84.58
TDC A/S (shell companies)		
Anpartsselskabet af 28. august 2000	c/o Anne Baandrup Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
Jydsk Tele A/S	Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
TDCH I ApS	c/o Erik Halskov Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%

TDCH II ApS	c/o Erik Halskov Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
TDCH III ApS	c/o Christer Tønder Bell Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100%
TDCT IV ApS (inactive)	c/o Kim D. Brabrand Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100 %
TDCT V ApS (inactive)	c/o Kim D. Brabrand Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100 %
TDCT VI ApS (inactive)	c/o Kim D. Brabrand Teglholmsgade 1 - 3 0900 Copenhagen C Denmark	100 %

* On 25 November 2009, TDC A/S announced that it has entered into a conditional agreement to combine its Swiss subsidiary Sunrise with Orange in Switzerland, a subsidiary of France Telecom. As a result of a series of transactions, TDC will become a 25 per cent. shareholder of the combined entity. TDC currently expects closing of the agreement to take place in the second quarter of 2010.

** In 2007, TDC acquired 20 per cent. of Unotel A/S. On 11 December 2009 TDC entered into an agreement to acquire the remaining 80 per cent. of Unotel A/S, which brings TDC's ownership to 100 per cent. The agreement is expected to be closed in early January 2010.

Capital Structure

The Issuer's common share capital amounts to DKK 991,875,885 and is divided into 198,375,177 fully paid-up shares in a denomination of DKK 5 each. Each share entitles a shareholder to one vote. All of the Issuer's shares are listed on the Nasdaq OMX Copenhagen Exchange (ISIN DK00 1025333 5). Under the Issuer's current Articles of Association, the Board of Directors of the Issuer is authorised, until 18 March 2014, to increase the Issuer's share capital by up to DKK 108,229,770. Notices to shareholders are given by email or regular mail.

Major Shareholders

On 26 November 2009, the Issuer had 29,398 registered shareholders, of whom 97 per cent. were based in Denmark. The Danish-based shareholders held approximately 95 per cent. of the Issuer's shares at year-end 2008. A total of 20 shareholders each held more than 10,000 shares, together owning approximately 98 per cent. of the outstanding shares.

In October 2009, the following shareholders each held more than 5 per cent. of the Issuer's common shares and the voting rights:

- Arbejdsmarkedets Tillægspension, Hillerød, Denmark: 5.5 per cent.

- NTC, Aarhus, Denmark: 87.9 per cent (such shareholding being subject to the proposed merger between TDC and NTC (see "*Proposed TDC merger with NTC*" in Recent Events above)).

NTC is – through a number of holding companies – ultimately controlled by investment funds, each of which is advised or managed, directly or indirectly, by:

- Apax Partners Worldwide LLP: 15.7 per cent.
- The Blackstone Group International Limited: 23.5 per cent.
- Kohlberg Kravis Roberts & Co. L.P.: 19.6 per cent.
- Permira Advisers KB: 19.4 per cent.
- Providence Equity Partners Limited: 17.7 per cent.

In 2008, the Danish Venture Capital and Private Equity Association (**DVCA**) published new guidelines for responsible ownership and good corporate governance in private equity funds in Denmark. Both NTC and TDC A/S are covered by the DVCA guidelines. TDC complies with all DVCA guidelines of relevance to TDC.

All the members of TDC A/S' Board of Directors act in the interests of TDC. The members of the Board of Directors who are also partners of the investment funds, which ultimately own the majority shareholder of TDC, do not represent those investment funds on the Board of Directors.

Administrative, Management and Supervisory Bodies

The Issuer's Board of Directors has 11 members, seven elected by the Annual General Meeting and four elected by the employees of the Issuer.

The members of the Board of Directors are:

Name and Role	**Principal Outside Activities**
Vagn Sørensen is the Chairman of the Board of Directors	Chairman of the Boards of Directors of KMD A/S, Select Service Partner Ltd., and Scandic Hotels AB. Vice Chairman of the Boards of Directors of DFDS A/S and ST Global AG. Member of the Boards of Directors of FLSmidth & Co. A/S, Air Canada, Braganza AS and SIMI and Cimber A/S.
Pierre Danon is the Vice Chairman of the Board of Directors.	Chief Executive Officer of Numericable and Completel and Senior Advisor of JP Morgan.
Kurt Björklund is a member of the Board of Directors.	Co-Managing Partner in Permira Advisers LLP and Chairman of the Board of Directors of NTC.
Lawrence Guffey is a member of the Board of Directors.	Senior managing director of the Blackstone Group and a member of the Boards of Directors of NTC, Deutsche Telekom AG, Axtel SA de CV and Cineworld Group PLC.

Oliver Haarman is a member of the Board of Directors.	Managing director of Kohlberg Kravis Roberts & Co. Ltd and a member of the Boards of Directors of NTC and Bharti Infratel Ltd.
Gustavo Schwed is a member of the Board of Directors.	Managing director of Providence Equity and a member of the Boards of Directors of NTC and Mobileserv Ltd.
Andrew Sillitoe is a member of the Board of Directors.	Partner of Apax Partners LLP and a member of the Board of Directors of NTC.
Leif Hartmann is a member of the Board of Directors.	Systems Technician at TDC A/S. He was elected to the Board of Directors by the employees and his term will expire in 2012.
Steen M. Jacobsen is a member of the Board of Directors.	Specialist Technician at TDC A/S. He was elected to the Board of Directors by the employees and his term will expire in 2012.
Jan Bardino is a member of the Board of Directors.	IT Project Manager at TDC A/S. He was elected to the Board of Directors by the employees and his term will expire in 2012.
Bo Magnussen is a member of the Board of Directors.	Senior Clerk at TDC A/S and Chairman of Lederforeningen at TDC (Association of Managers and Employees in Special Positions of Trust). He was elected to the Board of Directors by the employees of TDC and his term will expire in 2012.

The members of the Executive Committee are stated in the table below. One member is only part of the Corporate Management Team but will become an officially registered Executive Committee member after the General Meeting in 2010. In accordance with the Danish Companies Act and the Articles of Association of TDC, the members of the Executive Committee are appointed by the Board of Directors. In accordance with the Danish Companies Act and the Articles of Association of TDC, the Executive Committee is in charge of the day-to-day management of TDC. The day-to-day management does not cover matters of material importance to TDC. Such matters require submission by the Executive Committee to the Board of Directors for approval:

Name and Role	**Principal Outside Activities**
Henrik Poulsen is the President and Chief Executive Officer of TDC A/S.	
Eva Berneke is a Senior Executive Vice President, Head of HR and Group Strategy of TDC A/S.	Member of the Board of the Copenhagen Business School, Member of the Board of Copenhagen Business School, the High Speed Infrastructure Committee under The Danish Ministry of Science, Technology & Innovation and the Board of the Industrialization Fund for Development and Eastern Countries (IFU, IØ).

Carsten Dilling is a Senior Executive Vice President of TDC A/S and President of Operations & Wholesale.	Chairman of the Board of Traen Informationssystemer A/S.
Jesper Theill Eriksen is a Senior Executive Vice President of TDC A/S and President of TDC Consumer.	
Jesper Ovesen is a Senior Executive Vice President and Chief Financial Officer of TDC A/S.	Member of the Boards of Skandinaviska Enskilda Banken AB, FLSmidth & Co A/S and Danisco A/S.
Niels Breining is a Senior Executive Vice President of TDC A/S and Chief Executive Officer of YouSee A/S.	
Jens Munch Hansen is a Senior Executive Vice President of TDC A/S and President of TDC Nordic.	
Martin Lippert is a Senior Executive Vice President of TDC A/S and President of TDC Business.	

The Board of Directors has set up two committees – the Compensation Committee and the Audit Committee.

The Compensation Committee consists of Vagn Sørensen, Pierre Danon, Kurt Björklund and Gustavo Schwed. The Compensation Committee approves the compensation and other terms of employment for the members of the TDC Group's Executive Committee. It also approves the framework of the TDC Group's incentive program and proposes to the Board the size of the Board of Directors' fee, which is approved at the Annual General Meeting.

The Audit Committee consists of Lawrence Guffey, Vagn Sørensen and Andrew Sillitoe. The Audit Committee assists the Board of Directors with activities including: (i) monitoring the financial reporting process, (ii) monitoring the efficiency of the TDC Group's internal control system and any internal auditing and risk management systems, (iii) monitoring the statutory audit of the annual report, (iv) appointing TDC's independent auditors and monitoring and checking the independence of the auditors, including in particular the delivery of non-audit services to TDC.

The business address of the above members of the Board of Directors, the Executive Committee, the Compensation Committee and the Audit Committee is Headquarters, TDC A/S, Teglholmsgade 1 - 3, DK-0900 Copenhagen C, Denmark

There are no conflicts of interest between the duties of the persons listed above to the Issuer and their private interests or other duties.

TAXATION

Danish Taxation

The following is a summary description of the taxation in Denmark of the Notes according to the Danish tax laws in force at the date hereof and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment in, holding of and disposal of the Notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes.

Taxation at source

Under existing Danish tax laws no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to in consolidated Act no. 272 of 3 April 2009 as amended. This will not have any impact on holders of Notes who are not "affiliated" with the Issuer (i.e. they control or are controlled by the Issuer).

Resident holders of Notes

Under existing Danish tax laws, private individuals, including persons who are engaged in financial trade, and companies, funds and similar entities, who are domiciled in Denmark for tax purposes, are (save for certain exceptions) liable to pay tax on capital gains from the redemption or sale of the Notes and on payments of interest under the Notes.

Non-resident holders of Notes

Under the Danish tax laws, payments of interest or principal amounts to any non-resident holders of Notes are not subject to taxation in Denmark, no withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "*Taxation at source*" above.

This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

Luxembourg Taxation

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) *Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the **Laws**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the **Territories**), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 20 per cent. and will be levied at a rate of 35 per cent. as of 1 July 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 20 per cent.

(ii) *Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 (the **Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States, including Belgium from 1 January 2010, are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

GENERAL INFORMATION

Authorisation

1. The issue of the Notes was duly authorised by a resolution of the Board of Directors of the Issuer dated 29 October 2009.

Listing and Admission to Trading

2. Application has been made to the CSSF to approve this document as a prospectus. Application has also been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

   The total expenses related to the admission to trading of the Notes will be approximately €3,810.

Clearing Systems

3. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN for this issue is XS0473999984 and the Common Code is 047399998.

   The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brusssels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

No Significant or Material Adverse Change

4. There has been no significant change in the financial or trading position of the TDC Group since 30 September 2009 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2008.

Litigation

5. Neither the Issuer nor any other member of the TDC Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the TDC Group.

Auditors

6. The auditors of the Issuer are PricewaterhouseCoopers, Statsautoriseret Revisionsaktieselskab, state-authorised public accountants, who have audited the Issuer's accounts, without qualification, in accordance with International and Danish auditing standards for the financial years ended on 31 December 2008 and 31 December 2007. The auditors of the Issuer have no material interest in the Issuer.

   PricewaterhouseCoopers, Statsautoriseret Revisionsaktieselskab are members of the "Foreningen af Statsautoriserede Revisorer", the Danish Association of State-Authorised Public Accountants.

U.S. tax

7. The Notes and Coupons will contain the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Documents Available

8. For the period of 12 months following the date of this Prospectus, copies of the following documents will be available for inspection from the specified offices of the Paying Agents for the time being in London and Luxembourg and can be obtained, free of charge, from the Issuer at Teglholmsgade 1 - 3, 0900 Copenhagen C, Denmark, Telephone: +45 66 63 76 80, Fax: +45 33 15 75 70, E-mail: investorrelations@tdc.dk:

(a) the constitutional documents (with an English translation thereof) of the Issuer;

(b) the consolidated and non-consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2007 and 31 December 2008, in each case together with the audit reports in connection therewith. The Issuer currently prepares audited consolidated and non-consolidated accounts on an annual basis;

(c) the unaudited consolidated interim financial statements of the Issuer in respect of the three month period ended 31 March 2009, the six month period ended 30 June 2009 and the nine month period ended 30 September 2009. The Issuer currently prepares unaudited consolidated interim accounts on a quarterly basis. The Issuer does not currently prepare non-consolidated interim accounts;

(d) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer (in each case with an English translation thereof), in each case together with any audit or review reports prepared in connection therewith; and

(e) the Trust Deed and the Agency Agreement.

In addition, copies of this Prospectus and each document incorporated by reference are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

Dealer Managers transacting with the Issuer

9. Certain of the Dealer Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business.

Yield

10. On the basis of the issue price of the Notes of 99.429 per cent., the yield on the Notes is 5.991 per cent. on an annual basis.

Dividends

11. The total annual dividends per share paid by the Issuer for each of the last 5 years are as follows:

2008: DKK 3.6

2007: DKK 3.5

2006: DKK 223.9

2005: DKK 12.5

2004: DKK 12.0

THE ISSUER

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To the Dealer Managers and the Trustee as to English law
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