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TDC has been informed that a consortium comprising PFA, PKA, ATP and Macquarie Infrastructure and Real Assets has decided to launch a take-over offer

Today, TDC A/S ("TDC") announces that it has been informed that DK Telekommunikation A/S (the "Offeror") acting on behalf of a consortium comprised of PFA Pension, Forsikringsaktieselskab ("PFA"), acting on behalf of Pensionskassen for Sygeplejersker og Lægesekretærer, Pensionskassen for Sundhedsfaglige, and Pensionskassen for Socialrådgivere, Socialpædagoger og Kontorpersonale ("PKA"), Arbejdsmarkedets Tillægspension ("ATP") and Macquarie Infrastructure and Real Assets Europe Limited acting on behalf of funds or entities managed or advised by it ("MIRA") (combined the "Consortium") has decided to make a voluntary recommended tender offer on the entire share capital of the company.

The Offeror will submit a voluntary recommended public takeover offer (the "Offer") to buy the entire share capital of TDC A/S for an all-cash consideration of DKK 50.25 per share (the "Offer Price"):

- The Offer Price represents a premium of 25.6% to the share price of TDC on the 31 January 2018, prior to announcement of the potential combination of the Company with MTG Nordic Entertainment and Studios assets, of DKK 40.01 and a premium of 30.6% to TDC volume weighted average share price of DKK 38.48 per share during the three months ended 31 January 2018. We note that since 31 January 2018 up to 9 February 2018 the Eurostoxx market index has declined by 7.1%;

- The Offer Price represents an attractive valuation of the Company, corresponding to a multiple of 8.0x 2017 EBITDA and 17.6x 2017 Operating Free Cash Flow;
- The Offer provides a high degree of transaction certainty and is not conditional on due diligence;
- The Offer represents improved terms compared to previous non-binding proposals made by the Consortium to TDC;
- The Offer Price will be reduced on a DKK-by-DKK basis for any dividends paid out by TDC prior to completion of the Offer, if any.

Statement of Pierre Danon, Chairman of TDC

Pierre Danon, Chairman of TDC, said:

“After careful review of our options, the Board of Directors of TDC believes that the Consortium’s Offer represents both the most compelling value and the highest transaction certainty benefitting the TDC shareholders. As a result, we have decided to recommend that the shareholders of TDC accept the Offer”.

TDC Board of Directors recommendation

The Board of Directors of TDC has today confirmed in the announcement agreement entered into with the Consortium that it will, subject to its fiduciary duties, recommend TDC's shareholders to accept the Offer when made in the form of an offer document approved by the Danish Financial Supervisory Authority. The Board of Directors will in due course after the Offeror's publication of the official offer document issue its statement provided for in section 22 of the Danish Executive Order no 1171/2017 on takeover offers.

TDC has received opinions from LionTree Advisors UK LLP and Morgan Stanley & Co. International plc (“Morgan Stanley”), both dated February 12, 2018 to the effect that, as of such date and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken, and other matters considered by LionTree and Morgan Stanley, respectively, in preparing its opinion, the Offer Price to be received by the holders of shares in TDC (other than the Offeror and its affiliates) was fair, from a financial point of view, to such holders.

Offer process and conditions

The announcement of the Offeror's decision to make the Offer is attached and is hereby published in accordance with Section 4(1) in the Executive Order on Takeover Offers.

The Offer will be conducted in accordance with Danish law and the terms and conditions of the Offer will be set out in an offer document, which will be published by the Offeror upon approval by the Danish Financial Supervisory Authority and no later than 4 weeks from the date of this announcement.

Completion of the Offer will be conditional on, inter alia, customary merger clearance and regulatory approvals and offer acceptance from more than 2/3rds of the share capital and voting right of TDC. A full list of conditions will be included in the offer document.

Combination with MTG's Nordic Entertainment and Studio businesses

The Offer is also subject to the combination between TDC and MTG's Nordic Entertainment & Studio Business, announced on 1 February 2018, not proceeding.

While TDC's Board of Directors and executive management remain convinced in the strategic merits in the previously announced combination of the Company with MTG's Nordic Entertainment and Studio businesses, the Board of Directors has concluded that the Offer provides TDC's shareholders with a highly attractive, immediate and secure value and that therefore, consistent with the Board of Directors' fiduciary duties, the Board of Directors will recommend, subject to its fiduciary and other duties, TDC's shareholders to accept the Offer once made.

As a consequence of this conclusion, TDC has informed Modern Times Group MTG AB that, subject to the Offer being made in the form of the Offer Document on the terms agreed with the Offeror, it will withdraw its recommendation to TDC's shareholders to vote in favour of the said combination.

Advisors

LionTree Advisors and Morgan Stanley are acting as financial advisors, with Kromann Reumert acting as the legal advisor to TDC on the transaction.

This Announcement is not directed at shareholders of TDC A/S whose participation in the Offer would require the issuance of an offer document, registration or other activities other than what is required under Danish law. The Offer is not and will not be made, directly or indirectly, to shareholders resident in any jurisdiction in which the submission of the Offer or acceptance thereof would contravene the law of such jurisdiction. Any person acquiring possession of this Announcement or any other document referring to the Offer is expected and assumed to obtain on his or her own accord any necessary information on any applicable restrictions and to comply with such restrictions.

This Announcement does not constitute an offer or invitation to purchase any securities or a solicitation of an offer to buy any securities, pursuant to the Offer or otherwise. The Offer will be made solely by means of an Offer Document approved by the Danish FSA, which will contain the full terms and conditions of the Offer, including details of how the tender offer may be accepted. TDC shareholders are advised to read the Offer Document and the related documents when published as they will contain important information.

Notice to Shareholders in the United States of America

The Offer will be subject to the laws of Denmark. The Offer, once made, will relate to the securities of a Danish company and is subject to the disclosure requirements applicable under Danish law, which may be different in material aspects from those applicable in the United States of America.

The Offer will be made in the United States of America pursuant to Section 14(e) of, and Regulation 14E promulgated under, the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), subject to the exemptions provided by Rule 14d-1(d) under the Exchange Act and otherwise in accordance with the requirements of Danish law. The Offer will not be subject to Section 14(d)(1) of, or Regulation 14D promulgated under, the Exchange Act. TDC is not subject to the periodic reporting requirements under the Exchange Act, and is not required to, and does not, file any reports with the United States of America Securities and Exchange Commission thereunder.

Residents of the United States of America must be aware that this announcement and, once published, the Offer Document and any other documents regarding the Offer have been or will be prepared in accordance with Danish standards as to contents and style, which standards may differ from US standards. In addition, the procedures for the tender of securities and settlement of the consideration due to each TDC shareholder who accepts the Offer will be carried out in accordance with the rules applicable in Denmark, which may differ in material aspects from the rules and procedures applicable to a tender offer for the securities of a domestic US company, in particular with respect to withdrawal rights, offer timetable, settlement procedures and the payment date of the securities.

It may be difficult for TDC's shareholders to enforce their rights and any claim they may have arising under the US federal securities laws, since the Offeror and TDC are located in non-US jurisdictions, and some or all of their respective officers and directors may be residents of non- United States of America jurisdictions. TDC's shareholders may not be able to sue the Offeror or TDC and/or their respective officers or directors in a non- US court for violations of the US securities laws. Further, it may be difficult to compel the Offeror and TDC and their respective affiliates to subject themselves to a United States of America court's judgment.

This announcement has been prepared both in English and Danish. In the event of any discrepancies between the English and Danish version, the English version shall prevail.

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

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

TDC listing

Shares: NASDAQ Copenhagen.

Reuters TDC.CO.

Bloomberg TDC DC.

Nominal value DKK 1.

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