

Part 1 Overview

Nordic Telephone Company Holding ApS

- €800,000,000 8 ¼% Senior Notes due 2016
- €750,000,000 8 7/8% Senior Notes due 2016
- \$600,000,000 Floating Rate Notes due 2016

Issue Date - 26 April, 2006

A company incorporated under the laws of Denmark

A holding company with no revenue-generating operations of its own and dependent on payments from its subsidiaries to make payments on the Notes

The Guarantor/Parent

Not applicable

The Notes and coupons (by Series)

Euro Fixed Rate Notes

Quantum and currency

€800,000,000

Stated ranking

Senior

Maturity

2016

Coupon

8¼%

US Dollar Notes

Quantum and currency

\$600,000,000

Stated ranking

Senior

Maturity

2016

Coupon

87/8%

Euro Floating Rate Notes

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Quantum and currency

€750,000,000

Stated ranking

Senior

Maturity

2016

Coupon

3 month EURIBOR + 5.50%

The Euro Fixed Rate Notes, the US Dollar Notes and the Euro Floating Rate Notes together, the **Notes**

Security**Summary of security package for Notes**

A second-ranking share pledge of the shares of Nordic Telephone Company ApS

Purpose of the issue / use of proceeds

The Issue is part of wider acquisition finance

Ranking within programme

The Notes rank pari passu with each other and with any additional notes issued under the Indenture.

Ranking with other debt arrangements

- The Notes are general senior obligations of the Issuer and will rank equally with all existing and future senior indebtedness of the Issuer not expressly subordinated
 - The Notes will be structurally subordinated to all existing and future indebtedness of the Issuer's subsidiaries
 - The Issuer may incur future permitted indebtedness secured over the same collateral that may rank ahead of the Notes, without the consent of the Noteholders
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Listing

Euro MTF operated by the Luxembourg Stock Exchange

Financial Guarantor/ Monoline

Not applicable

Part 2: Key provisions: Interest, Maturity, Repayment, Prepayment, Default**Interest****Basis of interest**

Euro Fixed Rate Notes: Interest will accrue at the rate of 8¼% per annum

Dollar Fixed Rate Notes: Interest will accrue at the rate of 8⅞% per annum

Floating Rate Notes: Interest will accrue at the rate of 3 month EURIBOR plus 5.50% per annum

Basis of interest accrual

- Interest payable in arrears,
- No payment in kind provisions

Timing of interest payments

Interest payment dates – Euro Fixed Rate Notes and Dollar Notes

Interest is payable semi-annually in arrears on:

- 1 May; and
- 1 November of each year

Interest payment dates – Euro Floating Rate Notes

Interest is payable quarterly in arrears on:

- 1 February
- 1 May;
- 1 August; and
- 1 November of each year

First interest payment date

Euro Fixed Rate Notes and Dollar Notes - 1 November, 2006

Euro Floating Rate Notes – 1 August, 2006

Maturity

The Notes will mature on 1 May, 2016

The payment will be a bullet payment

No sinking fund provided for

Financial triggers to default (if any)

Not applicable

Mandatory Prepayment

Change of Control

On a Change of Control, the Issuer will be required to offer to repurchase the Notes at 101% of their principal amount plus accrued and unpaid interest.

Other Mandatory prepayment

Following Certain Asset Sales: Where the proceeds of an asset sale exceed €100,000,000 and where such proceeds are not used to repay indebtedness or reinvested in assets within one year.

Early redemption

Redemption at the Option of the Issuer

Euro and Dollar Fixed Rate Notes, prior to May 1, 2011, with a Make Whole premium

Euro Fixed Rate Notes, 40% may be redeemed on or before May 1, 2009, at 108.250%

Dollar Fixed Rate Notes, 40% may be redeemed on or before May 1, 2009, at 108.875%

Euro Floating Rate Notes, prior to May 1, 2007, with a Make Whole premium

Euro Fixed Rate Notes

- On May 1, 2011 and thereafter, at the following prices:

- May 1 -30 April 2011: 104.125%
 - May 1 -30 April 2012: 102.750%
 - May 1 -30 April 2013: 101.375%
 - May 1 2014 and thereafter: 100.000%
 - In each case plus accrued interest.
- See *Optional Redemption of Euro Fixed Rate Notes and Dollar Notes in the Offering Memorandum (page 154)***

Dollar Fixed Rate Notes

- On May 1, 2011 and thereafter, at the following prices:
 - May 1 -30 April 2011: 104.438%
 - May 1 -30 April 2012: 102.958%
 - May 1 -30 April 2013: 101.479%
 - May 1 2014 and thereafter: 100.000%
 - In each case plus accrued interest.
- See *Optional Redemption of Euro Fixed Rate Notes and Dollar Notes in the Offering Memorandum (page 154)***

Euro Floating Rate Notes:

- on or after May 1, 2007, at the following prices:
 - May 1 -30 April 2007: 102.000%
 - May 1 -30 April 2008: 101.000%
 - May 1 2009 and thereafter: 100.000%
 - In each case plus accrued interest.
- See *Optional Redemption of Euro Floating Rate Notes in the Offering Memorandum (page 155)***

Part 3: The Covenant Package

Nature of High Yield Incurrence Package

- Broadly typical High Yield Incurrence Package
- Certain covenants suspended on achievement of investment grade status

Part 4: Deal Structure. Ownership Structure And Local Law Issues

Incorporation of Issuer

- Denmark
- The Issuer is incorporated as an ApS

Incorporation of Hold Co/Guarantor

Not applicable

Post Acquisition ownership structure

On completion of the acquisition, Nordic Telephone Company ApS, a 100% owned subsidiary of the Issuer shall acquire 88.2% of the shares in TDC A/S

See *The Acquisition and Related Financings in the Offering Memorandum (page 126)*.

Transfer of Assets to Issuer or other structural arrangements

- Amounts originally drawn under the Senior Credit Facilities by the Issuer were repaid from the proceeds of a dividend paid to the Issuer by Nordic Telephone Company ApS.

Degree of subordination to senior/other debt

- **Senior Facilities are senior to the Notes:**
 - The Notes are structurally subordinated to the following indebtedness of TDC A/S, an indirect subsidiary of the Issuer:
 - a credit facility (fully drawn except for €250,000,000) in the amount of €1,826,372,219.50, terminating on December 31, 2011;
 - a fully drawn credit facility in the amount of €2,465,165,125.20, terminating on December 31, 2013;
 - a fully drawn credit facility in the amount of €2,465,165,125.20, terminating on December 31, 2014;
 - a revolving credit facility of €700,000,000, terminating on December 31, 2012
 - The security for the Notes is also contractually subordinated to the above indebtedness
- **Hedging Debt is senior to the Notes:**
 - The Notes are structurally subordinated to certain hedging debt of TDC A/S, the amount of which is not disclosed in the Offering Memorandum. The hedging debt is pari passu with the Senior Facilities
- **Notes pari passu with other Issuer indebtedness:**
 - The Notes rank equally, structurally and contractually, with any revolving credit facility debt (Issuer has time-limited ability to drawn on the above revolving credit facility), bridge facility debt, guarantees of the Senior Facilities and any hedging debt
- **The Outstanding EMTNs issued by TDC are structurally senior to the Notes.** As of 29 March 2006 the Outstanding EMTNs totalled €1,284,000,000
- **The Danish Mortgage Loans owed by TDC are structurally senior to the Notes.** As of 29 March 2006 these totalled €118,700,000
- **HTCC's €170,000,000 credit facility is structurally senior to the Notes**

Position compared to equity

- **The Notes are structurally senior to equity** which has been issued at the Nordic Telephone Company Investment ApS level
- Payments to the investors are subordinated to payments under the Notes under, and are restricted under, the Intercreditor Agreement

Part 5: Security Package

Security (Assets and/or Guarantees (if any)) for Notes

- Notes are secured by a second-ranking security over the shares of the Issuer's wholly-owned subsidiary, Nordic Telephone Company ApS
- At the date of the Offering Memorandum, the Notes do not have the benefit of any guarantee. If the Notes subsequently receive the benefit of any such guarantee from an Issuer subsidiary, that guarantee will be a second-ranking guarantee

- At the date of the Offering Memorandum, there is no intercompany loan relating to the Notes. If an intercompany loan is subsequently entered into, such debt will be second-ranking
- The security package for the Notes is governed by Danish law

Senior ranking security package for Senior Facilities

- Senior credit facilities are secured by a first-ranking security over the shares of Nordic Telephone Company ApS and are also secured by first-ranking security over certain assets of TDC A/S and its subsidiaries
- Certain guarantors are to provide first ranking security over certain assets.

Local law issues

- Danish law imposes restrictions on the payment of dividends, which may affect the distribution of funds to the Issuer by its Subsidiaries
- TDC is not wholly owned by Nordic Telephone Company ApS. Minority shareholders may be able to block or delay corporate action and shareholders owning 10% of the share capital of a Danish company have privileges under the Danish Companies Act
- Under Danish law a judgment of a state or federal court of the United States of America in respect of the Notes or the Indenture will not be recognized in the courts of Denmark without a review of the merits underlying the judgment
- It is uncertain under Danish law whether obligations owing to beneficial owners of the Notes that are not identified as registered holders in the share pledge will be validly secured. The Security Agent is a joint creditor of the Issuer but this may expose noteholders to risk in the event of the insolvency of the Security Agent
- Some claims may rank ahead of secured debt in the insolvency of a Danish Company

The risk factors of the Offering Memorandum set out local law issues. The summary above is in no way a substitute for the full disclosure made in the Offering Memorandum.

See *Risks Related to Our Indebtedness and Our Structure* in the Offering Memorandum (page 32)

Part 6: Transfers

Minimum size

- The Notes will be issued in registered form.
- If definitive Notes are issued, they will be issued only in minimum denominations of €50,000 or \$75,000 principal amount and integral multiples of €1,000 or \$1,000 in excess thereof, as the case may be
- Free transfer under Luxembourg Listing Rules
- Transfer subject to the rules of the Euro MTF and Selling Restrictions including US securities regulations (Rule 144A and Reg S)

Fee

Not applicable

Any restrictions

Not applicable

Part 7: Voting Rights

Majority threshold

- The terms of the Notes may be amended or waived with the consent of the holders of more than 50% of outstanding affected Notes (other than as set out in Issues requiring super majority/ unanimity)
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Issues requiring super majority/ unanimity

- The consent of the holders of at least 90% of outstanding affected Notes is required to amend: the voting majorities, the interest, principal or maturity of the Notes, any redemption premium or timing of redemption, the noteholders' rights to principal and interest, the withholding tax provisions in any material respect, the security for the Notes, or to waive a Default or Event of Default in respect of non-payment of principal or interest

Part 8: Governing Law

Notes

The laws of the State of New York

Part 9: Administration Parties

Note Trustee

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB

Principal Paying Agent and Calculation Agent

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB

Registrar, Transfer Agent and Listing Agent

Deutsche Bank Luxembourg SA
2 Boulevard Konrad Adenauer
L-115, Luxembourg

New York Paying Agent, Registrar and Transfer Agent

Deutsche Bank Trust Company Americas

60 Wall Street

27th Floor, New York

New York 10005

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