



OVH Partners with KKR and TowerBrook for Further Global Expansion

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KKR & TowerBrook become first outside investors to partner with OVH

Investment will support OVH in capitalising on the rapidly growing demand for cloud infrastructure

ROUBAIX, France & LONDON--(BUSINESS WIRE)-- OVH, a leading provider of cloud infrastructure, telecommunications and web hosting services, today finalised a partnership with KKR and TowerBrook Capital Partners (TowerBrook), two leading global investment firms, to further its global expansion. KKR and TowerBrook will acquire a minority stake in OVH for €250 million of growth capital that will allow OVH to take advantage of the rapidly expanding market for cloud and internet infrastructure services, while also broadening its customer base and services in new geographies. The Klaba family will retain the majority stake in the company and will continue, together with OVH management, to lead the company, its strategy and operations.

The Infrastructure-as-a-Service (IaaS) and Platform-as-a-Service (PaaS) markets are expected to continue to grow rapidly, driven in large part by the exploding demand for cloud services. With its hybrid cloud product portfolio, including both private and public cloud infrastructure and strict data protection policies in line with European standards, OVH is perfectly positioned to take advantage of this growth. This is supported by its reputation for excellent performance, innovation and strong customer service.

Founded in 1999 by Octave Klaba, OVH has grown rapidly to become the leading provider of dedicated cloud infrastructure in Europe with a total of 250,000 servers across 17 data centres in France and Canada. The company provides services to a million customers globally, and it boasts a long track record of technological innovation driven by a team of 400 dedicated research & development engineers. OVH's turnover for FY 2016 stands at €320 million.

KKR has an extensive track record of partnering with entrepreneurs and family-owned companies in Europe to deliver growth, international expansion, and value creation as well as expertise in supporting fast-growing European technology companies in developing their global presence. This includes the recent investments in Webhelp, Fotolia, SoftwareONE and Darktrace.

TowerBrook's extensive transatlantic network enables it to successfully partner with entrepreneurial businesses to open up new opportunities and create market-leading companies. This partnership approach fits well with founder-led businesses and has delivered real value to French companies as diverse as Infopro, Autodistribution and Kaporal.

Octave Klaba, Founder, Chairman and CTO of OVH, said: "KKR and TowerBrook are the perfect partners for OVH as we look to take the next step in our development into a truly global technology company. With their support, we are looking forward to scaling our company into new markets, while remaining completely committed to delivering excellence in security, service and innovation that our current customers expect."

Laurent Allard, CEO of OVH, said: "This capital increase will allow us to invest €1.5 billion over 5 years. The aim is to provide ourselves with the means to consolidate our leading position in Europe and become a key global player in the cloud market. OVH already has strong assets (one of the largest server farms worldwide, 17 datacenters, record energy efficiency indicators...), as well as an ambitious development plan for the next five years. Besides capital, TowerBrook and KKR will bring substantial operational expertise. Both firms have a successful track record in supporting entrepreneurs to grow their business to the next level."

Jean-Pierre Saad, Director at KKR EMEA said: "Over the past 17 years, the Klaba family has built OVH into a true European technology champion. We are excited to be supporting the company in the next phase of its global expansion, particularly in the US market and Asia and look forward to continuing our strong track record of partnerships with successful European entrepreneurs."

Karim Saddi, Managing Director at TowerBrook, said: "We are delighted to be partnering with the Klaba family who have great ambitions for the further expansion of their successful business. We believe our expertise in France together with our transatlantic network will enable them to achieve their goals. We very much look forward to working with them to deliver even greater success."

BNP Paribas Corporate Finance acted as financial advisor to OVH and Linklaters LLP as its legal advisor

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About OVH

Specializing in cloud and internet infrastructure, OVH offers innovative products and services evolving around three universes: Web, Dedicated and Cloud. Since being founded in 1999, the company has become an established partner for hundreds of thousands of professionals worldwide. OVH owes its success not only to a development model built on innovation but also to keeping full control over the supply chain, from server manufacturing and in-house maintenance of their infrastructure, right down to customer assistance. OVH is able to ensure stable and reliable product and service offerings to all clients across all its brands while also providing the best price quality ratio.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

About TowerBrook Capital Partners

TowerBrook Capital Partners, L.P. is an investment management firm with over US\$7 billion under management as at June 30, 2016, and a track record of creating value for investors. The firm is based in Europe and the USA and focuses on making investments in European and North American companies through private equity and structured opportunities strategies, allowing it to access a range of opportunities throughout the cycle. TowerBrook private equity primarily pursues control-oriented investments in large and middle market companies, partnering with highly capable management teams and seeking situations characterised by complexity with a track record of creating value through growth, build-up and transformation strategies. TowerBrook's structured opportunities strategy leverages its PE experience and expertise to invest in opportunities that fall outside the investment parameters of the PE strategy. Further information is available at www.towerbrook.com.

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