



KKR Sells Deutsche Glasfaser to EQT and OMERS

February 10, 2020

Under KKR's ownership, the company has become the German market leader in next-generation digital infrastructure

LONDON--(BUSINESS WIRE)--Feb. 10, 2020-- KKR, a leading global investment firm, today announces the signing of an agreement with EQT Infrastructure IV fund ("EQT" or "EQT Infrastructure") and OMERS, for EQT and OMERS to jointly acquire Deutsche Glasfaser ("DG").

Deutsche Glasfaser was founded in 2011 and KKR acquired a majority position in 2015 from Dutch investor Reggeborgh. Under KKR's ownership, Deutsche Glasfaser has become the fastest growing provider of gigabit internet connections through fiber-to-the-home ("FTTH") in Germany. With KKR's operational and financial support the company invested over €1.2bn in fibre infrastructure and deployment in underserved rural and suburban communities in Germany, increasing connections to more than 600,000 households and 5,000 businesses.

During that period, KKR has provided consistent support to the DG team including through its dedicated Capital Markets team, which has led several successful rounds of financing for the company to support its growth. The investment demonstrates KKR's unique expertise in growing and expanding businesses in the infrastructure sector while making an important contribution to increasing broadband penetration, supporting SME growth and helping bring market-leading connectivity to underserved communities in Germany.

Vincent Policard, Partner at KKR in European Infrastructure, said: "A big thank you to Uwe Nickl, Jordi Nieuwenhuis and their management team for an incredible journey over the past years. We are delighted to have contributed to this by supporting the growth of a company which has transformed German connectivity, making huge progress in ensuring that all German households and businesses have access to the digital infrastructure necessary to drive economic growth and help societal development. We wish the company continued success in further developing the German gigabit society."

Uwe Nickl, CEO of Deutsche Glasfaser, said: "I am very happy to have worked with the team at KKR who have helped us immensely over the past few years with our growth journey as a business. KKR's industry expertise, deep international network and continued support throughout the process has been invaluable, helping us to scale effectively, establish our market-leading position and bring digital infrastructure to more homes in Germany than ever before."

The investment in Deutsche Glasfaser was made through KKR's Infrastructure Fund II. KKR has been active in the infrastructure sector for a decade and currently has around \$20bn AUM. The global infrastructure platform has completed over 30 investments in that period, half of those in Europe, across the energy and utility, transportation and telecommunications sectors. The team is currently investing KKR Global Infrastructure Investors III, a \$7.4bn vehicle raised in 2018, and has been active in Europe in recent months with transactions including the acquisition of a majority stake in Hyperoptic, a leading UK fibre broadband provider.

The closing of the transaction is expected in Q2 2020, subject to customary regulatory approval. Morgan Stanley acted as financial advisor to KKR and Clifford Chance served as legal counsel on the transaction.

For more information:

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic partners that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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