

KKR-backed United Group announces increased commitment to Serbia

Additional capital investment of €293 million over five years to support continued growth and digital infrastructure development

Belgrade, 17 April 2018 – United Group, a leading multi-play (Pay-TV, Broadband, Telephony, Mobile) operator in South Eastern Europe, has announced an additional capital investment in Serbia of €293 million over five years. United Group is majority owned by funds advised by leading global investment firm KKR since 2014, and is backed by the European Bank for Reconstruction and Development (“EBRD”) as a minority shareholder since 2004.

United Group has a strong presence and reputation in Serbia for providing critical digital infrastructure, best-in-class connectivity and premium content, with approximately 2.9 million Serbian residents currently benefiting from the company’s services, including in rural areas using satellite TV service. United Group has built or leased approximately 15,800 km of modern, high-speed fibre, a critical enabler for businesses in Serbia, as well as providing a new cloud service that allows SMEs to benefit from cloud infrastructure in a cost-effective way. With 1881 employees in Serbia, the company also supports the arts community through production of local television programs and films. United Group’s internet platform allows viewers around the world to view Serb TV programming. United Group also supports extensive social benefit and environmental protection programs through the SBB Foundation.

According to the latest European Economic Forecast, the economic fundamentals and underlying growth trends for Serbia remain robust, with private and government investment both set to accelerate.ⁱ

Johannes Huth, Member and Head of KKR EMEA, said: “Since KKR’s acquisition of United Group in 2014, we have already invested €264 million in Serbia. KKR’s commitment of an additional €293 million over the next five years is a vote of confidence in Serbia’s potential and the progress it is achieving towards economic reform and EU legal standards. We thank President Vucic for his continued leadership in ensuring that international investors are welcomed in Serbia.”

Dragica Pilipović Chaffey, Vice President of Corporate Affairs at United Group said: “This increased investment will enhance United Group’s delivery of high quality digital services in Serbia. Modern, high-speed telecommunications is essential to economic growth in the country, and we are proud to continue to invest in critical infrastructure for Serbians.”

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KKR

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 manager partnerships 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. L.P. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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ⁱ European Autumn Economic Forecast: https://ec.europa.eu/info/sites/info/files/economy-finance/ecfin_forecast_autumn_091117_serbia_en.pdf