



### **Warburg Pincus partners with INEA and commits funding for growth**

Poznan, Poland, 23/04/2013 – INEA (“the Company”), the leading cable operator in Western Poland, today announced that an affiliate of Warburg Pincus, a leading global private equity firm focused on growth investing, has become a strategic minority investor in the business and committed additional funding for growth and consolidation. Terms of the investment were not disclosed.

Funding will be used to support a major expansion of INEA’s Next Generation Access (“NGA”) network, providing triple play bundles and high speed internet access to homes and businesses across the region, as well as supporting consolidation of the sector.

Since its foundation in 1992, INEA has grown into the leading triple play operator in the Wielkopolska region and the fourth largest cable operator in Poland. Passing 360,000 homes and serving 170,000 subscribers, INEA provides high quality telecommunications services over its fully upgraded network, including HotSpots throughout Poznan and own local TV channel. Wielkopolska is the third largest Polish province with a growing population of 3.4 million, and a vibrant economy. In 2012 the Company generated revenues of PLN 169 million.

Warburg Pincus will support INEA in the major roll-out of fibre-to-the-home (FTTH) technology, extending high speed broadband access to over 200,000 additional households and a significant number of businesses in Wielkopolska. Part of the investment will be devoted to funding Wielkopolska Sieć Szerokopasmowa, a partnership with the local government which will construct over 4,000 km of fibre optic backbone and distribution network, putting 95% of Wielkopolskie households within a 4 km radius from the closest distribution node. Once completed, INEA’s network will be the most advanced in Poland, providing high speed broadband access to over 500,000 homes across the entire Wielkopolska Region.

In addition, the investment by Warburg Pincus will support INEA’s ability to consolidate the highly fragmented local cable market.

Janusz Kosinski, President of the Management Board and co-founder, commented: “Warburg Pincus is a very experienced and successful investor who fully supports the project to construct the Next Generation Access network in the Wielkopolska Region. Since we engaged in the project to construct a NGA network we have been looking for a partner who would allow us to complete this project on as large a scale as possible. The involvement of Warburg Pincus will help ensure the success of this project which will lead to all inhabitants throughout the Wielkopolska Region benefitting from access to next generation broadband telecommunication services. In addition, with the support of Warburg Pincus, we will have more opportunities to grow our business further.”

Warburg Pincus has significant experience as an investor in the cable industry as well as a leading investor in Central and Eastern Europe (CEE). Warburg Pincus formed Ziggo (ZIGGO NA), the largest cable company in the Netherlands, through the merger of three smaller regional cable companies, Multikabel, Casema and @ Home. Warburg Pincus has also invested in cable operators in the United States, the United Kingdom and several CEE markets. Since 1997, the firm has invested over \$1bn in

12 companies in Central and Eastern Europe. The firm is currently a minority investor in Warsaw Stock Exchange listed AmRest and past investments include Zentiva and Euromedic.

Paul Best, a Warburg Pincus Managing Director, commented: “As experienced investors in the cable sector, Warburg Pincus has identified INEA as a truly exceptional operator. The Polish TV and broadband markets benefit from long term structural growth and cable has a significant advantage over other technologies. We were attracted to INEA due to its strong market position and the potential for further growth and industry consolidation. In addition, we have found an exceptionally talented management team who are dedicated to the expansion of their business. We look forward to supporting them as active partners with a long term value creation agenda.”

This transaction is believed to be the largest private equity investment in Poland this year<sup>1</sup>.

## **Enquiries**

### **INEA**

Kinga Podraza-Myszkowska (+48 600 092 124)

kinga.podraza-myszkowska@inea.com.pl,

### **Warburg Pincus**

Sarah Gestetner (+44 207 638 9571)

sarah.gestetner@warburgpincus.com

Cook Communications (for Warburg Pincus)

Annie Krasinska (+48 522-293-28-01)

annie.krasinska@cook-comm.com

## **Notes to Editors**

### **About INEA**

INEA Joint Stock Company is the largest telecommunications operator in Western Poland – the Wielkopolska region, which provides advanced telecommunication services based on NGN (New Generation Network), including fiber-to-the-home networks (FTTH) and broadband network in WiMAX technology in the standard IEEE 802.16e. INEA provides integrated telecommunications services to both residential and business customers. Within the range of INEA is 360k households and INEA services are used by 170k of them. It services digital cable television, high-speed Internet access, telephone service and mobile services.

---

<sup>1</sup> Source MergerMarket, Thomson, Dealogic

## **About Warburg Pincus**

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than \$30 billion in assets under management. Its active portfolio of more than 125 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 13 private equity funds which have invested more than \$40 billion in over 650 companies in more than 30 countries.

Since inception, the firm has invested more than \$13.5 billion in technology, media and data-driven companies, including investments in BEA Systems, FIS, Interactive Data Corp, Endurance International Group, MLM Information Services, Coyote Logistics, Multiview, CAMP Systems, NeuStar, Nuance Communications, RDA Microelectronics, UGS Capital, VERITAS Software, Wall Street Systems and Ziggo.

The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mauritius, Mumbai, San Francisco, Sao Paulo and Shanghai. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com).