

## P R E S S R E L E A S E

### **DBAG invests in another broadband provider Deutsche Beteiligungs AG to finance accelerated build-out of high-speed Internet connections by DNS:NET**

**Frankfurt am Main, 23 September 2013.** Deutsche Beteiligungs AG (DBAG) and its managed DBAG Expansion Capital Fund announced that they will invest in DNS:NET Internet Service GmbH (DNS:NET), a provider of telecommunications and IT services based on high-performance fibre-optic infrastructure. The initial 5.0 million euros in fresh equity capital is targeted at accelerating the company's growth. DNS:NET was founded in 1998 and is headquartered in Berlin. In addition to large business clients, such as banks, technology and media companies, DNS:NET currently serves more than 5,000 private customers in Berlin and the state of Brandenburg. The company plans to expand its customer base by investing in high-speed fibre-optic networks – that is, in a sustainably accessible and rapidly expanding infrastructure capable of providing an attractive long-term source of income.

The contract that was now agreed provides for a capital increase and a silent partnership; DBAG will invest 2.1 million euros from its balance sheet. Another 2.9 million euros will come from the co-investing private equity fund for expansion financings. A 25.0 percent interest (thereof DBAG: 10.5 percent) will be acquired through the capital increase. Further funding will be invested as the company grows.

DNS:NET ([www.dns-net.de](http://www.dns-net.de)) generated revenues of nearly 13 million euros in 2012 and currently employs a staff of approximately 30. Until now, the sole shareowner has been Alexander Lucke, who founded and built the company. DNS:NET provides telecommunications, Internet and data-centre services for private and business customers using proprietary and leased fibre-optic network infrastructure. Its data-centre services for business customers also make use of proprietary and leased infrastructure in high-security sites at key Internet exchange points.

In 2010, DNS:NET began expanding its investment in a broadband build-out in prospering regions in the vicinity of Berlin. That included the extension and commissioning of large fibre-optic lines in Berlin and the state of Brandenburg, connecting underserved regions to proprietary infrastructure and the local network build-out. Today, DNS:NET is the largest provider of

VDSL connections in Brandenburg next to Deutsche Telekom and is present in more than 50 communities and business parks.

Since 2012, DNS:NET has also acted as a cable network operator and has accessed numerous new-build residences with its own fibre-optic network in Berlin. Here, DNS:NET predominantly delivers FTTH (fibre to the home). In addition to broadband Internet access, the company also provides telephony and TV packages and therefore covers the complete value chain in this area.

DNS:NET intends to grow in both business fields: the broadband build-out in underserved rural communities, and its offering to the housing industry of delivering fibre-optic connections to the home.

“We are confident that by investing in high-performance broadband connectivity a premium product can be created and, with that, a unique market position,” said Torsten Grede, Spokesman of the Board of Management of Deutsche Beteiligungs AG, on signing the agreement. Moreover: “DNS:NET has grown impressively in recent years and we now want to support the company in taking the next step in its development through our expansion capital.”

Alexander Lucke, DNS:NET manager, underscored: “We have found an outstanding partner in DBAG for the expansion of our strategic growth areas. From our point of view, the region-wide fibre-optic build-out is one of the key projects in making the IT and telecommunication infrastructure in Germany competitive on an international level. In recent years, we have been able to deliver new broadband connectivity to numerous underserved communities and thereby eliminate locational disadvantages. We will now be able to move considerably faster along those lines.”

***Deutsche Beteiligungs AG ([www.deutsche-beteiligung.de](http://www.deutsche-beteiligung.de)) is a leading publicly listed private equity company. With a track record of nearly 50 years, it is the oldest private equity firm in Germany. DBAG focuses on market-leading mid-sized enterprises in Germany and neighbouring European countries. It invests from its own balance sheet; DBAG also manages and advises co-investment funds. Total assets amount to approximately 1.2 billion euros.***

*For more information contact:*  
**Deutsche Beteiligungs AG**  
Thomas Franke, Head of Public Relations and Investor Relations  
Börsenstrasse 1, D-60313 Frankfurt am Main  
Tel. +49 69 95787-307 or mobile +49 172 611 54 83  
E-mail [thomas.franke@deutsche-beteiligung.de](mailto:thomas.franke@deutsche-beteiligung.de)