



Press release

Baltcom pursues its market consolidation strategy with the acquisition of IZZI

Riga, Paris, Warsaw, September 11, 2013. Baltcom, the leading entertainment and telecommunication services company in Latvia, has completed the acquisition of IZZI, the second largest cable television operator in the country. Baltcom completed this acquisition with the full support of its shareholders AXA Private Equity, the leading European diversified private equity firm, and Resource Partners a consumer-focused investor in Central and Eastern Europe.

Baltcom and IZZI will continue to operate as independent legal entities. The clients of both companies will continue to receive the services they had previously and will also have the opportunity to access the wider, combined offering of the companies, broadened with exciting new offers.

This transaction accelerates significantly Baltcom's growth strategy, which includes the continuous development of new services and offers through an increased network reach throughout Latvia.

Vojko Rovere, CEO, Baltcom said, "Following this transaction, we will be able to increase the reach of Baltcom's telecommunications services by approximately 30%, and will offer clients an even wider range of services. This ensures continued growth and further strengthens Baltcom's position in the market, while also enhancing the healthy competitive environment in the telecommunications industry."

Andris Zelonka, Board Member, IZZI said, "IZZI clients will also greatly benefit from this transaction. As a more powerful company, we will be able to strengthen the quality of our existing services and develop our expertise to offer the newest telecommunications services available in Latvia."

Marton Hunek, Director at AXA Private Equity said: "We are delighted to support Baltcom as it moves into the next stage of its development. This acquisition will create a significant player in the Latvian entertainment and telecommunication services market. The combination with IZZI is the sixth build-up acquisition completed by Baltcom since our initial investment in 2011 and is a major step in terms of market consolidation."

Piotr Noceń, Managing Partner of Resource Partners, added: "Consolidating the Latvian cable TV market is an important part of our investment strategy. The combination of the two companies will broaden product offering and allow them to deliver the best services to their clients."

ABOUT BALTCOM

Baltcom TV SIA, is founded in 1991. Baltcom TV is one of the leading telecommunication companies in Latvia, it offers analogue and interactive digital TV, high-speed internet and fixed telephony services and since August, 2013 – electro energy trading for households. Baltcom TV shareholders are RPAX One S.A., Mackonar Impex Limited, State JSC Latvian Radio and Television Centre.



ABOUT IZZI

IZZI Ltd, founded in 1994, is the second largest cable TV service provider in Latvia, IZZI provides digital, analogue and internet protocol television services, broadband internet and fixed telephony services. The company was founded in 1994, and in August 2008 was acquired by a financial investor with the goal to modernize the network and to develop the company.

ABOUT AXA PRIVATE EQUITY

AXA Private Equity is a world leader in private equity, with assets of \$32 billion managed or advised in Europe, North America and Asia. The company offers its investors a wide choice of funds covering the full range of asset classes: Funds of Funds (primary, early secondary and secondary), Direct Funds including Infrastructure, Small and Mid Market Enterprise Capital, Innovation & Growth, Co-Investment and Private Debt.

With offices in Beijing, Frankfurt, Jersey, London, Luxembourg, Milan, New York, Paris, Singapore, and Zurich, AXA Private Equity is committed to supporting companies in their long term growth by providing access to its international network. AXA Private Equity sets great store by the regularity and quality of its reporting on the performance of its funds and the performance of the companies in its portfolio, as a service to its investors.

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ABOUT RESOURCE PARTNERS

Resource Partners is one of the most active private equity investors in Central and Eastern Europe, specializing in growth financing of consumer goods and services companies operating within the region. Resource Partners manages funds provided by leading international financial institutions such as: AXA Group, European Bank for Reconstruction and Development, European Investment Fund and Rabobank.

www.resourcepartners.eu

PARTIES INVOLVED

AXA Private Equity: Dominique Gaillard, Frédéric Collard, Marton Hunek

Resource Partners: Piotr Noceń, Dan Farcasanu, Adrian Stanculescu

PRESS CONTACTS

Baltcom

Gunta Līne
Public Relations Consultant
Gunta.line@mrsgrupa.lv
T. 29432975

Oskars Lakševics
Senior PR Consultant
Oskars.Laksevics@medijutilts.lv
T. 29398819

AXA Private Equity

Headland Consultancy
Ben Girdlestone
Tel: +44 207 3675 243
bgirdlestone@headlandconsultancy.co.uk

Daniel Kahn
Tel: +44 207 3675 247
dkahn@headlandconsultancy.co.uk

Resource Partners

Piotr Noceń
Managing Partner
Resource Partners Sp. z o.o.
ul. Mokotowska 1
00-640, Warszawa
Tel: +48 22 377 7900
piotr.nocen@resourcepartners.eu