

## MEDIA INFORMATION

Bonn, 10. November 2013

### Deutsche Telekom acquires GTS Central Europe

- Enhanced ability to provide innovative pan-European cross-border telecommunication services for business customers
- Acquisition complements Deutsche Telekom's mobile centric infrastructure in key European markets
- Strengthened position in the market for multinational customers

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Deutsche Telekom is strengthening its position in the business-to-business segment by acquiring GTS Central Europe ("GTS"), for a total consideration of €546 million. With GTS, Deutsche Telekom is enhancing its ability to offer pan-European telecommunication services as well as integrated products in countries where Deutsche Telekom currently maintains limited fixed-line access network infrastructure.

"We are investing against the trend. GTS is a further element for developing our integrated market position comprising mobile and fixed-line network services. Strengthening our position with business customers is also a core element of our strategy," said Timotheus Höttges, Chief Financial Officer at Deutsche Telekom.

"This acquisition enhances our ability to provide innovative pan-European cross-border telecommunications services. Our existing mobile-centric national companies in the Czech Republic and Poland will benefit most from the added fixed-line infrastructure. Therefore, GTS is an ideal addition to our portfolio," commented Claudia Nemat, Board member for Europe and Technology at Deutsche Telekom.

GTS is one of the top infrastructure-based telecommunications service providers in Central and Eastern Europe. The company has extensive network and data center infrastructure, as well as a strong portfolio of services focused on business customers. In 2012, GTS achieved revenues of €347 million and EBITDA of €87 million pro-forma excluding the Slovak assets, which will be retained by the sellers as part of the transaction.

Deutsche Telekom is acquiring GTS from a consortium of international private equity firms, including Columbia Capital, HarbourVest Partners, Innova Capital and M/C Partners, who have actively developed the company over the last six years. GTS' existing and prospective customers will benefit greatly from the backing by Deutsche Telekom, including its far reaching European and global network, access to fixed and mobile services and its financial resources. Complete business continuity for all customers will be ensured.

"We see Deutsche Telekom as the best partner for GTS and are excited about the benefits and opportunities this will create for our customers and employees," said Danny Bottoms, CEO of GTS.

The transaction is subject to regulatory approvals.



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### **About Deutsche Telekom**

Deutsche Telekom is one of the world's leading integrated telecommunications companies with 140 million mobile customers, over 31 million fixed-network lines and more than 17 million broadband lines (as of September 30, 2013). The Group provides products and services for the fixed network, mobile communications, the Internet and IPTV for consumers, and ICT solutions for business customers and corporate customers. Deutsche Telekom is present in around 50 countries and has 230,000 employees worldwide. The Group generated revenues of EUR 58.2 billion in the 2012 financial year – more than half of it outside Germany (as of December 31, 2012).

### **About GTS**

GTS Central Europe is one of the top infrastructure-based providers of telecommunications services in Central and Eastern Europe. GTS owns and operates an extensive fiber optic and data center network throughout the region. In the Czech Republic, Hungary, Poland, Romania and Slovakia, the company combines its regional footprint with deep local networks to deliver a broad range of services. From basic voice and data to complex virtual private networks and cloud services, GTS assembles the latest technology with its extensive network to provide industry-leading customer solutions. With a strong operating history of nearly 20 years in CEE, the company is committed to providing service excellence and value to its over 38,000 business, carrier and government customers. For more information, please visit us at [www.gtsce.com](http://www.gtsce.com).