

PRESS RELEASE

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New fund fully dedicated to broadband infrastructure managed by Cube Infrastructure Managers is launched by the European Commission, the European Investment Bank, KfW, CdC and CDP

The **European Commission** and the European Investment Bank (**EIB**), together with the German **KfW** Bankengruppe, the Italian Cassa depositi e prestiti (**CDP**) and France's Caisse des Dépôts et Consignations (**CdC**), announced the first close of the Connecting Europe Broadband Fund (**CEBF**), a fund managed by Cube Infrastructure Managers (**Cube IM**) to finance broadband network infrastructure across underserved areas in Europe.

The Fund is the **first investment platform** to support broadband infrastructure under EFSI, the central pillar of the **Investment Plan for Europe**. It is open to the participation of private investors. The CEBF responds to the growing demand for financing of smaller-scale broadband projects across Europe, which currently do not have easy access to funding. Support from the Fund will be complementary to other financing currently available on the market through private or private financial institutions and to existing EU financial instruments.

The Fund has raised €420 million at first closing through commitments from private and public investors. The target size of the fund is around €500 million. In view of the market appetite for the platform showed by other private investors during the premarketing phase, subsequent closings will occur over the next 18 months. The innovative structure of the Fund, with a **layered structure** offering various levels of risks (with the European Commission assuming the first loss piece) and a unique governance structure reconciling the interests of different groups of investors (ensuring an effective balance between public and private investors), has made it a first of its kind.

CEBF aims to invest, during a **five-year investment period, equity and quasi-equity**, including mezzanine and subordinated debt, in economically and technically viable broadband projects (with a **focus on greenfield projects**) that will be in line with the European connectivity targets, in particular the 2025 Gigabit society targets (100 Mbps upgradable to 1 Gbps). An investment by the Fund will not exceed €30 million. Overall, the Fund is expected to unlock additional investments between €1 billion and €1.7 billion for broadband rollout in areas where very high-capacity networks are not deployed yet.

Renaud de Matharel, CEO and Managing Partner of Cube IM, said: *"We are very pleased to launch CEBF with the backing of our anchor investors, namely the European Commission, CdC, CDP, EIB, and KfW. We are very excited and look forward to investing into what is today a key infrastructure segment of the Investment Plan for Europe."*

Cube IM, a reputable Alternative Investment Fund Manager (**AIFM**) based in Luxembourg with extensive experience in infrastructure and ICT projects, had been selected as the approved applicant to manage CEBF through a public procurement process carried out by the EIB over the summer of 2016. Cube IM, through its CEBF-dedicated team, will identify broadband projects and make investments according to the investment guidelines of the Fund in the **European Union, Norway and Iceland**.

Projects should be referred to CEBF@cubeim.com or +352 248 734 68 00.

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