

PRESS RELEASE

Date 10th December 2019

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Subject **Lower Austria's broadband network to be comprehensively expanded beginning in 2020.**

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Lower Austria's model for broadband expansion is ready to go: Eisenberger & Herzog and CMS guide the Phase 2 transaction to a successful closing

To ensure that Lower Austria can supply its rural regions with a fast and future-proof fibre-to-the-home ("FTTH") optical fibre network, Niederösterreichische Breitband-Holding and Allianz Capital Partners (ACP) have agreed on a EUR 300 million investment package. Thanks to the two experienced law firms CMS and Eisenberger & Herzog, the transaction was closed in good time, by the end of the year.

The investor selection was completed in the summer and the project agreement signed in September 2019. On 9 December the transaction was successfully closed. The goal of achieving this by the end of 2019 has thus been achieved – and now construction work can begin in 2020.

CMS contributed to the success of the project for Niederösterreichische Breitband-Holding and Eisenberger & Herzog for ACP on the investor side. ACP was comprehensively advised by Eisenberger & Herzog on the acquisition of a 74.9% stake in Niederösterreichische Glasfaserinfrastrukturgesellschaft (nöGIG), part of Niederösterreichische Breitband-Holding. On the side of Breitbandholding, the extremely complex bidding process, which involved numerous national and international institutional investors and from which ACP ultimately emerged as the best bidder, was developed, structured and legally supported by CMS.

nöGIG builds and operates fibre-optic networks in rural areas on behalf of the federal state of Lower Austria. After successful testing in four pilot regions, ACP's participation now makes it possible to take the next step of making fast Internet available to a further 100,000 households in communities with fewer than 5,000 inhabitants between 2020 and 2022.

"Lower Austrian Model" legally challenging

Because of the high complexity of the transaction – the first 3-layer-open-access-model of its kind – numerous legal fields had to be coordinated and comprehensive expertise was required on both sides. The lead partners at CMS were Thomas Hamerl, expert for national and international infrastructure projects, and Clemens Grossmayer, expert for corporate matters on CMS's transaction team. The Eisenberger & Herzog team was led by Michael Strenitz, partner and member of the Corporate Law and M&A Practice Group.

PwC advised on financing matters.

Niederösterreichische Breitband Holding consultants:

CMS: Dr. Thomas Hamerl, Dr. Clemens Grossmayer.

Allianz Capital Partners consultants:

Eisenberger & Herzog: MMag. Michael Strenitz, Mag. Ulrike Sehrschön, Dr. Clemens Lanschützer, Mag. Mathias Eberle, BSc., Mag. Isolde Klinger.

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