

3i divests stake in digital TV operator Boxer

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3i, an international leader in private equity, has agreed to divest its 30 per cent stake in Nordic terrestrial digital pay television operator Boxer TV-Access AB to majority shareholder Teracom, the Swedish government-owned media operator, for an undisclosed sum.

3i invested in the Stockholm-based business in 2005, backing Boxer's aggressive expansion strategy in Sweden on the back of the country's switch from an analogue to digital network, a process which successfully completed at the end of last year.

3i worked in partnership with Teracom and Boxer's management to grow the company into a leading, highly profitable pay television operator against the backdrop of substantial regulatory change to the pay television market. During 3i's investment period, Boxer significantly strengthened its position in its home market, almost doubling the number of subscribers from 380,000 in 2004 to around 700,000 currently and growing pre-tax profits from SEK8 million in 2004 to SEK376 million in 2007.

Boxer is now embarking upon a new phase in its development by expanding internationally. Earlier this year, it was awarded exclusive 12-year licences to operate in Denmark's and Ireland's pay television markets.

3i Partner Klas Hillström commented on the transaction: "We have worked closely with Boxer, a pioneering commercial pay television operator in the DTT network, which has achieved our agreed milestones and grown into a leading player in the Swedish pay television market in just a few short years. Boxer took important steps forward with its entry into the Danish and Irish markets earlier this year and remains excellently positioned to continue to grow internationally."

3i is a successful private equity investor in the TMT sector. Its track record includes the impressive IPOs of Focus Media (China) and Telecity (UK) as well as successful investments in Demand Media (US), Union Radio (Spain) and Civica (UK).

Handelsbanken Capital Markets advised 3i on the transaction.

Notes to editors

About Boxer TV-Access AB

Boxer TV-Access AB was founded in 1999. Boxer's business concept is to offer individual households or entire buildings access to digital TV and interactive services at a low cost. Boxer employs approximately 60 people, and Per Norman is the CEO.

<http://www.boxer.se>

About 3i

3i is an international leader in private equity. We focus on growth capital, buyouts, infrastructure and quoted private equity and invest across North America, Europe and in Asia. Our competitive advantage comes from our international network and the strength and breadth of our relationships in business. These underpin the value that we deliver to our portfolio and to our shareholders.

<http://www.3i.com/>