



## **Providence Equity Partners Invests Over \$200 Million in Volia Cable**

**Kyiv, Ukraine, December 3, 2007** – SigmaBleyzer announced today that Providence Equity Partners, the world’s leading media and communications private equity firm, is investing over US\$200 million in Volia Cable. Volia Cable is the leading Ukrainian cable TV and Internet access provider and is controlled by UGF III, a SigmaBleyzer-managed private equity fund. This transaction is the largest Western private equity investment in Ukraine, illustrating the interest of Western investors in Ukrainian companies. The transaction is expected to close in December of 2007.

“We are very pleased to partner with Providence, a leading private equity investor and one of the largest and most experienced owners of media and communications companies globally,” said Michael Bleyzer, President and CEO of SigmaBleyzer. “This is a natural step forward for Volia Cable, SigmaBleyzer and Volia Cable’s other shareholders. SigmaBleyzer will continue to play an active role in the Ukrainian cable sector, and we look forward to Providence’s support as we continue to grow Volia Cable as the leading cable and broadband provider in Ukraine. It is also our belief that attracting the highest quality global investors like Providence will have a positive effect on the Ukrainian economy and investment climate and will further promote Ukraine as an important investment destination.”

“Our company is dedicated to providing the highest quality products, supported by outstanding customer service”, said Sergey Boyko, President of Volia Cable. “We believe that Providence, as one of the world’s leading investors in cable, will help us deliver even better products to our customers in Kyiv and other cities in Ukraine.”

“This is our seventh significant investment in this sector in Europe and our second in Eastern Europe, which is experiencing increasing demand for sophisticated television and broadband services,” said Jonathan M. Nelson, Providence Chief Executive Officer. “We continue to believe that quality cable and broadcasting companies like Volia are critical service providers with significant opportunities for growth and value creation.”

“Volia is an important player in the communications and entertainment sector in Ukraine,” said John Hahn a Managing Director of Providence and head of the firm’s office in Europe. “We have extensive holdings in cable businesses across Western Europe and are excited about the opportunity to marry that expertise with the great business that SigmaBleyzer and the Volia management teams have built.”

Goldman Sachs International and UBS Investment Bank acted as financial advisors to SigmaBleyzer. Lazard acted as financial advisors to Providence.

### **About Providence Equity Partners Inc.**

Providence Equity Partners is the leading global private equity firm specializing in equity investments in media, entertainment, communications and information companies around the world. The principals of Providence manage funds with approximately \$21 billion in equity commitments and have invested in more than 100 companies operating in over 20 countries since the firm's inception in 1989. Significant investments include Bresnan Broadband Holdings, Casema, Com Hem, Digiturk, Education Management Corporation, eircom, Freedom Communications, Hulu, Idea Cellular, Kabel Deutschland, Metro-Goldwyn-Mayer, NexTag, Ono, Open Solutions, PanAmSat, ProSiebenSat.1, Recoletos, TDC, Univision, VoiceStream Wireless, Warner Music Group, Western Wireless and Yankees Entertainment and Sports Network. Providence is headquartered in Providence, RI (USA) and has offices in New York, London, Hong Kong and New Delhi.

### **About Volia Cable**

Volia Cable is the number one cable TV and Broadband Internet provider in Ukraine. Its network connects over 900,000 homes in Ukraine, serving over 700,000 RGUs in four cities within Ukraine: Kyiv, L'viv, Alchevsk, and Chernivtsy. Volia provides services such as analog cable TV, digital cable TV, high-speed cable Internet access, VoIP and data services. New services, such as VoD and PPV, are under development and will be implemented in the future.

Volia Cable was initially created through the consolidation of three separate companies acquired in 1999 and 2000. Since acquisition, Volia has integrated the activities of the original cable operators, allowing for significant cost savings by streamlining activities and eliminating redundant departments and equipment. Several separate cable networks in Kyiv were consolidated around a single digital head-end, which allows the company to manage all of its services and to distribute its television signal from one location to its subscribers. This approach significantly reduces the cost of providing services, and gives the company a considerable competitive advantage.

In addition, the company has completed a trunk network buildout, the construction of a fiber optic ring around Kyiv, upgrades of the narrowband portions of the network, and the construction of a modern call center with computerized customer service information.

### **About SigmaBleyzer**

Operating in the region for over a decade, SigmaBleyzer is one of the largest and most experienced private equity investors in Eastern Europe. With the strength of the company's local infrastructure, western-style management and knowledge of local markets, SigmaBleyzer has created one of the best investment management companies in the region. SigmaBleyzer manages funds and special purpose investment vehicles with approximately \$1 billion in commitments and has made investments in over 80 companies in Ukraine since 1994.

As a manager of a family of private equity funds currently investing in Ukraine, Romania, Bulgaria and Kazakhstan, SigmaBleyzer utilizes a hybrid investment approach developed specifically for emerging markets and focused on simultaneous value creation at the micro or enterprise level and at the macro level. Because of this unique approach and strong on-the-ground presence in a region where many of its investors could not have invested directly, SigmaBleyzer brings one of the most attractive pipelines of investment opportunities found anywhere to its client base.

With offices in Kyiv and Kharkiv (Ukraine); Sofia (Bulgaria), Bucharest (Romania), Astana (Kazakhstan), and a back office in Houston, Texas, SigmaBleyzer has the infrastructure in its countries of operation to successfully manage portfolio companies to help them reach their full potential, while creating value for the investors, shareholders, employees and other stakeholders.

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