

## INVESTOR RELATIONS RELEASE

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# Kabel Deutschland announces launch of exchange offer for its €250 million and US\$610 million Senior Notes

Unterfoehring, October 4, 2006 – Kabel Deutschland (“KDG”), Germany’s largest cable operator, announced today that it launched an offer to exchange (the “Exchange Offer”) all of its existing €250 million (10.75%) and US\$610 million (10.625%) Senior Notes due July 1, 2014 (the “Existing Notes”) for new €250 million and US\$610 million Senior Notes (the “Exchange Notes”). The Exchange Notes are identical in all material respects to the Existing Notes, except that the Exchange Notes have been registered with the U.S. Securities and Exchange Commission (the “SEC”) under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and are not subject to the transfer restrictions and registration rights relating to the existing Notes. The Exchange Notes will be guaranteed on a senior subordinated basis by our wholly-owned subsidiary Kabel Deutschland Vertrieb und Service GmbH & Co. KG.

The Exchange Offer will expire at 5:00 PM (New York time) on November 2, 2006, unless extended. Tenders of Existing Notes may be withdrawn at any time on or prior the last business day before the expiration of the Exchange Offer. The Exchange Offer is not conditioned upon any minimum principal amount of Existing Notes being tendered for exchange. Any Existing Notes not tendered will remain subject to existing transfer restrictions.

The Outstanding Notes were issued to institutional investors in a private placement on July 2, 2004, at which time the Issuer agreed to file a registration statement with the SEC for the Exchange Offer by April 30, 2006. The draft registration statement was submitted to the SEC on a confidential basis on April 28, 2006 and the SEC declared the registration statement effective on October 4, 2006.

The Existing Notes and the Exchange Notes have been accepted for clearance through Euroclear, Clearstream and DTC.

- *Existing Notes denominated in Euros.* The common code is 019442012 for the notes sold pursuant to Regulation S under the Securities Act (“Regulation S”) and 019442063 for the notes sold pursuant to Rule 144A under the Securities Act (“Rule 144A”). The international securities identification number (“ISIN”) is XS0194420120 for the notes sold pursuant to Regulation S and XS0194420633 for the notes sold pursuant to Rule 144A.

- *Existing Notes denominated in U.S. dollars.* The CUSIP is D6424A AB 4 for the notes sold pursuant to Regulation S and 48282B AC 7 for the notes sold pursuant to Rule 144A. The ISIN is USD6424 AAB 47 for the notes sold pursuant to Regulation S and US48282 BAC 72 for the notes sold pursuant to Rule 144A. The common code is 019579743 for the notes sold pursuant to Regulation S and 019579760 for the notes sold pursuant to Rule 144A.
- *Exchange Notes denominated in Euros.* The common code is 026810361 and the ISIN is XS0268103610.
- *Exchange Notes denominated in U.S. dollars.* The CUSIP is 48282A AB 1, the common code is US48282AAB17 and the ISIN is 026839599.

The Existing Notes are listed on the Irish Stock Exchange (SEDOL B05LTS8 for the notes denominated in euros and B01R087 for the notes denominated in U.S. dollars) and application will be made for the Exchange Notes to be listed on the Irish Stock Exchange.

The Bank of New York is serving as the exchange agent in connection with the Exchange Offer. Requests for information, the prospectus and other documents relating to the Exchange Offer should be directed to The Bank of New York, One Canada Square, London E14 5AL, United Kingdom; Tel. ++44-20-7964-7495; attention Marco Thuo.

This Investor Relations Release does not constitute an offer to sell or the solicitation of an offer to buy any Exchange Notes or any other security and shall not constitute an offer, solicitation or sale in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful.

No offer to exchange Existing Notes for Exchange Notes can be accepted until the registration statement has become effective, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time prior to notice of its acceptance given after the effective date.

#### About Kabel Deutschland

Kabel Deutschland (KDG) operates cable networks in 13 of Germany's states and supplies its services to around 10 million connected TV households in Germany. Kabel Deutschland is Germany's biggest cable network operator. The company develops and markets new triple play offers for digital TV, high-speed internet and telephone connection via cable. KDG offers an open digital TV platform for all program providers. The Company operates the networks, markets cable connections and ensures comprehensive services for all matters of cable connectivity. In fiscal year 2005/2006 (12 months ended March 31, 2006), the company reported revenues of more than EUR 1 billion and had around 2,500 employees.

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This release is also available at [www.kabeldeutschland.com](http://www.kabeldeutschland.com).

This Investor Relations Release contains forward looking statements within the meaning of the U.S. federal securities laws regarding, among other things, the completion of the Exchange Offer. You can identify these statements by the fact that they use words such as “anticipate”, “estimate”, “project”, “intend”, “plan”, “believe” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance or events. Factors that could affect whether the Exchange Offer is completed include, among other things, the risk that the conditions to the Exchange Offer are not satisfied. A further list and description of risks, uncertainties and other matters can be found in the prospectus for the Exchange Offer. We assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.