



## AD HOC ANNOUNCEMENT

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Release according to §15 (German) Securities Trade Act (Wertpapierhandelsgesetz, WpHG)

### **Kabel Deutschland and Vodafone sign domination and profit and loss transfer agreement**

**Unterfoehring, December 20, 2013** – The Management Board of Kabel Deutschland Holding AG today signed a domination and profit and loss transfer agreement pursuant to sec. 291 et seqq. of the German Stock Corporation Act (Aktiengesetz, AktG) between Kabel Deutschland Holding AG as the controlled entity and Vodafone Vierte Verwaltungs AG (an indirect subsidiary of Vodafone Group Plc) as the controlling entity. The Supervisory Board of Kabel Deutschland Holding AG approved the conclusion of this agreement in its meeting held today. Vodafone Vierte Verwaltungs AG currently owns 76.57% of the shares of Kabel Deutschland.

The domination and profit and loss transfer agreement still requires the approval by the extraordinary General Meeting of Kabel Deutschland Holding AG which is scheduled to take place in Munich on February 13, 2014.

In the agreement, Vodafone Vierte Verwaltungs AG offers to acquire the shares of the minority shareholders of Kabel Deutschland Holding AG for a cash compensation pursuant to sec. 305 AktG in the amount of €84.53 per share. The cash compensation corresponds to the volume-weighted average stock market price of Kabel Deutschland Holding AG shares as determined by the German Federal Financial Supervisory Authority (BaFin) for the relevant three-month period up to and including September 12, 2013. On this day, Vodafone announced that the minimum acceptance threshold had been met and its intention to enter into a domination and profit and loss transfer agreement with Kabel Deutschland Holding AG. The applicable reference share price for the cash compensation is higher than the business value per Kabel Deutschland share as determined in an independent evaluation of Kabel Deutschland carried out by the auditors Warth & Klein Grant Thornton AG in accordance with IDW Standard S1. It is also slightly higher than the price offered by Vodafone Vierte Verwaltungs AG within the context of its public takeover offer.

The domination and profit and loss transfer agreement also provides for an annual recurring compensation payment pursuant to sec. 304 AktG in the gross amount of €3.77 (€3.17 net based on the current taxation) per share.

These payment obligations by Vodafone Vierte Verwaltungs AG under the domination and profit and loss transfer agreement are secured by a comfort letter issued by Vodafone Group Plc.

The expert report by Warth & Klein Grant Thornton AG also includes a recent outlook for the current fiscal year 2013/14 ending on March 31, 2014. The current outlook for the ongoing fiscal year as reported in the expert report is within the scope of the guidance update for revenues, adjusted EBITDA margin and capex released on November 11, 2013.

The domination and profit and loss transfer agreement as well as the joint report by the Management Boards of Kabel Deutschland Holding AG and Vodafone Vierte Verwaltungs AG on the agreement together with the expert report by Warth & Klein Grant Thornton AG and the audit report of an independent court appointed auditor will be published together with the convocation for the extraordinary General Meeting of Kabel Deutschland Holding AG on the internet at [www.kabeldeutschland.com](http://www.kabeldeutschland.com) in the next few days.

#### About Kabel Deutschland

Kabel Deutschland (KD), Germany's largest cable operator, offers its customers digital, high definition (HD) and analog TV, Pay TV and DVR offerings, Video on Demand, broadband Internet (up to 100 Mbit/s), WIFI and fixed-line phone services via cable as well as mobile services in cooperation with an industry partner. The publicly listed company (MDAX, MSCI Europe, Stoxx 600 Europe) operates cable networks in 13 German federal states and supplies its services to approximately 8.4 million connected households. As per March 31, 2013, Kabel Deutschland had approximately 3,700 employees. In fiscal year 2012/2013 (12 months ended March 31, 2013), the Company reported revenues of €1,830 million and an Adjusted EBITDA of €862 million.

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

This Investor Relations release may contain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Although we believe that such forward-looking statements are reasonable, we cannot assure you that any forward-looking statements will prove to be correct. Such forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Investor Relations release may not occur

and actual results could differ materially from those anticipated or implied in the forward-looking statements. Accordingly, investors are cautioned not to place undue reliance on the forward-looking statements.

This Investor Relations release may contain references to certain non-GAAP financial measures, such as Adjusted EBITDA and Capex, and operating measures, such as RGUs, ARPU, Unique subscribers pro forma calculation. These supplemental financial and operating measures should not be viewed in isolation as alternatives to measures of Kabel Deutschland's financial condition, results of operations or cash flows as presented in accordance with IFRS in its Consolidated Financial Statements. The non-GAAP financial and operating measures used by Kabel Deutschland may differ from, and not be comparable to, similarly titled measures used by other companies. For further information please see in particular the footnotes in this Investor Relations release and the financial statements.

We disclaim any obligation to publicly update or revise any forward-looking statements or other information contained in this Investor Relations release. It is pointed out that the present Investor Relations release may be incomplete or condensed, and it may not contain all material information concerning Kabel Deutschland Holding AG or the Kabel Deutschland Group.