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**Invitation to an extraordinary shareholders meeting of Tele Columbus AG, Berlin**

– ISIN: DE000TCAG172 / WKN: TCAG17 –

Dear Shareholders,

we invite you to attend the

**extraordinary shareholders meeting of Tele Columbus AG**

on **Monday, September 14, 2015**, at 10:00 a.m., at Eventpassage, Kantstraße 8, 10623 Berlin.

**Agenda**

**Only item on the agenda**

**Resolution on an increase of the share capital against cash contribution with an indirect preemptive right**

The management board and the supervisory board propose to resolve:

- (1) The share capital of the company of currently EUR 56,691,667.00 (in words: fifty-six million six hundred ninety-one thousand six hundred sixty-seven Euro), divided into 56,691,667 (in words: fifty-six million six hundred ninety-one thousand six hundred sixty-seven) no-par value registered shares with a proportional amount of the share capital of EUR 1.00 (in words: one Euro) is increased against cash contribution by up to EUR 56,691,667.00 (in words: fifty-six million six hundred ninety-one thousand six hundred sixty-seven Euro) to up to 113,383,334.00 (in words: one hundred thirteen million three hundred eighty-three thousand three hundred thirty-four Euro) by issuing up to 56,691,667 (in words: fifty-six million six hundred ninety-one thousand six hundred sixty-seven) new no-par value registered shares with a proportional amount of the share capital of EUR 1.00. Should the share capital have been increased prior to the implementation of this capital increase by implementing a capital increase from the Authorized Capital 2015/I or the Contingent Capital 2015/I pursuant to sections 4.5 or 4.6 of the articles of association, the amount of the base share capital before the capital increase and the maximum amount of the share capital after implementation of the capital increase in the preceding sentence shall increase correspondingly. The new no-par value shares will be issued for the minimum issue price of EUR 1.00 per share. If the issuance of the new no-par value shares occurs prior to the general shareholders meeting resolving on the distribution of profits of the company for the fiscal year ending on

31 December 2015, the new no-par value shares are entitled to participate in the profits for the first time for the fiscal year ending on 31 December 2015. Otherwise, they are entitled to participate in the profits starting at the beginning of the fiscal year of the company in which the date of their issuance falls.

The number of new no-par value shares to be issued is limited to the maximum amount which results from dividing the intended gross proceeds from the issue of EUR 240,000,000.00 (in words: two hundred forty million Euro) by the subscription price per new no-par value share to be determined by the management board with the consent of the supervisory board in accordance with para. (2) below. The nominal volume of the capital increase is calculated by multiplying the number of new no-par value shares to be issued based on the subscription ratio as determined pursuant to the following sub-paragraph with the amount of EUR 1.00. Sec. 182 para. 1 sent. 5 of the German Stock Corporation Act has to be observed.

The statutory pre-emptive right is granted to the company's shareholders in such way that the new shares will be subscribed by one or several bank(s) at the minimum issue price of EUR 1.00 per no-par value share and are acquired with the obligation to offer them to the company's shareholders at a subscription price determined by the management board with the consent of the supervisory board in accordance with para. (2) below and with the obligation to transfer the additional proceeds, less an appropriate commission, fees and expenses, to the company (indirect pre-emptive right). Subscription shall be offered to shareholders at a subscription ratio (old shares to new shares) at the ratio of the number of shares issued on the date prior to publication of the subscription offer in the Federal Gazette (*Bundesanzeiger*) to the maximum number of shares to be issued as a result of the capital increase as calculated pursuant to the first sentence of the previous sub-paragraph. To achieve a practical subscription ratio, the subscription ratio can be rounded up to two decimal spaces. The actual number of new no-par value shares to be issued is determined based on the rounded subscription ratio and rounded up to the next full number of shares. Any new no-par value shares not subscribed within the subscription period may, in accordance with the instructions of the management board, be offered to third parties at the subscription price or otherwise be disposed in the best possible manner.

- (2) The management board is authorized, with the consent of the supervisory board, to specify the additional details of the capital increase and its implementation, in particular the offer conditions for issuing the new no-par value shares and the subscription price. The determination of the subscription price must be made by the management board with the consent of the supervisory board taking into account the current market conditions, the current stock exchange price on the Frankfurt Stock Exchange immediately prior to publishing the subscription price, a discount to the market price appropriate compared to other capital increases with pre-emptive rights and the intended gross proceeds from the issue of EUR 240,000,000.00.
- (3) The resolution on the capital increase becomes invalid if the implementation of the capital increase has not been registered with the commercial register of the company by the end of the day

on 29 February 2016. If the implementation of the capital increase has not been registered by this point in time as the result of legal actions against the validity of this resolution or due to other legal measures directed against implementing this capital increase, this deadline is extended until the end of the day on 31 May 2016.

- (4) The supervisory board is authorized to amend the text of section 4 of the articles of association of the company (Amount and division of share capital) after the share capital increase has been implemented.

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### **Report of the management board on the only item on the agenda**

As communicated in the press release dated 16 July 2015, the company is also after the acquisition of all shares in PrimaCom Holding GmbH actively pursuing the acquisition of other target companies. The proceeds from the capital increase can be used to enable growth by way of such further acquisitions, i.e. the acquisition of shares or assets in target companies. Financing for further acquisitions could then be provided from the available funds of the company if the opportunity for such acquisition arises in the near-term. Alternatively, the proceeds from the capital increase could be kept available or could be used to repay existing debt, thereby reducing the debt equity ratio of the company and enabling the company to take out new debt financing when the opportunity of further acquisitions arises.

Without the present capital increase, the company would currently not be able to provide financing for a significant further acquisition due to the current financing structure of the company. To provide financing for the acquisition of all shares in PrimaCom Holding GmbH, which was signed on 16 July 2015 and was closed on 31 July 2015, the company has taken out new bank financing. Together with the existing bank financing, the debt of the company from bank financing amounts to EUR 1.2 billion. A bridge loan facility in the amount of EUR 125 million will be due for repayment on 15 December 2015. The existing Authorized Capital 2015/I is intended to be primarily used to repay such bridge loan facility and therefore, only a portion, if any, will be available to provide financing for further acquisitions or to reduce the debt equity ratio.

It is therefore proposed by the management board and the supervisory board, to resolve on a capital increase of the company with intended gross proceeds from the issue of EUR 240,000,000.00 in order to enable further acquisitions.

The capital increase is conducted by way of an indirect pre-emptive right, in order to facilitate the implementation of the capital increase; it further results in a reduction of costs for the company. The pre-emptive right of the shareholders is ensured, as the bank(s) which subscribes the new shares acquires the shares with the obligation to offer them to the company's shareholders for subscription. The company plans to organize a trading of subscription rights.

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## **Further information regarding the convocation**

### **1. Total number of shares and voting rights at time of convocation of the shareholders meeting**

At the time of the convocation of the shareholders meeting, the share capital of Tele Columbus AG amounts to EUR 56,691,667.00. The share capital is divided into 56,691,667 no-par value registered shares with a proportional amount of EUR 1.00 per share. Pursuant to section 21 (1) of the articles of association, each share carries one vote in the shareholders meeting. The company has no treasury shares at the time of convocation to the shareholders meeting.

### **2. Attendance at the shareholders meeting**

Only those shareholders shall be entitled to attend the shareholders meeting and to exercise their voting rights who are registered in the stock register and have duly submitted notification of attendance in a timely manner prior to the shareholders meeting. Such notification of attendance requires text form (section 126b German Civil Code) and needs to be in the German or English language.

The notification of attendance must be received by the company by no later than September 7, 2015 12:00 p.m. (CEST) at the following address:

Tele Columbus AG  
c/o HCE Haubrok AG  
Landshuter Allee 10  
80637 Munich  
Germany

or by telefax: +49 (0) 89-210 27 288

or by email: [anmeldung@hce.de](mailto:anmeldung@hce.de)

Registration may also be made using the online service on the website of the company at <https://ir.telecolumbus.com/gm> no later than September 7, 2015, 12:00 p.m. (CEST). Information regarding the use of the online service will be sent to the shareholders along with the invitation to the shareholders meeting.

Credit institutions, shareholders associations and persons, institutions or companies of equal status pursuant to section 135 (8) or section 135 (10) German Stock Corporation Act in conjunction with section 125 (5) German Stock Corporation Act can only exercise the voting right for those shares they do not own but for which they are registered as holder in the company's share register if they were authorized by the shareholder.

After the company has received the shareholder's notification of attendance, admission tickets for the shareholders meeting will be sent to the shareholders. We kindly request our shareholders to notify their attendance as early as possible in order to ensure the timely receipt of admission tickets.

Further information regarding the registration procedure is provided on the invitation to the shareholders meeting sent to you.

### **3. Free disposal of shares**

Shareholders may dispose of their shares even after having registered for attendance at the shareholders meeting. The right to attend and vote is based on the shareholding evidenced by entry in the company's share register. Any requests to enter changes in the company's share register that the company receives after the end of the notification period, i.e. from September 8, 2015 00:00 a.m. (CEST) through September 14, 2015 will be processed and taken into account only with effect after the shareholders meeting on September 14, 2015. The technically effective record date is therefore the end of September 7, 2015.

### **4. Proxy voting**

Shareholders may exercise their voting rights in the shareholders meeting also by proxy, e.g. a credit institution, a shareholders association or any other person of their choice. In the case of proxy voting, the conditions for the attendance of the shareholders meeting and the exercise of voting rights as stated above (see section 2 "*Attendance at the shareholders meeting*") must also be observed. Any granting, revocation and proof of proxy vis-à-vis the company shall be made in text form (section 126b German Civil Code), unless the proxy to exercise the voting right is granted to credit institutions or institutions or undertakings with equivalent status (sections 135 (10), 125 (5) German Stock Corporation Act) or to shareholders associations or any person within the meaning of section 135 (8) German Stock Corporation Act.

Shareholder may grant proxy by using the registration form sent along with the invitation. Proxy can also be granted electronically by using the online service provided by the Company at <https://ir.telecolumbus.com/gm>. The information regarding the use of the online service will be sent to the shareholders along with the invitation to the shareholders meeting. In addition, proxy forms may also be requested from the following address:

Tele Columbus AG  
c/o HCE Haubrok AG  
Landshuter Allee 10  
80637 Munich  
Germany

or by telefax: +49 (0) 89-210 27 288

or by email: [vollmacht@hce.de](mailto:vollmacht@hce.de).

Shareholders may also authorize proxy holders nominated by the company to exercise their voting rights. Also in this case, a timely registration of the shareholder for the shareholders meeting in accordance with the provisions described above (see section 2 "*Attendance at the shareholders meeting*") is required. The proxy holders nominated by the Company will exercise the voting right only on the basis of express and unambiguous instructions. Therefore, the shareholders have to give express and unambiguous instructions

in respect of the items on the agenda with regard to which they wish the voting right to be exercised. The proxy holders nominated by the company are obliged to vote in accordance with the instructions given to them. In case of a voting on an individual item on the agenda, any instruction issued in this regard applies accordingly in respect of each individual sub-item. If no express and unambiguous instruction was given, the proxies nominated by the company shall abstain from voting on this particular item. The proxy holders nominated by the company shall not accept any instructions to request to speak, to object against resolutions of the shareholders meeting, or to ask questions or submit requests. They are available only to vote on such resolution proposals of the management board, the supervisory board or the shareholders that have been published together with this convocation or later pursuant to section 124 (1) or (3) German Stock Corporation Act.

Any proxies granted and instructions given to proxy holders nominated by the company must be in text form (section 126b German Civil Code). They may be granted, changed or revoked until Thursday, September 10, 2015, 12:00 p.m. (CEST) by using the proxy and instruction form included in the registration form sent along with the invitation to the shareholder meeting, and by sending it to the following address:

Tele Columbus AG  
c/o HCE Haubrok AG  
Landshuter Allee 10  
80637 Munich  
Germany

or by telefax: +49 (0) 89-210 27 288

or by email: vollmacht@hce.de.

In each case, receipt by the Company is decisive.

The forms can also be requested at the above address, telefax number and email address.

Proxies can also be granted electronically to proxy holders nominated by the Company until the shareholders meeting by using the online service provided by the Company at <https://ir.telecolumbus.com/gm>. Proxies to the proxy holders nominated by the company can be changed or revoked until the shareholders meeting using the online service for such proxies which have been granted using electronically using the online service. Furthermore, during the shareholders meeting, proxies and instructions to the proxy holders nominated by the company may be granted, changed or revoked at the entrance and exit control until the end of the general debate.

All other permitted modes of attendance and representation, in particular attendance in person or attendance through a proxy, will not be affected by this offer to exercise voting rights through the proxy holders nominated by the company. Further details on the exercise of voting rights through the proxy holders nominated by the company and on the shareholders meeting may also be found on the company's website at <https://ir.telecolumbus.com/gm>.

## 5. Absentee voting procedure

Shareholders registered in the company's share register are entitled to submit their votes by way of absentee voting (voting by mail) without attending the shareholders meeting. Only those shareholders of record are entitled to vote by absentee voting who have submitted timely notification of attendance at the shareholders meeting (see section 2 "*Attendance at the shareholders meeting*"). Credit institutions, shareholders associations and persons, institutions or companies of equal status pursuant to section 135 (8) or section 135 (10) German Stock Corporation Act in conjunction with section 125 (5) German Stock Corporation Act may also take advantage of absentee voting.

Absentee votes must be cast in written form or electronically. Absentee votes in written form must be cast, changed or revoked by Thursday, September 10, 2015, 12:00 p.m. (CEST) at the latest. In each case, receipt by the Company is decisive. For absentee voting, shareholders can use the form included in the registration form sent along with the invitation to the shareholder meeting.

For absentee voting in writing form, the vote must be submitted to the following address:

Tele Columbus AG  
c/o HCE Haubrok AG  
Landshuter Allee 10  
80637 Munich  
Germany

or by telefax: +49 (0) 89-210 27 288.

Furthermore, absentee votes can be cast electronically until the shareholders meeting using the online service provided by the company at <https://ir.telecolumbus.com/gm>.

A change or revocation of absentee votes is possible electronically until the shareholders meeting by using the online service provided by the company on its website for such absentee voters who submitted their absentee votes using the provided online service.

Please note that the shareholder's personal attendance or the attendance of a proxy holder at the shareholders meeting is automatically considered as revocation of any previously submitted absentee voting. In case of a voting on an individual item on the agenda, the absentee voting in this regard will apply accordingly in respect of each individual sub-item.

Further information regarding the absentee voting procedure is provided on the notification of attendance form sent to you together with the invitation to the shareholders meeting and at the company's above-named website.

**6. Rights of shareholders pursuant to sections 122 (2), 126 (1), 131 (1) German Stock Corporation Act**

**Motions to supplement the agenda pursuant to section 122 (2) German Stock Corporation Act**

Shareholders whose combined shares amount to at least one-twentieth of the share capital or a proportionate amount of at least EUR 500,000.00 (this is the equivalent of at least 500.000 shares) may request that items be placed on the agenda and be published. Such request must be made in writing or in electronic form pursuant to section 126a German Civil Code (i.e. with a qualified electronic signature in accordance with the German Digital Signature Act (*Signaturgesetz – SigG*)) to the management board of the company and has to be received by the company by the end of August 14, 2015, i.e. by no later than August 14, 2015, 12:00 p.m. (CEST). Such requests must be addressed solely to:

Tele Columbus AG  
 Management Board  
 Goslarer Ufer 39  
 10589 Berlin  
 Germany

or in electronic form pursuant to section 126a German Civil Code by email to: hv2015@telecolumbus.de.

Any motions to supplement the agenda that are addressed differently will not be considered. Any new item for the agenda has to be accompanied by a statement of reasons or a formal resolution proposal. The motion must be signed by the shareholders whose shares, in the aggregate, represent five percent of the company's share capital or the proportionate amount of EUR 500,000.00, or by their duly appointed representatives. Furthermore, reference is made to the requirements of section 122 (2) in conjunction with (1) and sections 142 (2) sentence 2 and 70 German Stock Corporation Act. Motions to supplement the agenda will be published and distributed in the same way as the invitation to the shareholders meeting.

**Motions by shareholders pursuant to section 126 (1) German Stock Corporation Act**

Each shareholder has the right to put forward counter-proposals to proposals by the management board and/or the supervisory board concerning a specific item on the agenda. Such counter-proposals including the name of the shareholder are to be published by the Company pursuant to section 126 (1) German Stock Corporation Act if they are addressed to

Tele Columbus AG  
 c/o HCE Haubrok AG  
 Landshuter Allee 10  
 80637 Munich  
 Germany

or by telefax to: +49 (0) 89-210 27 298



or by email to: [gegenantraege@hce.de](mailto:gegenantraege@hce.de),

and have been received by the company by no later than August 30, 2015, i.e. August 30, 2015, 12:00 p.m. (CEST), and otherwise satisfy the legal requirements. This includes in particular that counter-proposals must include statements of reasons. Section 126 (2) German Stock Corporation Act sets forth under which conditions counter-proposals do not have to be made accessible. Accessibility will be provided in accordance with statutory provisions on the company's website at <https://ir.telecolumbus.com/gm>. Any responses by management to counter-proposals will also be published at this internet address.

In order for counter-proposals to be considered at the shareholders meeting, they must be put forward verbally at the shareholders meeting, even if they have been duly submitted to and made accessible by the company pursuant to section 126 (1) German Stock Corporation Act.

The right of any shareholder to make counter-proposals to the agenda during the shareholders meeting without prior and timely submission to the company remains unaffected.

### **Right to information pursuant to section 131 (1) German Stock Corporation Act**

Insofar as information about the company's affairs is necessary for the assessment of a particular item on the agenda, any shareholder or shareholder representative can request that the management board shall provide such information in the shareholders meeting. The obligation to provide information also includes the company's legal and business relations with associated companies, as well as the situation of the group and the companies included in the consolidated financial statements. The information provided must comply with the principles of making conscientious and accurate representations. In principle, information shall be given orally; shareholders are not entitled to receive information in writing. Section 131 (3) German Stock Corporation Act regulates the conditions under which the management board can refuse to provide information.

### **Additional Explanations**

Additional explanations with respect to shareholders rights pursuant to sections 122 (2), 126 (1), 131 (1) German Stock Corporation Act are provided on the company's website at <https://ir.telecolumbus.com/gm>.

### **7. Reference to the company's website**

Regarding this extraordinary shareholders meeting, all information pursuant to section 124a German Stock Corporation Act is available on the company's website at <https://ir.telecolumbus.com/gm>.

### **8. Results of voting**

The results of voting ascertained by the chairman of the shareholders meeting will be published on the company's website at <https://ir.telecolumbus.com/gm> within the statutory period.

Berlin, August 2015

Tele Columbus AG

The Management Board