



Easynet Global Services agrees sale to LDC

Easynet reinforces commitment to resellers, innovation and support – cementing reputation as UK’s leading ISP for small businesses

London, 21 July 2011 – Global provider of managed solutions, Easynet, has today reached an agreement with BSkyB (Sky) over the proposed sale of Easynet Global Services and its subsidiaries to Lloyds Development Capital (LDC), a leading UK private equity company.

LDC will pay Sky £100 million for the business on completion of the transaction, which is subject to regulatory approval and a works council consultation in respect of certain Easynet employees. The existing Easynet management team, including CEO David Rowe, has demonstrated a strong track record over a number of years and will have the full backing of LDC, which is fully funded by the Lloyds Banking Group. Staff numbers will be unaffected by the sale.

Sky will retain the UK network assets that it acquired as part of the original acquisition of Easynet Group in 2005. As part of the proposed sale, Sky and LDC will enter into a long-term supply agreement in which Easynet Global Services will have continued access to Sky’s fibre network. BSkyB will also continue to be a business customer of Easynet.

David Rowe, Chief Executive Officer, Easynet, commented: “This is an excellent opportunity for Easynet, its customers, and its staff. It provides us with additional capital to help fund the company’s next phase of development and allows us to retain a business relationship with Sky. Since we’ve been a part of the BSkyB family we’ve grown in stature, both in the UK and globally, our revenue has increased organically by over 40%, we’re profitable and also generating cash. Over and above this we’ve continued to win new customers in the fast-growing segments of managed hosting, video conferencing and IP solutions whilst maintaining growth and innovation in our network services and products.”

Sky acquired the Easynet Group in 2005 to support its strategy of diversifying into consumer broadband and home telephony. Following the successful launch of Sky’s residential communications services and the continued growth and profitability of Easynet’s Enterprise business, the decision was made to look at options to divest the Global Services business as it is no longer core to Sky’s longer-term strategic goals.