

Baker Capital Invests in Pioneering Digital Pay-TV Company

NEW YORK, June 6, 2006 /PRNewswire via COMTEX/ -- Baker Capital, a private equity firm focused on digital communications, has agreed to lead a euro 38 million equity financing in Digi TV Plus Oy, a newly established digital pay-TV company in Finland. This brings the company's total financing to euro 40 million, including previous seed financing from Provider Venture Partners, a leading Nordic-region venture capital firm, who will also participate in the current financing. Funds managed by Baker Capital will be the majority owner of Digi TV Plus.

Finland is a leader in digitalizing television and plans to shutdown the analogue network nationwide on August 31, 2007. Digi TV Plus will lead the way in offering quality content on the digital terrestrial television ("DTT") network. The company's services will be marketed to customers under the name "PlusTV" and will be available beginning in November of this year. During the first stages of operation, PlusTV will be the exclusive distributor of MTV MEDIA's digital pay-TV services to Finnish terrestrial households (approximately one million households using a rooftop antenna to access television services). Other TV broadcasters' channels will be added thereafter and the service will reach its commercial form in late August 2007.

"In connection with the digitalization of television, the selection of channels available to all domestic households will increase significantly. The change will be felt the most in terrestrial households, which until now have had a much smaller selection to choose from compared to households with access to cable. We are offering these roughly one million terrestrial households a chance to receive a broad and varied selection of TV channels," says Vesa Mars, the CEO of PlusTV.

PlusTV's content package will include the most popular Finnish and foreign pay-TV channels. "There is a clear need for a new player on the market, someone who will aggregate the most interesting content and offer it to consumers in a convenient way," says Vesa Mars, summarizing the business strategy of the company.

Speaking about Baker Capital's investment in Digi TV Plus, Robert Manning, partner of Baker Capital said, "This investment plays to Baker Capital's strength in building digital communications businesses. We have a strong belief in the future of digital pay-TV in the Nordic region, a belief that is enhanced by our successful investment Canal+ Television, AB. Pay-TV is an established form of entertainment in Finland, however, the level of penetration lags behind other countries in the region. We believe that an advantageous set of circumstances for the proliferation of pay-TV in Finland exist today and PlusTV is well positioned to capitalize on the favorable market conditions."

"Finland is a pioneer in the conversion to 100% digital broadcasting. The Finnish Government is taking an admirably bold step in the shutdown of the analogue network and has commendable goals of supporting the creation of a strong DTT platform with a broad range of content available to all Finnish people," said Richard Hellekant, investment manager of Provider Venture Partners. "PlusTV will be the outlet to achieve these goals. With its independent status and strong management team, the company has a great opportunity to establish itself as the leading pay TV-operator in Finland."

Baker Capital invests in companies along the spectrum from early to late stages of development. Baker's investments in Sand Video, an early stage video compression technology company, and Canal+ Television, the leading premium pay-TV provider in the Nordic region, provide the firm with insights into how DTT can be successful in the highly dynamic media landscape in Finland. Baker successfully sold Sand Video to Broadcom Corporation in April 2004 and Canal+ Television to SBS Broadcasting in February 2005.

About Digi TV Plus Oy

Digi TV Plus Oy is a newly established company specializing in the distribution of digital television channels, marketed to customers under the name PlusTV. PlusTV's target group is all terrestrial households in Finland. The aim of the company is to create a packaged selection of television content consisting of the most popular Finnish and foreign channels, designed to appeal to the Finnish public. The company's CEO is Vesa Mars, with Arne Wessberg serving as Chairman of the Board. The company's financial investors include Baker Capital, a private equity firm focused on digital communications, and Provider Venture Partners, a leading Nordic venture capital firm.

About Baker Capital

Baker Capital, founded in 1995, is a New York-based private equity firm with \$1.5 billion under management. Baker Capital invests in digital communications companies at all stages of development. The partners of Baker Capital have extensive private equity and operational experience allowing the firm to provide its portfolio companies with not only capital, but also global strategic thinking and relationships. Other current European investments include Interxion, a pan-European web hosting company, and QSC AG, a leading broadband provider in Germany. To find out more about Baker Capital, visit <http://www.bakercapital.com>.

About Provider Venture Partners

Provider Venture Partners AB is a leading venture capital partnership focusing on accelerating the growth of Nordic early and expansion stage technology companies. Provider advises a range of funds with in total SEK 3 billion under management. The current portfolio includes 25 investments in the areas of communication technologies, software and enabling technology. A team of 17 professionals has advised close to 90 investments since 1992 making Provider one of the most active and experienced VCs in the Nordic region. To find out more about Provider Venture Partners, visit <http://www.providerverture.com>.

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