



CSquared

Google, Convergence Partners, International Finance Corporation, and Mitsui co-invest in CSquared, a wholesale broadband infrastructure company in Africa

CSquared continues the important broadband access development that Google started as Project Link in Uganda and Ghana

May 16, 2017 (Nairobi, Kenya): Google, Convergence Partners, International Finance Corporation (“IFC”), and Mitsui & Co., Ltd. (“Mitsui”) signed an agreement to invest in CSquared, a broadband infrastructure company focused on building wholesale metro fibre optic networks and enabling internet access in Africa. CSquared will operate as an independent company headquartered in Nairobi, Kenya with cumulative capital commitments up to \$100 million. CSquared has operational networks in Uganda and Ghana and plans to deploy networks in more countries. The transaction is subject to customary closing conditions.

This partnership will combine Google’s technical knowledge and expertise in deploying and operating wholesale metro infrastructure in Uganda and Ghana through Project Link with the additional capital, skills, and reach from all four investors. [Convergence Partners](#)’ deep experience of active, value adding investing in the ICT sector in sub-Saharan Africa, [IFC’s](#) experience spanning over 40 years supporting the development of the telecommunications sector in Africa, as well as [Mitsui](#)’s cross-industry capabilities, vast investment portfolio and global business presence, and its experience as a strategic investor in the ICT sector, will significantly bolster the scale and resources of CSquared in its continued quest to grow access to the Internet across the entire sub-Saharan region.

Africa lags behind most regions in broadband internet access — only six percent of Africans have access, making it difficult for the region to achieve its human and economic potential. In a predominantly wireless environment like Africa, mobile networks depend upon high speed and reliable optical fibre to connect to cellular towers to enable them to provide high quality, wireless broadband services to customers. Furthermore, fibre is becoming an increasingly important way

for end users to directly access the Internet, especially large businesses, small and medium enterprises (SME), and educational institutions, research organizations, and residential estates.

Still, fibre optic cable is expensive. Deploying and operating infrastructure on a shared basis can help lower installation and consumer costs. The open access philosophy is integral to the CSquared model and its shareholders. CSquared offers superior quality, affordable wholesale services to all licensed operators to unlock a thriving digital ecosystem.

Marian Croak, Vice-President at Google said, “We believe that together under CSquared, we can get more done to roll-out and operate affordable, high-speed, and reliable infrastructure to expand internet access in Africa. Project Link has demonstrated the impact of shared wholesale infrastructure, and we’re excited to see CSquared bring more infrastructure to more service providers and their customers.”

In 2011, Google identified a major barrier to more affordable, reliable broadband in Africa: the lack of fibre optic networks in major cities. This led to Project Link, an initiative to build world-class, high-speed urban fibre networks in Africa’s metropolises. In 2013, Google folded these efforts under a new company brand called CSquared with the aim of expanding access and lowering costs. CSquared built more than 800 km of fibre in Kampala and Entebbe, in Uganda; and more than 840 km of fibre in the Ghanaian cities of Accra, Tema, and Kumasi. Collectively over 25 ISPs and MNOs now use these metro fibre networks to offer broadband services and 4G data to end users, with over 1,200 tower and commercial building sites connected directly to CSquared’s fibre infrastructure.

Isaac J. M. Kasana, CEO of Research and Education Network for Uganda (RENU) stated, “Research collaboration among universities in Uganda is important. Project Link and now CSquared gives us capacity that is well-priced for local collaboration, and provides us with a network that is scalable and easy to upgrade.”

Praveen Sadalage, CEO of Busy, said, “With CSquared, we are consistently able to meet and exceed our consumer and business customer expectations of reliability and quality, and this is helping us grow and position ‘Busy’ as THE preferred 4G data access provider.”

Google, Convergence Partners, IFC, and Mitsui believe in shared infrastructure and a shared vision to expand CSquared to meet the continent’s high demand for quality networks and internet access.

About CSquared

CSquared is a technology company, making commercially driven investments into broadband-enabling infrastructure throughout Africa. When it comes to Internet access, a basic connection is useful — but it is abundant, affordable broadband that can transform communities and help people make the most of opportunities online. By investing in internet infrastructure

and making it available to local ISPs and MNOs, CSquared helps bring high-quality broadband access to Africa's large cities.

About Convergence Partners

Convergence Partners is a pan-African ICT-focused private equity player, delivering enhanced investment returns while underpinning Continental development. Convergence Partners has a proven track record of developing new investment opportunities as well as actively adding value to investments across the lifecycle of ICT assets. As impact investors, Convergence Partners brings its skills, experience and capital to accelerate ICT infrastructure development on the Continent, focusing on initiatives that increase availability of communications, broadband services and new technology offerings to the people of Africa. For more information, visit <http://www.convergencepartners.com/>

About International Finance Corporation

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with 2,000 businesses worldwide, we use our six decades of experience to create opportunity where it's needed most. In FY16, our long-term investments in developing countries rose to nearly \$19 billion, leveraging our capital, expertise and influence to help the private sector end extreme poverty and boost shared prosperity. IFC's portfolio in TMT sector is US\$1.3 billion and encompasses a wide range of subsectors including broadband, mobile operators, independent tower companies and data centers across all emerging markets. For more information, visit www.ifc.org.

About Mitsui

Mitsui is one of the most diversified and comprehensive trading, investment and service enterprises in the world, with 137 offices in 65 countries as of April, 2017. Utilizing its global operating locations, network and information resources, it is multilaterally pursuing business that ranges from product sales, worldwide logistics and financing, through to the development of major international infrastructure and other projects in the following fields: Iron & Steel Products, Mineral & Metal Resources, Infrastructure Projects, Integrated Transportation Systems, Chemicals, Energy, Food & Retail Management, Healthcare & Service, Consumer Business, IT & Communication Business, and Corporate Development Business. Mitsui is actively taking on challenges for global business innovation around the world. For more information, visit <http://www.mitsui.com/jp/en>

About Google

Google's mission is to organize the world's information and make it universally accessible and useful. Through products and platforms like Search, Maps, Gmail, Android, Google Play, Chrome and YouTube, Google plays a meaningful role in the daily lives of billions of people and has become one of the most widely-known companies in the world. Google is a subsidiary of Alphabet Inc.

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