

# Stephens Telecommunications Group Transaction Announcement

## Communications Sales & Leasing Announces Acquisition of PEG Bandwidth

Stephens Inc. served as financial advisor to Communications Sales & Leasing

### Transaction Details

*As Indicated by Communications Sales & Leasing in its Press Release*

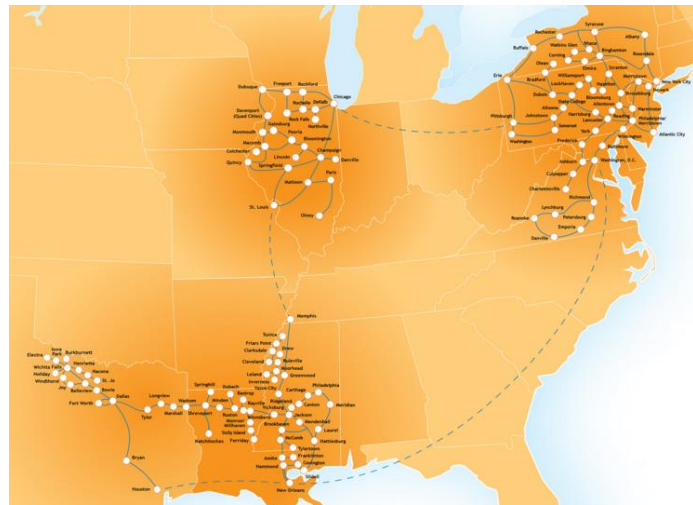
**Transaction Date:** January 7, 2015  
**Expected Closing:** April 2016

### Transaction Summary

- Communications Sales & Leasing, Inc. ("CSAL") and PEG Bandwidth LLC ("PEG") announced a definitive agreement under which CSAL will acquire the outstanding equity interests of PEG for total transaction consideration of \$409 million, subject to adjustment
  - PEG shareholders will receive \$315 million in cash, one million shares of CSAL stock and 87,500 shares of CSAL's 3% Series A Convertible Preferred Stock
- CSAL intends to fund the cash portion of the transaction through cash on hand and borrowings under its revolving credit facility
- PEG is a leading provider of infrastructure solutions including cell site backhaul and dark fiber for telecom carriers and enterprises
- PEG's fiber network consists of over 300,000 strand miles in the Northeast / Mid Atlantic, Illinois and South Central regions of the U.S.
- The transaction is expected to close in early 2016 and is subject to regulatory approval as well as other customary terms and conditions
- Stephens Inc. served as financial advisor to CSAL



### Network Map



Source: Press release, Company website and publicly available information.

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