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FOR IMMEDIATE RELEASE

3 June 2019

KCOM GROUP PUBLIC LIMITED COMPANY

Statement regarding the withdrawal of the board's recommendation of the offer by Humber Bidco Limited

Following the announcement today of a recommended cash offer for KCOM Group Public Limited Company (**KCOM**) by MEIF 6 Fibre Limited (**MEIF 6 Fibre**), a wholly-owned indirect subsidiary of Macquarie European Infrastructure 6 SCSp (an investment fund managed by Macquarie Infrastructure and Real Assets (Europe) Limited (**MIRAEEL**)) (**MEIF 6**), for the entire issued and to be issued ordinary share capital of KCOM (the **MIRA Offer**), the board of KCOM confirms that it has withdrawn its recommendation of the offer made by Humber Bidco Limited (a wholly-owned indirect subsidiary of Universities Superannuation Scheme Limited (acting in its capacity as sole corporate trustee of Universities Superannuation Scheme)) (the **USS Offer**) and that it intends unanimously to recommend the MIRA Offer.

The MIRA Offer price of 108 pence per share in cash represents an aggregate value of £563 million for KCOM's issued and to be issued share capital. In evaluating the MIRA Offer, the board of KCOM has considered various aspects of the MIRA Offer and considers the MIRA Offer to represent a superior offer for KCOM's shareholders as compared to the USS Offer.

The board of KCOM proposes to adjourn the Court Meeting and the General Meeting (both terms having the meanings given to them in the scheme document posted to KCOM shareholders in relation to the USS Offer dated 9 May 2019) to be held on 5 June 2019.

Further announcements will be made as and when appropriate.

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Further Information

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the MIRA Offer or otherwise.

Important notices relating to financial advisers

N.M. Rothschild & Sons Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for KCOM and no one else in relation to the MIRA Offer and/or other matters set out in this announcement and will not be responsible to anyone other than KCOM for providing the protections afforded to clients of Rothschild & Co or for providing

advice in relation to the MIRA Offer, the contents of this announcement or any other matter or arrangement referred to herein.

Peel Hunt LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting for KCOM and no-one else in connection with the MIRA Offer and/or other matters set out in this announcement and will not be responsible to anyone other than KCOM for the protections offered to its clients nor for providing advice in relation to the MIRA Offer or any matters referred to in this announcement.

Investec Bank plc, which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for KCOM and no one else in relation to the MIRA Offer and/or other matters set out in this announcement and will not be responsible to anyone other than KCOM for providing the protections afforded to the clients of Investec or for providing advice in relation to the MIRA Offer, the contents of this announcement or any other matter or arrangement referred to herein.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

This announcement and the documents required to be published pursuant to Rule 26 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on KCOM's website at www.kcomplc.com promptly and in any event by no later than 12 noon on the Business Day following the date of this announcement.

Neither the content of the websites referred to in this announcement nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this announcement.

General

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.