

DATE

July 26, 2019

SECTORS

Infrastructure

DEAL LOCATIONS



DEAL TEAM

DC Advisory advised DWS the acquisition financing for The Datacenter Group



Background:

- The Datacenter Group (the Company) owns a portfolio of four datacenter sites across the Netherlands
- The Company own sites in Amsterdam, Delft, Utrecht and Rotterdam, with a total potential sellable capacity power of c. 9.2MWs
- The Company benefits from a loyal and diversified customer base with over 100 customers, a low churn rate of 1.2%, an average PUE of 1.15 and an average weighted contract length of c. 6.5 years

Process:

- DC Advisory (DC) was engaged by repeat client, DWS, to provide debt advice on the acquisition
- DC ran a comprehensive financing process, engaging various sources of liquidity
- DC led or contributed to a number of detailed work streams, including financial modelling, business planning and due diligence, while also leading on debt structuring and full documentation negotiations in order to address a number of key objectives, such as:
 - Securing a Certain Funds financing to support the bid
 - Positioning the business as a strong 'infra' credit to secure optimal financing terms from infrastructure lenders
 - Ensuring the financing has the flexibility to deliver the business plan and support the future growth of the business

Outcome:

- DC delivered a successful outcome which assisted the Company in meeting its key refinancing objectives, including:
 - Secured committed financing at attractive leverage multiples
 - Established a financing platform that supports growth through a revolving capex facility and ability to bring in long-term debt providers alongside banks
 - Successfully positioned as an infrastructure lending opportunity which allowed us to deliver a competitive and attractive cost of debt with the flexibility to make distributions out over the next five years