

DATE

October 10, 2019

SECTORS

Infrastructure

DEAL LOCATIONS



DEAL TEAM

DC Advisory advised DWS on the acquisition of NLDC



Background:

- NLDC (the Company) owns a portfolio of six colocation data centres in the Netherlands
- Three of the sites are in Amsterdam with data centres also located in Eindhoven, Groningen and Rotterdam and room for continued expansion. When combined, the sites have a total sellable capacity of 26MW
- NLDC has c.300 clients, including the vendor KPN, and will benefit from being carrier neutral going forward
- This is the second data centre acquisition in the Netherlands by DWS, following the acquisition of The Datacenter Group in June 2019, for which DC Advisory was also the appointed advisor
- DWS will bring the two businesses together to create a 'national champion'

Process:

- DC Advisory (DC) were engaged by repeat client, DWS, to provide debt advice on the acquisition
- DC ran a comprehensive financing process, engaging with 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 an 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 financing objectives, including:
 - Secured committed financing at attractive leverage multiples
 - Established a financing platform that supports growth through a revolving capex facility and has the 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
- DC delivered a bank group which will facilitate the combination of The Datacenter Group and NLDC into one platform