

DATE

December 04, 2017

SECTORS

Infrastructure

DEAL TYPE

M&A Advisory
Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Neale Marvin
Managing Director



Phillip Hyman
Managing Director



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Director

DC Advisory advised Adven on the acquisition of E.ON Värme Lokala Energilösningar Aktiebolag



Background:

- As part of E.ON's divestment program, E.ON planned to divest their 100% interest in E.ON Värme Lokala Energilösningar Aktiebolag (EVLE)
- EVLE owns and operates well established district heating operations across nine municipalities where it is the sole provider of district heating services in Southern and Central Sweden
- In addition, EVLE has 24 distributed energy solutions (DES) locations in the same areas delivering heat, steam and power solutions to industrial customers
- The total heat generation capacity of EVLE is c405MW across a network of 294km reaching c3,300 customers through an extensive network
- EVLE was seen as strategically important to Adven as it enabled it to further develop its Swedish platform, helping establish Adven as the leading pan-Nordic provider of tailored corporate energy solutions and district heating

Process:

- DC Advisory (DC) was engaged by Adven to provide M&A and debt advice on the acquisition of EVLE from E.ON
- DC has an in-depth understanding of the district heating sector in Europe, having previously advised on the acquisition of Coriance (France) in 2016, Adven (operating across Finland, Sweden and Estonia) in 2015 and Fortum Norway in 2014
- DC ran a focused M&A and debt process engaging across a number of detailed work streams including valuation, due diligence, financial modelling, debt and process

management

Outcome:

- DC ensured all M&A workstreams were successfully completed within a challenging timeframe
- DC also delivered a smooth debt process, amending the current Adven debt facilities to allow for the acquisition to be made and partially debt financed
- Adven was successful in a highly competitive two stage auction process
- On 4 December 2017 E.ON and Adven announced the sale of EVLE
- DC previously advised AMP Capital and Infracapital on the successful acquisition of Adven in 2015