

Arcus European Infrastructure Fund GP LLP TDF

1 April 2015

Arcus, APG, PSP and Brookfield complete the acquisition of TDF

Arcus Infrastructure Partners (“Arcus”), APG Asset Management N.V. (“APG”), Public Sector Pension Investment Board (“PSP Investments”) and Brookfield Infrastructure Group (“Brookfield”) closed the acquisition of TDF S.A.S. (“TDF”) on 31 March 2015. The closing represents the final stage of TDF’s sale, which was first announced on November 6, 2014, after fulfilment of all legal and regulatory requirements. The transaction values TDF at €3.6bn.

Arcus first identified and evaluated this opportunity in H1 2013. Arcus led the formation of a consortium which was ultimately granted exclusivity in a bilateral deal in August 2014. As part of the transaction, TDF’s non-French operations (mostly Germany) were carved out prior to closing in order to create a pure-play, French broadcasting and towers company. The transaction was further complicated by the significant amount of debt supporting the broader TDF group. Arcus led the arrangement of a very attractive bank financing package, which the consortium intends to refinance in the international bond markets.

Leveraging its long-standing deep sector knowledge in the telecom infrastructure space, Arcus will be managing its own investment as well as APG’s and PSP Investments’ in TDF, which in aggregate represents a 50% shareholding in TDF. The remaining 50% is owned by Brookfield. The consortium is considering selling down a minority stake of up to 10% to a French reference investor.

About TDF

TDF provides essential services and critical infrastructure to the media broadcasting and telecom sectors in France. The company owns and operates a high quality, national network of unique infrastructure with more than 6,690 multi-purpose tower and active rooftop sites, as well as 5,000 km of fibre backbone. These essential services are supported by long-term contracts and inflation-linked cash flows. The portfolio’s growth will be driven by increasing tower deployment by mobile network operators as a result of rising mobile data consumption needs and increased coverage requirements.

Olivier Huart, TDF’s CEO said: *“TDF’s new shareholders are long-term investors who have deep experience in owning and operating infrastructure assets. The company is now well positioned for future growth, with a stronger balance sheet, a tradition of technological innovation and a strategy that will see TDF take advantage of new development opportunities and continue to be a trusted partner to clients.”*

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