THE ADVISORS OF THE ACQUISITION OF A 45% STAKE OF BLUEVÍA FIBRA

Posted on 26/07/2022

Category: Deal & transactions
Tags: Bluevía Fibra, Carmen Burgos, slider, Telefónica Group

Telefónica Group, one of the greatest telecommunications services operators at a global scale, and the consortium Crédit Agricole Assurances, the bank insurance Group, and Vauban Infrastructure Partners, a leading long-term infrastructure investor, have reached an agreement to set up Bluevia Fibra, a unique platform for the commercialization and deployment of a fibre network in Spain, mainly in rural areas and with limited overlap with other networks.

The consortium formed by CAA/Vauban will acquire a 45% stake in Bluevia from Telefónica España through an upfront consideration of €1,021 million in cash, valuing 100% of Bluevia at €2,500 million, which represents an implied multiple of 27.1x over the company's proforma estimated OIBDA for 2022. Upon completion of the transaction, Telefónica Group will retain a 55% stake in Bluevia and CAA/Vauban will retain the remaining 45%. The 55% stake owned by Group Telefónica will be held by Telefónica España and Telefónica Infra, with 30% and 25% stakes respectively.

As a neutral wholesale company, Bluevia will manage and deploy a fibre network in low populated rural areas in Spain and low overbuild with third operator's networks. Bluevia will offer wholesale FTTH access to all telecommunication services providers. Based on an initial footprint of 3.5 million premises currently passed acquired from Telefónica España, Bluevia will increase its network to 5 million premises by 2024, bringing ultrafast broadband access with a greener technology to underserved areas. These 3.5 million premises to be sold to Bluevia represent 13% of Telefónica's FTTH network in Spain, whilst Telefónica España retains full ownership of the rest of the network.

Additionally, Bluevia will benefit from Telefónica España's operational and commercial capabilities as well as from fibre network deployment with focus on the areas where Telefónica has copper clients as it has committed to switch-off its retail copper network by 2024.

The advisors

Linklaters advised Vauban Infrastructure Partners and Crédit Agricole Assurances with a team compodes by **Carmen Burgos** (pictured left)**, Elena Rodríguez** (pictured in the middle), **Jaime Pelaez** (all corporate / M&A); **Mario García** (pictured right), **Gonzalo Sanz** (both public law); **Begoña Martínez, Ben Crosse, Piotr Hurkala** (all banking); **Alejandro Meca, José Alarcón** (both tax); and **Fredrik Lowhagen, Bárbara Rivera** (both competition).

Uría Menéndez advised Telefónica with a team composed by: **Pablo González-Espejo (**partner, M&A-Private Equity and Digital Law Group, Madrid); **Rafael Núñez-Lagos** (partner, M&A-Private Equity, Madrid); **Ignacio Klingenberg** (partner, M&A-Private Equity and Digital Law Group, Madrid); R**afael García-Llaneza** (partner, Tax, Madrid); **Luis Jimenez** (partner, Finance, Madrid); **Antonio Guerra** (partner, Competition, Madrid); **Miguel Martínez Gimen**o (partner, Administrative Law, Madrid); **Daisy Chapman** (foreign legal consultant, Finance, Madrid); **Violeta Pina** (counsel, Tax, Madrid); **Carla Alonso** (senior associate, M&A-Private Equity, Madrid); **Gonzalo Sanz** (junior associate, M&A-Private Equity, Madrid); **Lucas Delclaux** (senior associate, Finance, Madrid).

Clifford Chance has advised the consortium lenders on the structuring and commitment for the financing for the acquisition with a crossborder team co-led by Global Financial Markets Partners **Daniel Zerbib** (Paris) and **Eugenio Fernández-Rico** (Madrid). They were supported in France by Global Financial Markets Associate, **Quentin Hervé** and Corporate Counsel, **Raphaël Durand**, in Spain by Global Financial Markets Senior Associate, **Ana Cano**, Corporate Associates, **Samuel Rosas** and **Beatriz Melo** and in
Luxembourg by Global Financial Markets Associate, **Robert Kuhn**.