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EQUINIX ACQUIRES FOUR ENTEL DATA CENTRES IN CHILE AND PERU

Equinix acquires four Entel data centres in Chile and Peru

Lily Squires

Chile's largest telecoms company Entel has turned to Claro & Cía in Santiago to sell four data centres in Chile and Peru for US$705 million to US internet services and data centre group Equinix.

Equinix hired Carey in Santiago and Rebaza, Alcázar & De Las Casas in Lima. Latin Lawyer understands that the buyer also hired Davis Polk & Wardwell LLP, but this could not be confirmed before publishing.

The deal was announced on 18 March and is expected to close in the second quarter of 2022.

Equinix will acquire three data centres in Santiago. The deal may also include one facility in Lima, which is pending a definitive agreement.

"Latin America holds enormous potential, and our commitment to the region has exponentially grown since we entered back in 2011," says Charles Meyers, Equinix's CEO. "Chilean, Peruvian and multinational companies are thirsting for the digital infrastructure required to thrive in today's economy," he remarks.

The four purchased facilities generate annual revenue of US$53 million. Some 120 Entel employees and contractors are expected to transfer over to Equinix as part of the deal.

Equinix's existing data centre presence in Latin America includes facilities in São Paulo, Rio de Janeiro, Bogotá, Mexico City and Monterrey.

Entel provides mobile telecoms services in Chile and Peru. Back in September, the group made its first sustainable bond offering on the international market, raising US$800 million. Entel allocated some of the proceeds to invest in renewable energy initiatives.

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This is just one of several recent large data centre acquisitions in Latin America. Last month, Goldman Sachs invested in Brazilian data centre group Elea Digital, a subsidiary of Rio de Janeiro-based holding company Piemonte. In November, US investors KKR and Global Infrastructure Partners (GIP) purchased 50 data centres around the world for some US$15 billion, including assets in Brazil, Chile, Colombia and Mexico. In that same month, US investment fund I Squared Capital bought Mexico's largest data centre operator KIO Networks for an undisclosed amount.

Counsel to Equinix

In-house counsel - Scott Hettema

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Rebaza, Alcázar & De Las Casas

Partner Felipe Boisser and associates Rafael Lulli and Stefano Amprimo in Lima

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