



A strengthened position in the profitable and fast-growing cloud solutions market

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DEAL SNAPSHOT

The leading Google Cloud partner in Iberia, Nubalia Cloud Computing, S.L., has been acquired by French-listed group Devoteam.

Nubalia is a cloud consulting firm specialized in the Google environment, commercializing Gsuite and Google Cloud Platform (GCP) solutions to medium and large companies through a licensing model, as well as offering support and other complementary services. With offices in Madrid, Barcelona and Granada in Spain, Lisbon in Portugal and Cape Town in South Africa, Nubalia serves more than 450 customers in Europe, Latin America and Africa. The company, which has experienced 55% CAGR in the last five years, was founded by Miguel Planas in 2010 and employs more than 50 people.

Devoteam is a French IT consulting firm with more than 25 years of experience focused on the segments of digital transformation, data and analytics, cybersecurity and cloud computing. A Google Cloud premier partner, it has a market capitalization of over US\$1 billion and presence in 18 countries. With this acquisition, Devoteam, after more than 10 years of collaboration with Google, expands and reinforces its capabilities in Google Cloud technologies in Spain and Portugal, thus strengthening its strategy and multicloud solutions globally, while supporting Nubalia's management team in the execution of an ambitious business plan.

“The entry of Devoteam consolidates Nubalia's position as an authoritative cloud solutions provider in Europe, enabling it to compete with the big players in a market that is consolidating by leaps and bounds. Oaklins has led the process with great professionalism in the very difficult context of lockdown. I would like to highlight their methodology, agility and teamwork.”

MIGUEL PLANAS
FOUNDER, NUBALIA
CLOUD COMPUTING, S.L.,
SPAIN

OAKLINS PLAYED A MAJOR ROLE FACILITATING THIS DEAL

Oaklins' team in Spain acted as the exclusive M&A advisor to the shareholder of Nubalia. This included preparing the sale documents, the identification of and approach to a number of potential buyers, supervising the buy-side due diligence, as well as negotiating with several parties and giving support up to the closing of the transaction. Oaklins' team in France identified Devoteam as a suitable candidate and made the introduction to Oaklins in Spain, who managed to maintain deal momentum by effectively addressing and managing the impact of COVID-19 on the sale process, which eventually resulted in a successful closing.



MARKET TRENDS & DEAL DRIVERS

The cloud computing sector is rapidly growing at a global level, with future CAGRs expected at 10%, even more following the COVID-19 pandemic, which boosted the needs of companies for digital transformation and cloud adoption.

Amazon, Microsoft and Google are some of the largest players in the fast-growing cloud market. However, since Google was the last of the three to launch its cloud services, it is expected that Google's GCP services will grow at a higher pace than the rest of the market. This has increased the appetite of global IT providers to acquire local companies focused on offering Google Cloud technologies.

A consolidation trend is gathering pace in the Spanish cloud computing market, with a number of transactions involving large IT multinationals and small local businesses specialized in cloud services being carried out in the last 24 months. Many of these large players compete with domestic peers, and find that a takeover is the best way to both gain market share in each region and bring talent into the organization.

M&A VALUATION ASPECTS

Financial details of the transaction have not been disclosed.

Aspects that contributed to the buyer's willingness to pay a high valuation include Nubalia's track record and short-term expectations, strong value proposition – providing not only Google Cloud solutions but also related value-added services – and diversified and loyal blue-chip customer base underpinned by long-term commercial relationships.

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José Antonio specializes in advisory work, including public and private M&A transactions and valuations for both listed and non-listed firms. He has advised Spanish companies, such as Repsol, Endesa, Aegon, Ercros and Zeltia, as well as international corporations in their growth and development plans within and outside Spain. He has recently advised on the sale of RGIB's Furniture Division to Roca and the acquisition of Rotecna by Skold.

Laura advises on domestic and cross-border transactions across a broad range of sectors. She also has experience in capital raising. Some of her clients include Inspired Education Group, Laboratorios Almond, Calidad Pascual, Cafento, Asturbega, Quimi Romar, Cantabria Labs, Lateral, Café y Té, Bimba y Lola, Armani España and Cortefiel, as well as private equity funds such as PAI, CVC, Permira, Artá Capital, ProA, Nazca, BlueGem and Realza Capital.



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