

Teraco announces new funding package with Barclays Africa

Teraco Data Environments, Africa's vendor neutral colocation data centre operator and Internet exchange point (IXP) announced that it has increased the size of its medium term funding facility to R400m, secured from Barclays Africa.



"This is a further significant milestone for Teraco. This facility, together with internally generated funds are earmarked for continuing our large scale investments into Data Centre Infrastructure roll-outs," says Jan Hnizdo, Teraco's Chief Financial Officer.

Teraco builds and operates colocation data centre facilities that enable clients to deploy telecommunications equipment and other key IT infrastructure in a scalable way. Teraco further provides clients with a secure environment where they are able to easily connect to submarine cable systems, local terrestrial networks, most major African IP backbones and key content aggregation hubs.

"Teraco's premium data centre services are in high demand, and the demand is set to continue underpinned by strong growth in the Internet and increased cloud adoption," says Lex van Wyk, CEO of Teraco.

Rapid expansion

Teraco has seen a rapid expansion in its footprint over the last three years to include three state-of-the-art data centres located in Cape Town, Durban and Johannesburg, which combined, comprise 10 MVA of power plant, powering over 6,000m² of data centre space. Teraco is also home to NAPAfrica, Africa's largest neutral layer-two Internet exchange point (IXP), a home to more than 180 peers across sub-Saharan Africa.

Hnizdo says the Barclays Africa funding facility will allow for the construction of a large new data centre in Johannesburg to meet continued client demand. The initial phases in the construction of the JB2 facility are projected to commence in 2014.

"Barclays Africa has been an integral partner to the continued success of Teraco, they have been supportive and flexible with regards to our growth ambitions and understand our unique business model associated infrastructure funding requirements," concludes Hnizdo.

"This is an exciting sector right now. We are delighted to assist Teraco again in the funding of their new data centre to meet continued client demand and to help them in delivering on their client proposition" says Jason Abt, Head of Leveraged Finance and Corporate Debt, from Barclays Africa.

"Telecommunications is an exciting industry to be in right now - it is at the heart of the explosive innovation and growth centred around the Internet - and Teraco has rapidly evolved into being the internet exchange point (IXP) and connectivity hub for sub-Saharan Africa. The securing of the additional Barclays Capital funding will allow Teraco to remain a significant contributor in the industry," van Wyk concludes.

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