Cube grows energy portfolio with French acquisition

The French fund manager has acquired Idex, billed as 'France's largest independent energy and environmental services company', from private equity firm IK Investment Partners for an undisclosed amount. Idex posted sales of €525m as of February 2011.

French infrastructure fund manager Cube Infrastructure has acquired French energy and environmental services company Idex from European private equity firm IK Investment Partners (IK) for an undisclosed amount, IK announced last week.

Idex is based near Paris and is described by IK as "France's largest independent energy and environmental services company", managing public and private collective heating and cooling networks, technical maintenance of central heating installations and third-party management of utilities, IK said. Its clients comprise local authorities, industrial corporations and residential and commercial complexes.

IK said it increased Idex's employees by 25 percent to 3,500 people and grew its net sales by 40 percent to €525 million (as of February 2011) since it acquired the company in November 2004. It did this by selling non-core operations and refocusing management on core energy and environmental services. "Idex is now ideally positioned to take advantage, with the help of its new shareholder, of the growing demand for energy services in France," IK partner Dan Soudry stated.

Cube has been busy on the acquisitions trail ever since it closed its first fund on €1.1 billion last year, with limited partner investors including Maine Public Employees Retirement System and Partners Group (see InfrastructureConnect). Its most recent acquisition took place in July, when it bought Renewable Power International, the operator of 17 mini-hydropower plants across Spain and Portugal, for an enterprise value of €230 million.

Earlier in May, Cube spent €66 million buying 50 percent of French telecommunications group Covage. In January, it acquired the French division of Neoelectra Group, an independent power producer with assets in France and Spain. And last December, Cube spent more than €300 million buying Arriva Deutschland, Germany's second-largest private regional transport operator.