

TeleComputing Acquires IT Service & Solutions Provider Digisys

Deal Highlights

- IMAP Norway advised the owners of Digisys on the sale of 100% of its shares to TeleComputing, a leading IT Services provider in the Nordic region.
- TeleComputing offers a broad service portfolio, including outsourcing and consultancy. Likewise, Digisys is also an IT services and solutions provider, offering services consultancy, holding long-standing relationships with both public and private customers.
- The transaction provided both companies with numerous opportunities for cross-sale of services and to fully maximize the benefits of ongoing cloudification.

Market Outlook

- Major global players such as Amazon and Azure, amongst others, have altered the way IT services are delivered. Users look for scalable, cloud and modern solutions, driving the market towards more outsourcing and hybrid and cloud-service providers.
- Traditional hosted services, ASP and on-premise solutions are rapidly being exchanged for hybrid and all-cloud solutions. In order to take advantage of economies of scale, offer complete service solutions and increase profitability, players are becoming larger and forcing the market to consolidate.
- The Nordics, specifically in Norway and Sweden, has been the arena for significant consolidation within the IT services market as companies seek to provide attractive portfolios for customers.
- Due to increased globalization, the same trend is also expected to impact the European market.

Valuation Summary

- The transaction with related features, has not been made public. Transactions in this sector are dependent on size, customer portfolio, product offering and company maturity in terms of cloud-based solutions. Furthermore, the proportion of long term agreements resulting in recurring revenues, with the potential to convert to cloud, is extremely important when determining valuations.



IMAP Approach

- IMAP Norway specializes in M&A within the business services and technology sectors in the Nordic region. The team not only has valuable and current market knowledge but also a breadth of relationships; they know the key players, where they are focused and how they are reacting to key market drivers. This enabled a targeted process, with 10 carefully selected potential regional buyers.
- IMAP Norway assisted Digisys throughout the entire acquisition process, which was tailored specifically to meet the rigorous requirements of the market, which is currently extremely agile. Due to the team’s experience and sector expertise, there was significant market interest and with the right selected buyer, the process was expedited and successfully closed within just four months.

Client Comment

Knut Erik Johannessen, Chairman, Digisys AS:

“IMAP Norway has a broad network and a deep understanding of our market and did a great job throughout the entire process. We are very satisfied with TeleComputing as our new partner. They complete our go-to-market model through their IT-as-a-service approach and well-known competencies around migrating to cloud services.”

IMAP Transaction Advisors

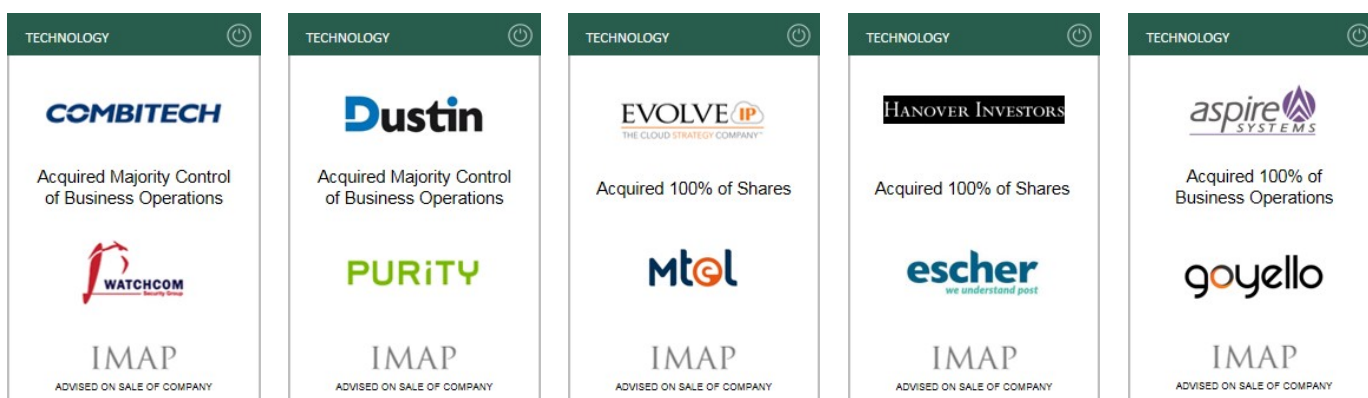


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IMAP has closed 94 transactions in the Technology sector since 2015



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