

PRIVATE EQUITY IN ACTION - CASE STUDY

Redexis Gas



Country	Spain
Region	Spain
Investor	GS Infrastructure Partners II and co-investors

Redexis Gas, the second largest transmitter and fourth largest distributor of gas in Spain, provides customers with access to an affordable and secure source of energy. The company operates in regions with gas penetration below the Spanish and European averages (est. 28% and 46%, respectively). Affiliates of two GS Infrastructure Partners II funds and certain co-investors acquired Redexis Gas in 2010 from Endesa, S.A., Spain's largest electric utility company. With GS Infrastructure Partners' support and a new management team, the company has made significant investments in Spanish natural gas infrastructure over the past five years. Since 2010, Redexis Gas has almost doubled its transmission and distribution network to c. 8,700 km and tripled the municipalities served to over 550, with gas now available in areas with over five million inhabitants.

>600k
gas connection points

85
additional employees since
2010



What did the business need?

- A new strategy for a standalone company and a growth plan to increase natural gas penetration
- A focus on improving investment efficiency
- A stable funding base with long-term investors supportive of the company's new strategic vision

How did private equity backing create lasting value?

- Provided support in hiring a management team with strong experience in the sector
- Encouraged a long-term development plan and accretive capital expenditure

The close involvement of GS Infrastructure Partners with Redexis Gas in the past five years has been key to developing Redexis Gas into a leading independent gas network company with a growth rate substantially higher

- Helped strengthen best-in-class commercial, operating and HSSE processes
- Assisted Redexis in establishing a long-term capital structure with two bond issues and an EIB loan
- Provided further capital for acquisitions

What outcomes did private equity investment achieve?

- Invested more than €700m to expand transmission and distribution networks
- Almost doubled the length of the network and tripled the number of municipalities served
- Significantly outperformed the sector in growth of connection points
- Increased social impact: the company now generates over 290 direct and 2,000 indirect jobs
- Developed award-winning technology (eg Redexis Gas won the ComputerWorld 2015 Award)

More information

[Redexis Gas](#)

[Goldman Sachs](#)

than its peers

FERNANDO BERGASA

Executive President
Redexis Gas

