

# Data Center Industry Update

Q4 2024





Dinan is a premier global investment bank, with proficiency in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory.

We are the trusted advisor to hundreds of middle market partners.

Contact Us

Please reach out to us to schedule a call to discuss this quarter’s market update or to explore how we can serve your business needs.

[Request a meeting](#)

Dinan was founded with the singular purpose of providing the highest standards of professionalism, sophistication, and execution expertise in merger and acquisition transactions to middle market companies comparable to that afforded to the Fortune 500 at full-service Wall Street investment banks. Creating \$70B+ in value through 900+ transactions closed since 1988, we would like to say thank you for your trust along the way.

Leadership



**Mike Dinan**  
President & CEO  
[mdinan@dinancapital.com](mailto:mdinan@dinancapital.com)  
(602) 248-8700



**William Downing**  
Managing Director  
[wdowning@dinancapital.com](mailto:wdowning@dinancapital.com)  
(602) 248-8700



**Tom Gerlacher**  
Managing Director  
[tgerlacher@dinancapital.com](mailto:tgerlacher@dinancapital.com)  
(312) 350-3966



**Lisa Kaufman**  
Managing Director  
[lkaufman@dinancapital.com](mailto:lkaufman@dinancapital.com)  
(312) 953-9143



**Rob Ullman**  
Managing Director  
[rullman@dinancapital.com](mailto:rullman@dinancapital.com)  
(650) 683-8181

Sector Coverage



- Industrials
- Healthcare
- Technology
- Transportation & Logistics
- Consumer
- Business Services
- Building Products & Services

Featured Transactions

<p>esscoe convergint has been acquired by US FOODS</p>	<p>iwc has been acquired by US FOODS</p>	<p>Team Select has received a strategic capital investment from SOUTHEASTERN</p>	<p>SignatureCare has been acquired by LIFEPOINT HEALTH</p>
<p>TPC MECHANICAL has been acquired by STRADA</p>	<p>IRN HOME CARE has been acquired by Webster</p>	<p>SignatureCare has sold its network of select Fire-Resisting Emergency Departments ("FREDs") in the Greater Houston area HCA+ HEALTHCARE</p>	<p>Indoff has been acquired by GLOBAL INDUSTRIAL</p>
<p>switch has been acquired by LOENBRO</p>	<p>ThermAir has been acquired by AIR</p>	<p>Bot-Aire has been acquired by HERMA</p>	<p>ARCHIVE360 has received a strategic investment from LEEDS EQUITY PARTNERS</p>

Our clients benefit from our local presence and global reach.



**AMERICAS**

- Atlanta
- Chicago
- Nashville
- Phoenix
- San Francisco

**EUROPE AND MIDDLE EAST**

- Amsterdam
- Antwerp
- Brussels
- Copenhagen
- Helsinki
- London
- Madrid

- Manchester
- Milan
- Munich
- Paris
- Stockholm
- Berlin
- Zurich

**ASIA-PACIFIC**

- Beijing
- New Delhi
- Singapore
- Sydney
- Tokyo

**Fully Integrated Mergers and Acquisitions Specialist**

**30+**

Senior officers dedicated to financial advisory services globally

**900+**

Successful transactions<sup>(1)</sup>

**\$70B+**

Total Transaction Value<sup>(1)</sup>

**300+**

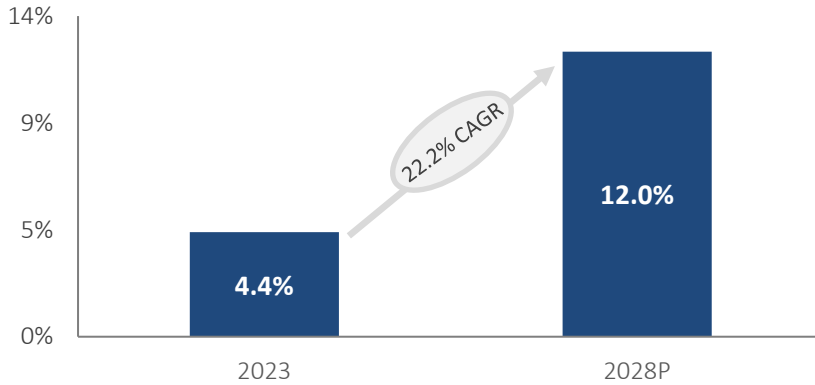
M&A Professionals Globally<sup>(2)</sup>

<sup>(1)</sup> Buy-side and Sell-side figure

<sup>(2)</sup> Includes TransLink, Dinan's exclusive international transaction partner

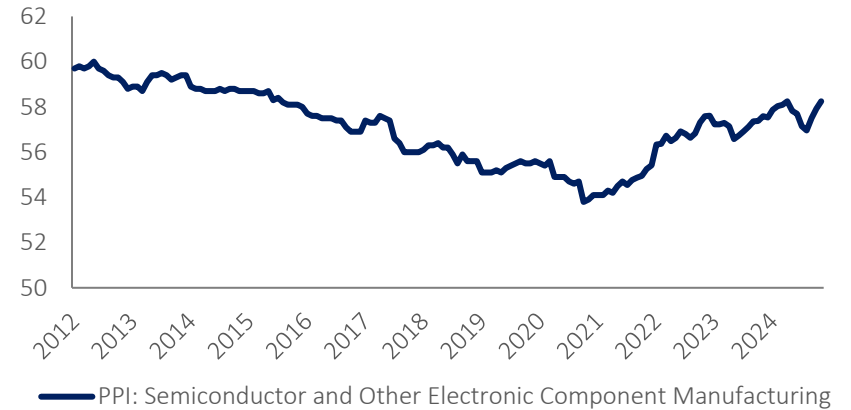
## Forecasted U.S. Data Center Electricity Consumption<sup>1</sup>

According to estimates by the Electric Power Research Institute, data centers could account for up to 12% of the United States' annual electricity consumption by 2028.



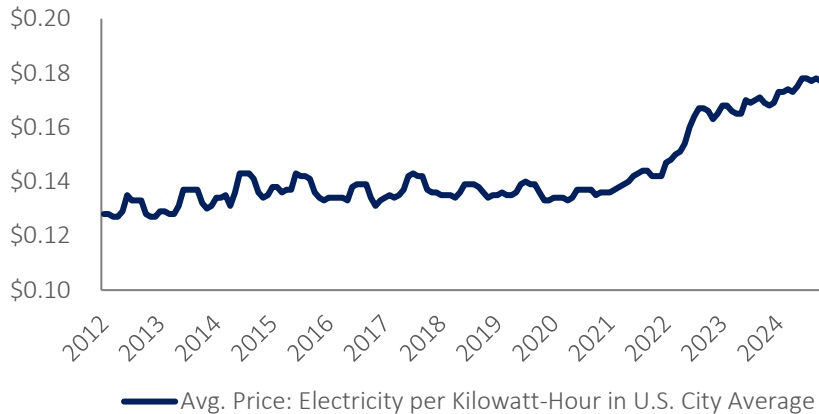
## PPI: Semiconductor and Other Electronic Component Manufacturing

PPI for Semiconductor and Electronic Component Manufacturing started to trend upward, increasing 1% in 2024, outlining the growing market demand.



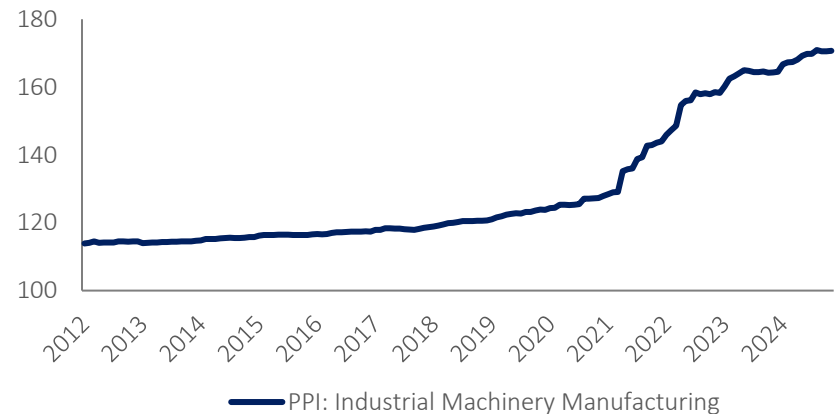
## Average Price: Electricity per Kilowatt-Hour in U.S. City

The average price of electricity per kilowatt-hour in U.S. cities has increased 30.4% from 2018 to 2024, highlighting the supply and demand constraints for electricity with the recent Data Center industry growth.



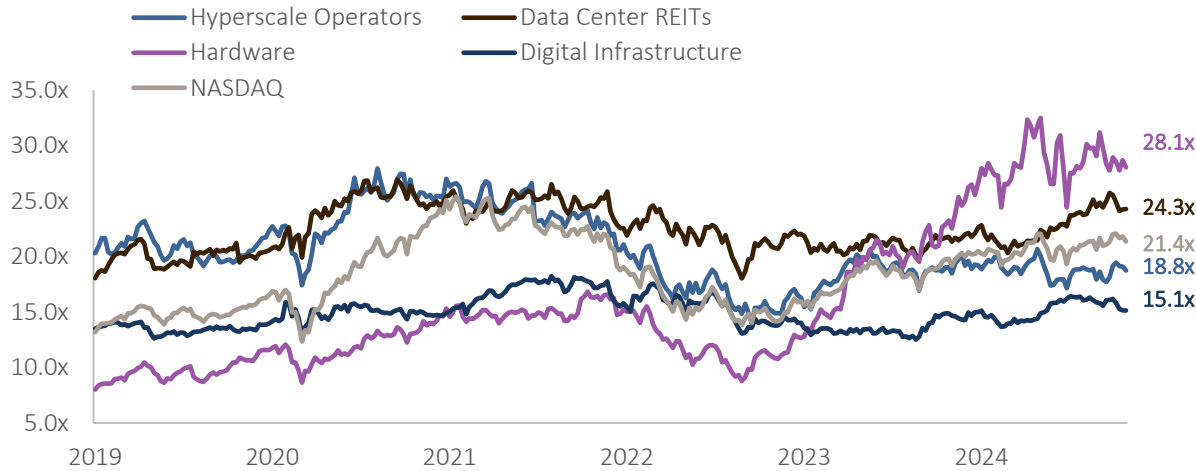
## PPI: Industrial Machinery Manufacturing

The PPI for Industrial Machinery Manufacturing has shown a remarkable upward trend, increasing by 37.3% since 2020, underscoring strong demand and growth in a burgeoning industry.



Sources: FRED  
(1) DOE

## Industry EV/EBITDA Multiples



## Key Takeaways

Data Center multiples showed signs of stability in 2024.

The Hardware segment continues to see rapid growth (+20% growth in FY 2024, following +116% growth in FY 2023).

**+20%**

Hardware Multiple Growth (FY 2024)

**+8%**

Nasdaq Multiple Growth (FY 2024)

## Market Dynamics and Outlook

- Growing demand for AI workloads and 5G adoption is driving investment in hyperscale data centers and edge facilities, with a focus on scalable solutions and low-latency performance closer to end-users.
- Data centers are increasingly adopting battery storage systems, microgrids, and AI-enabled energy management tools to address power grid instability, optimize usage, and enhance sustainability.
- Rising geopolitical risks are prompting companies to onshore operations, while green financing and carbon-neutral initiatives are shaping the future of data center infrastructure.
- Significant investments in land acquisition, energy sourcing partnerships, and modular designs are helping data centers adapt to shifting power and capacity needs.

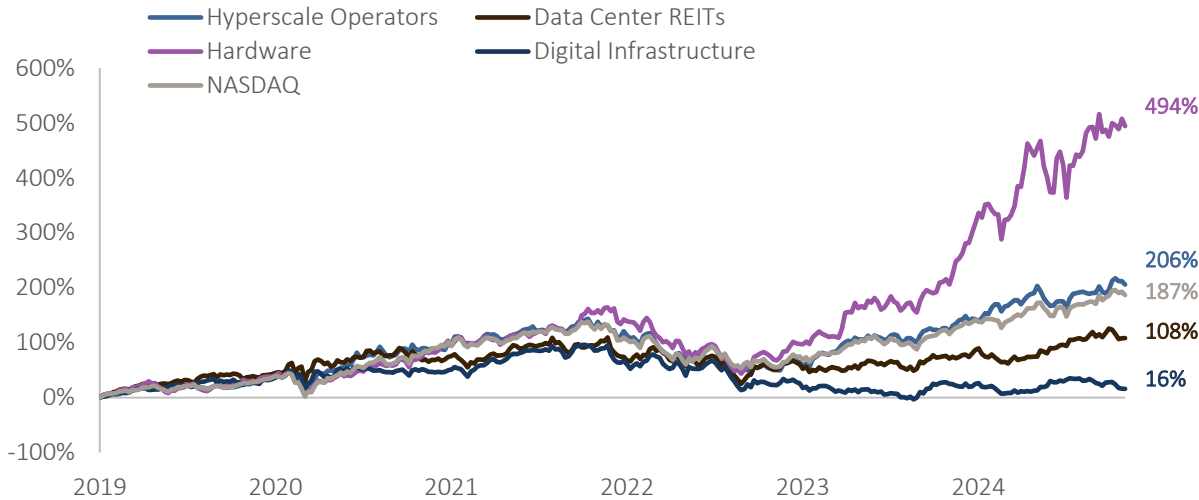
## Dinan's Relevant Transactions

ARCHIVE360 New York, NY has received a strategic investment from LEEDS   Equity Partners New York, NY Dinan Capital Advisors acted as exclusive financial advisor to Archive360, Inc. in this transaction.	Bel-Aire MECHANICAL Phoenix, AZ has been acquired by THERMA San Jose, CA a portfolio company of Blackstone Dinan Capital Advisors acted as exclusive financial advisor to Bel-Aire Mechanical in this transaction.	switch SYSTEMS Phoenix, AZ has been acquired by LOENBRO Black Eagle, MT a portfolio company of TAILWIND CAPITAL New York, NY Dinan Capital Advisors acted as exclusive financial advisor to Switch Electric in this transaction.	AC Photonics Santa Clara, CA has received an investment from CenterGate CAPITAL Austin, TX Dinan Capital Advisors acted as exclusive financial advisor to AC Photonics, Inc. in this transaction.
TPC MECHANICAL St. Augustine, FL has been acquired by STRADA Sanford, FL a portfolio company of TRILANTIC CAPITAL New York, NY Dinan Capital Advisors acted as the exclusive financial advisor to TPC Mechanical in this transaction.	esscoe the engineered systems company has been acquired by converjint a portfolio company of ARES   HARVEST LGP Dinan Capital Advisors acted as the exclusive financial advisor to Esscoe, LLC in this transaction.	NEWSPRING Radnor, PA through their portfolio company magna Frisco, TX has acquired stabenet Charlotte, NC	ThermaAir Mesa, AZ has been acquired by AIR CONTROL CONCRETE (fka AirHold & Associates) a portfolio holding of MDP and Blackstone Dinan Capital Advisors acted as the exclusive financial advisor to ThermaAir Systems in this transaction.

Source: Capital IQ as of 12/31/2024

Note: Tombstones included herein represent transactions closed from 2020 forward.

## Industry Index Value Performance



## Key Takeaways

Hardware and Hyperscale Operators segments saw continued substantial equity returns through FY 2024 and experienced steady growth in Q4, posting 10.3% and 4.9% equity returns in Q4 2024.

**+88%**

Hardware Equity Return (FY 2024)

**+35%**

Hyperscale Operators Equity Return (FY 2024)

## Market Performance by Sector

### Hardware

% Equity Return	
Q4 2024	10.3%
FY 2024	88.3%
FY 2023	87.9%
3 Year	125.0%

### Hyperscale Operators

% Equity Return	
Q4 2024	4.9%
FY 2024	35.2%
FY 2023	50.5%
3 Year	32.5%

### Data Center REITs

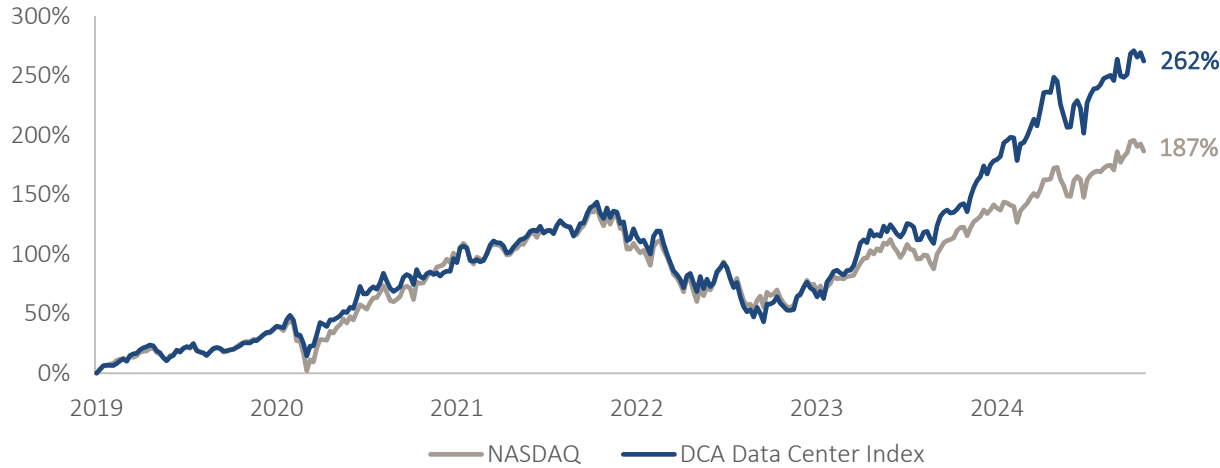
% Equity Return	
Q4 2024	0.0%
FY 2024	18.3%
FY 2023	16.8%
3 Year	-0.5%

### Digital Infrastructure

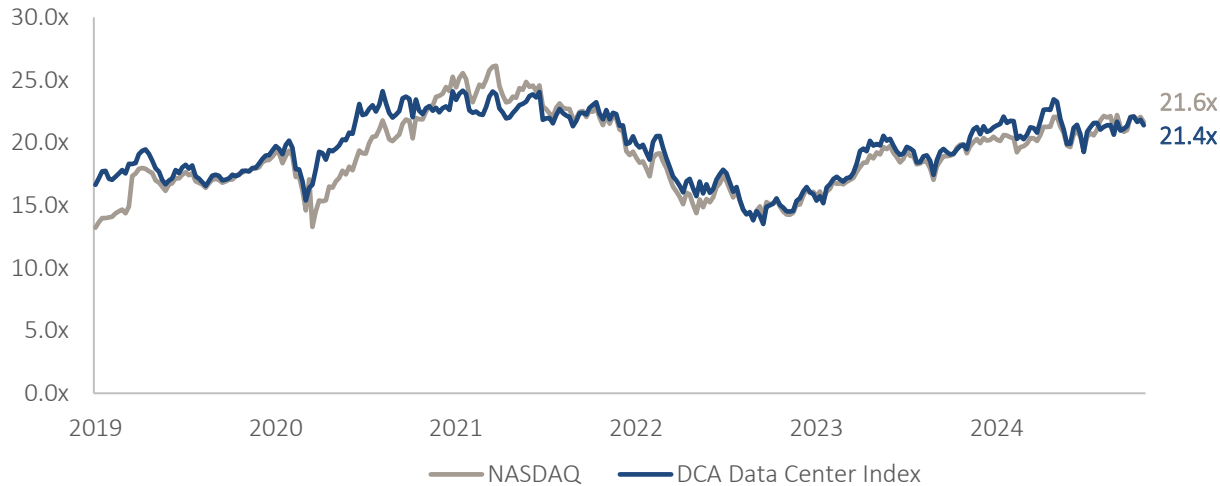
% Equity Return	
Q4 2024	-13.9%
FY 2024	-9.2%
FY 2023	4.2%
3 Year	-40.5%

Source: Capital IQ as of 12/31/2024

## Stock Price Performance - Dinan Data Center Index vs. Nasdaq



## EBITDA Multiple Trends – Dinan Data Center Index vs. Nasdaq



### Key Market Trends

Dinan Data Center Index increased 7% in Q4 2024, following a 49% increase in FY 2024.

NASDAQ increased 6% in Q4 2024, following a 29% increase in FY 2024.

**+29%**

NASDAQ Equity Return (FY 2024)

**+49%**

Data Center Index Equity Return (FY 2024)

### Impact on Multiples

Dinan Data Center Index EBITDA multiple decreased 1% in Q4 2024, following an 8% increase in FY 2024.

NASDAQ EBITDA multiple increased 3% in Q4 2024, following an 9% increase in FY 2024.

**+9%**

NASDAQ Multiple (FY 2024)

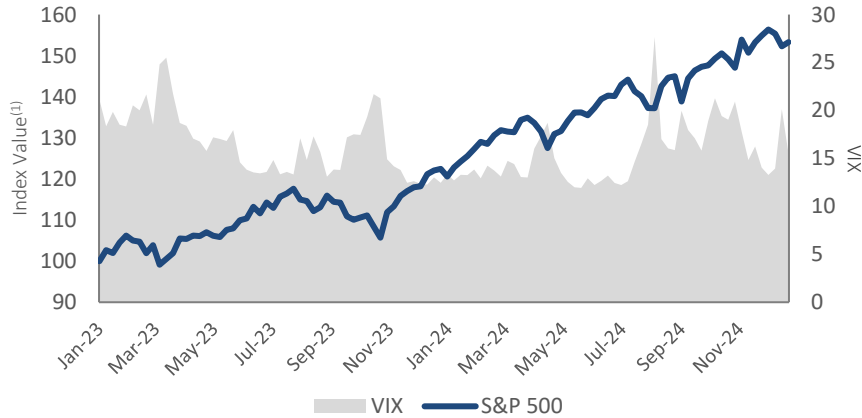
**+8%**

Data Center Index Multiple (FY 2024)

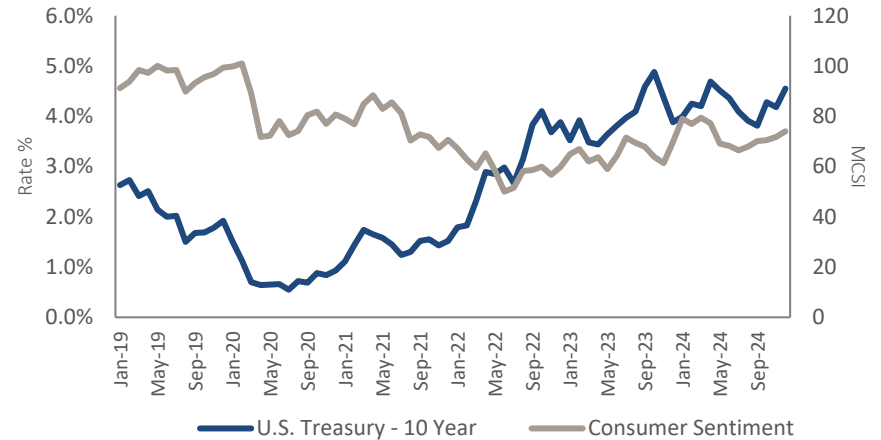
Source: Capital IQ as of 12/31/2024

DCA Data Center Index represents the group of public companies in the appendix

## S&P 500 climbs 4% in Q4 '24 reflecting steady market conditions in public equity markets



## 10-Year Treasury rebounds from September decline while consumer sentiment remains steady in Q4 2024



## U.S. Equity Sectors Performance

	% Return (Q3 '24)	% Return (Q4 '24)	TEV/LTM Total Rev	TEV/LTM EBITDA
Energy	-3.9%	-3.7%	1.5x	7.3x
Communication Services	+0.6%	+10.3%	4.7x	14.2x
Health Care	+5.0%	-10.3%	1.8x	15.5x
Materials	+9.9%	-13.7%	2.5x	13.7x
Consumer Discretionary	+7.9%	+14.9%	3.4x	21.1x
Industrials	+10.6%	-2.1%	2.9x	17.4x
Info Tech	+0.9%	+6.4%	9.6x	28.5x
Consumer Staples	+8.2%	-3.9%	1.7x	15.5x
Real Estate	+15.4%	-8.7%	9.1x	20.8x
Utilities	+18.0%	-5.7%	4.9x	13.0x

## Major Indices Performance

	% Return (Q3 '24)	% Return (Q4 '24)	TEV/LTM Total Rev	TEV/LTM EBITDA
S&P 500	+5.1%	+2.9%	3.5x	17.4x
NASDAQ	+2.2%	+7.5%	5.1x	21.6x
Dow Jones	+8.2%	+0.6%	3.3x	16.4x
Russell 2000	+8.6%	+0.1%	1.2x	8.4x























## Interest Rates

	Q4 2022	Q4 2023	Q3 2024	Q4 2024
Treasury – 2 Year	4.4%	4.2%	3.6%	4.2%
Treasury – 5 Year	4.0%	3.8%	3.5%	4.4%
Treasury – 10 Year	3.9%	3.9%	3.8%	4.6%
Treasury – 30 Year	4.0%	4.0%	4.1%	4.8%
Prime Rate	7.5%	8.5%	8.0%	7.5%

Sources: Capital IQ as of 12/31/2024, FRED  
(1) Rebased to 100 as of 1/1/2019



The Data Center industry continues to experience rapid growth in 2024 driven by the increasing use of artificial intelligence, prompting a significant focus on expanding the necessary infrastructure to support the expansion

Closed Date	Target	Acquirer	Target Sector	Transaction Value (\$M)
Announced 12/16/2024			Internet Services and Infrastructure	\$1,500
12/6/2024			Internet Services and Infrastructure	\$185
11/14/2024	Digital Data Centre Bidco		Internet Services and Infrastructure	NM
11/12/2024			Data Processing and Outsourced Services	NM
Announced 11/11/2024			Internet Services and Infrastructure	\$263
11/11/2024			Internet Services and Infrastructure	\$1,407
Announced 10/25/2024	Belgium Data Center Operator		Internet Services and Infrastructure	\$78
9/30/2024			Internet Services and Infrastructure	NM
9/9/2024			Internet Services and Infrastructure	NM
9/4/2024			Internet Services and Infrastructure	\$16,138
9/4/2024			Data Processing and Outsourced Services	\$1,900
8/6/2024	40-megawatt Hanam Data Centre		Internet Services and Infrastructure	\$533
7/10/2024	15-megawatts of Data Center Campus in Slough		Internet Services and Infrastructure	\$200

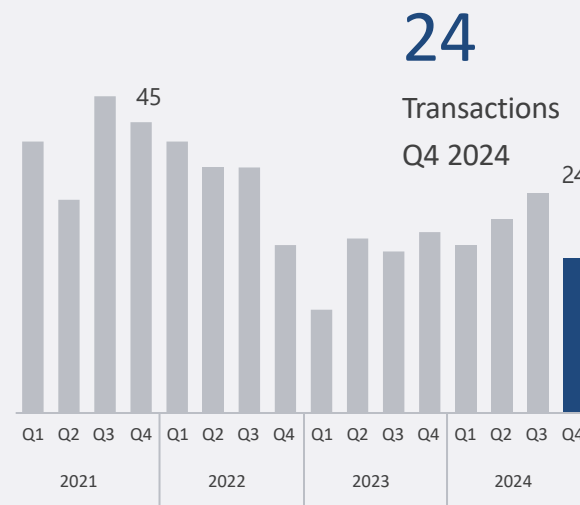
## Key Takeaways

Overall M&A activity in the Data Center market in 2024 saw continued robust activity driven by surging demand for cloud services, AI, and edge computing.

Strategic acquirers and private equity firms competed aggressively for assets, focusing on hyperscale and colocation facilities to support rapid digital transformation.

Total transaction value and transaction volumes increased 82.7% and 18.8%, respectively, in 2024, showcasing a significant interest from both strategic and financial buyers.

## M&A Transaction Volumes



Source: Capital IQ as of 12/31/2024

**switch**  
ELECTRIC

Phoenix, AZ

has been acquired by

**LOENBRO**  
PLUMBING & HEATING

a portfolio company of

**TAILWIND CAPITAL**  
New York, NY

Sell-Side Advisor

**Specialized Mission-Critical Electrical Contractor**

- Switch Electric is a leading provider of electrical contracting services, specializing in mission-critical data center construction and maintenance
- Loenbro is a trusted provider of industrial services, delivering superior single-source solutions for a diversified set of Industrial end markets nationwide

**Key Positioning and Strategic Rationale**

- ❖ Strategic add-on acquisition to scale up to meet the national demand for mission-critical services
- ❖ Further expand its geographic footprint to service the broader Industrial and Data Center construction markets
- ❖ Expands the platform's service offerings to cater to the growing Data Center market

**Bel-Aire**  
MECHANICAL

Phoenix, AZ

has been acquired by

**LEGENCE**

a portfolio company of

**Blackstone**  
New York, NY

Sell-Side Advisor

**Specialized Commercial Mechanical HVAC Contracting Services**

- Bel-Aire Mechanical specializes in designing, building and servicing high-performing facilities by providing end-to-end construction, service, repair and maintenance, and fabrication solutions
- Legence, f.k.a. Therma Holdings, is a leading mechanical, electrical, plumbing, controls, and energy services company focused on designing, engineering, building, and servicing complex systems in high-performance buildings

**Key Positioning and Strategic Rationale**

- ❖ Both Bel-Aire and Legence operate in the Data Center construction market, enabling synergistic growth and supporting profitable expansion
- ❖ Add-on acquisition for a growing platform
- ❖ Expands services focused on designing, building, and servicing systems

**ThermAir**  
SYSTEMS

Mesa, AZ

has been acquired by

**AIR**  
CONTROL CONCEPTS

a portfolio company of

**MDP** & **Blackstone**  
Chicago, IL New York, NY

Sell-Side Advisor

**Leading Regional HVAC/R Manufacturers' Representative**

- ThermAir Systems specializes in providing HVAC/R (Heating, Ventilation, Air Conditioning, and Refrigeration) solutions to clients
- Air Control Concepts, f.k.a. Hobbs & Associates, is a leading commercial HVAC representative firm focused on servicing the Healthcare, Commercial, and Industrial industries

**Key Positioning and Strategic Rationale**

- ❖ Strategic add-on acquisition, extending the platform's reach in the rapidly developing Data Center market
- ❖ Enhanced recognition as the preferred representative for manufacturers within the HVAC/R services sector
- ❖ Expands the platform's product offerings with new, top-tier manufacturers

## Representative M&A Advisory Experience

<p>TPC MECHANICAL St. Augustine, FL</p> <p>has been acquired by</p> <p>STRADA Sanford, FL</p> <p>a portfolio company of</p> <p>TRILANTIC New York, NY</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to TPC Mechanical in this transaction.</p>	<p>control devices, LLC Fenton, MO</p> <p>a portfolio company of</p> <p>hbm St. Louis, MO</p> <p>has acquired</p> <p>Gilmore Houston, TX</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ESCAPE TECHNOLOGY Riverside, CA</p> <p>has been acquired by</p> <p>ALPINE INVESTORS San Francisco, CA</p> <p>Dinan Capital Advisors acted as financial advisor to Escape Technology, Inc. in this transaction.</p>	<p>Bel-Aire Phoenix, AZ</p> <p>has been acquired by</p> <p>THERMA San Jose, CA</p> <p>a portfolio company of</p> <p>Blackstone New York, NY</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to Bel-Aire Mechanical in this transaction.</p>	<p>cerca group LLC New York, NY</p> <p>has acquired</p> <p>CAi Computer Associates San Rafael, CA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>Riverside Cleveland, OH</p> <p>has invested in</p> <p>TOOLWATCH Englewood, CO</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ARCHIVE360 New York, NY</p> <p>has received a strategic investment from</p> <p>LEEDS Equity Partners New York, NY</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to Archive360, Inc. in this transaction.</p>	<p>MILESTONE Miami, FL</p> <p>through their portfolio company</p> <p>MILESTONE Freemont, CA</p> <p>has acquired</p> <p>COVESTIC Kirkland, WA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>Riverside PARTNERS Boston, MA</p> <p>has acquired</p> <p>thinklogical Stratford, CT</p> <p>Dinan &amp; Company initiated this transaction.</p>
<p>switch Phoenix, AZ</p> <p>has been acquired by</p> <p>LOENBRO Black Eagle, MT</p> <p>a portfolio company of</p> <p>TAILWIND CAPITAL New York, NY</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to Switch Electric in this transaction.</p>	<p>AC Photonics Santa Clara, CA</p> <p>has received an investment from</p> <p>CenterGate CAPITAL Austin, TX</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to AC Photonics, Inc. in this transaction.</p>	<p>ROCKBRIDGE GROWTH EQUITY Detroit, MI</p> <p>has acquired</p> <p>one on one American Fork, UT</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>NEWSPRING Radnor, PA</p> <p>through their portfolio company</p> <p>magna Frisco, TX</p> <p>has acquired</p> <p>Spinnertech Lindenhurst, NY</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>NEWSPRING Radnor, PA</p> <p>through their portfolio company</p> <p>magna Frisco, TX</p> <p>has acquired</p> <p>stabenlet Charlotte, NC</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>NEWSPRING Radnor, PA</p> <p>through their portfolio company</p> <p>magna Frisco, TX</p> <p>has acquired</p> <p>Interphase Blue Bell, PA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>SOUTHERN HVAC Maitland, FL</p> <p>has acquired</p> <p>PRO Levinston, NC</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>CANNON &amp; WENDT ELECTRIC Phoenix, AZ</p> <p>has acquired</p> <p>GILBERT Tucson, AZ</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to Cannon &amp; Wendt Electric in this transaction.</p>	<p>The assets of</p> <p>LEGACY FOUNDATIONS</p> <p>a division of</p> <p>SHIMMICK PHOENIX, ARIZ</p> <p>have been acquired by</p> <p>BECK Phoenix, AZ</p> <p>Dinan Capital Advisors acted as the exclusive financial advisor to Legacy Foundations in this transaction.</p>
<p>Cyber Risk Management, LLC Tampa, FL</p> <p>in partnership with</p> <p>NEP Minneapolis, MN</p> <p>has acquired</p> <p>SUNERA Atlanta, GA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>O2 Investment Partners, LLC Bloomfield Hills, MI</p> <p>through their portfolio company</p> <p>EMEX Houston, TX</p> <p>has made an investment in and created a strategic alliance with</p> <p>Patriot Energy Group Burlington, MA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>JORDAN INDUSTRIES, INC. Deerfield, IL</p> <p>has acquired</p> <p>E.F. Johnson Company Waukegan, MN</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>COMMERCIAL SUPPLY Phoenix, AZ</p> <p>and related entities have been acquired by</p> <p>Hahn Systems Indianapolis, IN</p> <p>a subsidiary of</p> <p>ENSIGN BUILDING SOLUTIONS Carming, GA</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to AMV in this transaction.</p>	<p>DPIC BUILDER SERVICES Houston, TX</p> <p>a portfolio company of</p> <p>SAW MILL CAPITAL Briarcliff Manor, NY</p> <p>has acquired the Home Energy Division of</p> <p>ENSIGN BUILDING SOLUTIONS Carming, GA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>GE</p> <p>through their</p> <p>Industrial Systems Division</p> <p>has acquired</p> <p>ifs Newtown, CT</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>THE CADMUS GROUP, INC. Watertown, MA</p> <p>has acquired</p> <p>quantec Portland, OR</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>MPE PARTNERS Boston, MA</p> <p>has made an investment in</p> <p>WEBSTER INDUSTRIES Tiffin, OH</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ieDigital London, UK</p> <p>has acquired</p> <p>connect Sandy, UT</p> <p>Dinan &amp; Company initiated this transaction.</p>
<p>ODYSSEY INVESTMENT PARTNERS, LLC New York, NY</p> <p>through their portfolio company</p> <p>SMSA Newport Beach, CA</p> <p>has acquired</p> <p>CARDINAL TECHNOLOGIES Potosi, MO</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ACS Dallas, TX</p> <p>has acquired</p> <p>CARA Oakbrook, IL</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>BAYSIDE Motion Group Port Washington, NY</p> <p>has acquired</p> <p>ALSTOM Carrollton, PA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ENTRUST Warrville, IL</p> <p>a portfolio company of</p> <p>KOHLBERG Mount Kisco, NY</p> <p>has acquired</p> <p>FiberFise Huntersville, NC</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ENTRUST Warrville, IL</p> <p>a portfolio company of</p> <p>KOHLBERG Mount Kisco, NY</p> <p>has acquired</p> <p>TG ADVERTISERS, INC. Wilmington, DE</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>THIRD CENTURY Atlanta, GA</p> <p>has acquired</p> <p>BriteSky Columbus, OH</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>LANTRONIX Irvine, CA</p> <p>has acquired</p> <p>Lightwave Communications Milford, CT</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>SIG San Diego, CA</p> <p>a portfolio company of</p> <p>FORT POINT CAPITAL Boston, MA</p> <p>has acquired</p> <p>RHB Indianapolis, IN</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>SIN CAPITAL PARTNERS, INC. Rocky Hill, FL</p> <p>through their portfolio company</p> <p>Labtec, Inc. Vancouver, WA</p> <p>has acquired</p> <p>CRU Mesa, CA</p> <p>Dinan &amp; Company initiated this transaction.</p>
<p>HR HALL RESEARCH Tustin, CA</p> <p>has been acquired by</p> <p>BLACKFORD CAPITAL Grand Rapids, MI</p> <p>Dinan Capital Advisors acted as exclusive financial advisor to Hall Research Technologies in this transaction.</p>	<p>MILESTONE PARTNERS Radnor, PA</p> <p>closed an equity recapitalization of</p> <p>Occasion Brands New York, NY</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>THE GORES GROUP Los Angeles, CA</p> <p>has acquired</p> <p>Farallon Alameda, CA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>THE CHANNEL CO. Westborough, MA</p> <p>a portfolio company of</p> <p>STONE GOFF New York, NY</p> <p>has acquired</p> <p>AUDIENZ Seattle, WA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>Centre Houston, TX</p> <p>a portfolio company of</p> <p>MAINST Houston, TX</p> <p>has acquired</p> <p>NETLINK SOLUTIONS Broken Arrow, OK</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>EMERSON St. Louis, MO</p> <p>has acquired</p> <p>FIBER-CONN Hannover, MO</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>PARALLEL49 Lake Forest, IL</p> <p>through their portfolio company</p> <p>QUESTCO Corona, TX</p> <p>has partnered with</p> <p>Totalhr Greenville, SC</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>ALPINE INVESTORS San Francisco, CA</p> <p>through their portfolio company</p> <p>Evergreen San Francisco, CA</p> <p>has acquired</p> <p>GLOBAL SOURCE GROUP Alto Viejo, CA</p> <p>Dinan &amp; Company initiated this transaction.</p>	<p>Transtek Magnetics Tucson, AZ</p> <p>has been acquired by</p> <p>BOURNS Riverside, CA</p> <p>Dinan Capital Advisors acted as financial advisor to Transtek Magnetics, Inc. and related entities in this transaction.</p>

*“Many entrepreneurs only get the opportunity to sell their business once, so it’s important to get it right.” – Mike Dinan*

## MICHAEL A. DINAN

*President & Chief Executive Officer*

Contact: [mdinan@dinancapital.com](mailto:mdinan@dinancapital.com)  
602.248.8700



Michael A. Dinan has been an advisor in merger and acquisition and private equity transactions for over three decades as founder and CEO of Dinan & Company, LLC.

Prior to founding Dinan & Company in 1988, Mr. Dinan was employed by Young, Smith & Peacock, Inc., a NYSE member investment banking and brokerage firm in its Investment Banking Division, where he was involved in mergers and acquisitions, private placements, valuation analyses and other securities-related transactions. Previously, he worked for Angermann-Group, a German investment banking firm, specializing in cross-border mergers and acquisitions. Prior to that, he served as a Legislative Analyst for the Arizona State Senate Appropriations Committee.

Mr. Dinan received a B.S. degree, *magna cum laude*, from Arizona State University where he majored in both Economics and International Business.

## WILLIAM R. DOWNING

*Managing Director*

Contact: [wdowning@dinancapital.com](mailto:wdowning@dinancapital.com)  
602.248.8700



Since joining Dinan Capital Advisors in 2005 Mr. Downing, a native Arizonian, has advised on a wide variety of middle market merger, acquisition and capital raising transactions. He is responsible for leading all aspects of client engagements for the firm.

Prior to joining Dinan & Company, Mr. Downing was employed as an Equity Research Analyst for StockVal, a subsidiary of Reuters (now Thomson Reuters Corporation), providing equity research, analytics and valuation products to institutional investors. Previously, Mr. Downing worked with a private investment group where he was responsible for originating, analyzing and trading investment grade commercial real estate whole loans through the secondary market. Mr. Downing began his career with American Express Financial Advisors.

Mr. Downing holds a B.S. in Business Administration with dual concentrations in Finance and Entrepreneurship from the University of the Pacific in California.

# Index Segmentation

Q4 2024



(\$ in millions, except per share data)

Ticker	Company Name	TTM as of:	Revenue Growth	Financials				Margins		Debt / EBITDA
				TTM Revenue	TTM Gross Profit	TTM EBITDA	2024 EBITDA	Gross Profit	TTM EBITDA	
BABA	Alibaba Group Holding Limited	09/30/2024	5.1%	\$137,138.9	\$52,393.5	\$24,905.8	\$26,940.5	38.2%	18.2%	1.3x
GOOGL	Alphabet Inc.	09/30/2024	14.4%	\$339,859.0	\$197,551.0	\$123,470.0	\$150,381.3	58.1%	36.3%	0.2x
AMZN	Amazon.com, Inc.	09/30/2024	11.9%	\$620,128.0	\$300,180.0	\$111,583.0	\$141,673.2	48.4%	18.0%	1.3x
META	Meta Platforms, Inc.	09/30/2024	23.1%	\$156,227.0	\$127,327.0	\$79,209.0	\$98,282.8	81.5%	50.7%	0.6x
MSFT	Microsoft Corporation	09/30/2024	16.4%	\$254,190.0	\$176,279.0	\$136,552.0	\$150,670.3	69.3%	53.7%	0.7x
ORCL	Oracle Corporation	11/30/2024	6.4%	\$54,933.0	\$39,148.0	\$22,336.0	\$30,384.0	71.3%	40.7%	4.2x
700	Tencent Holdings Limited	09/30/2024	7.4%	\$90,612.2	\$47,923.6	\$31,723.4	\$36,594.3	52.3%	34.6%	1.5x

High	81.5%	53.7%	4.2x
Low	38.2%	18.0%	0.2x
Mean	59.9%	36.0%	1.4x
<b>Median</b>	<b>58.1%</b>	<b>36.3%</b>	<b>1.3x</b>

(\$ in millions, except per share data)

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value:			
			High	Low				TTM Revenue	TTM Gross Profit	TTM EBITDA	TTM P/E
BABA	Alibaba Group Holding Limited	\$84.8	\$117.8	\$66.6	72.0%	\$192,105.5	\$184,804.9	1.3x	3.5x	7.4x	17.2
GOOGL	Alphabet Inc.	\$189.3	\$201.4	\$130.7	94.0%	\$2,323,530.1	\$2,259,589.1	6.6x	11.4x	18.3x	25.1
AMZN	Amazon.com, Inc.	\$219.4	\$233.0	\$144.1	94.2%	\$2,306,888.3	\$2,377,372.3	3.8x	7.9x	21.3x	46.9
META	Meta Platforms, Inc.	\$585.5	\$638.4	\$340.0	91.7%	\$1,478,113.3	\$1,456,260.3	9.3x	11.4x	18.4x	27.7
MSFT	Microsoft Corporation	\$421.5	\$468.4	\$366.5	90.0%	\$3,133,802.2	\$3,152,211.2	12.4x	17.9x	23.1x	34.8
ORCL	Oracle Corporation	\$166.6	\$198.3	\$101.7	84.0%	\$466,084.7	\$554,807.7	10.1x	14.2x	24.8x	40.7
700	Tencent Holdings Limited	\$53.7	\$62.1	\$33.5	86.4%	\$490,886.9	\$499,052.6	5.5x	10.4x	15.7x	21.2

High	12.4x	17.9x	24.8x	46.9x
Low	1.3x	3.5x	7.4x	17.2x
Mean	7.0x	11.0x	18.4x	30.5x
<b>Median</b>	<b>6.6x</b>	<b>11.4x</b>	<b>18.4x</b>	<b>27.7x</b>

Source: Capital IQ as of 12/31/2024

(\$ in millions, except per share data)

Ticker	Company Name	TTM as of:	Revenue Growth	Financials				Margins		Debt / EBITDA
				TTM Revenue	TTM Gross Profit	TTM EBITDA	2024 EBITDA	Gross Profit	TTM EBITDA	
AMD	Advanced Micro Devices, Inc.	09/28/2024	9.9%	\$24,295.0	\$12,663.0	\$4,479.0	\$5,485.7	52.1%	18.4%	0.5x
ANET	Arista Networks Inc	09/30/2024	18.2%	\$6,613.1	\$4,259.5	\$2,833.3	\$3,318.3	64.4%	42.8%	0.0x
AVGO	Broadcom Inc.	11/03/2024	44.0%	\$51,574.0	\$38,786.0	\$25,364.0	\$40,328.8	75.2%	49.2%	2.7x
CSCO	Cisco Systems, Inc.	10/26/2024	-8.7%	\$52,976.0	\$34,392.0	\$14,272.0	\$20,978.1	64.9%	26.9%	2.2x
HPE	Hewlett Packard Enterprise Company	10/31/2024	3.4%	\$29,459.0	\$9,878.0	\$5,059.0	\$6,044.0	32.8%	16.8%	3.8x
IBM	International Business Machines Corporation	09/30/2024	2.3%	\$61,867.0	\$35,379.0	\$11,951.0	\$15,987.0	56.5%	19.1%	4.5x
JNPR	Juniper Networks, Inc.	09/30/2024	-10.9%	\$5,034.3	\$2,950.0	\$498.5	\$827.9	58.6%	9.9%	3.3x
NTAP	NetApp, Inc.	10/25/2024	6.1%	\$6,473.0	\$4,602.0	\$1,626.0	\$2,112.6	71.1%	25.1%	1.3x
NVDA	NVIDIA Corporation	10/27/2024	152.4%	\$113,269.0	\$85,926.0	\$72,741.0	\$84,083.7	75.9%	64.2%	0.1x
2330	Taiwan Semiconductor Manufacturing Company	09/30/2024	22.7%	\$83,479.0	\$45,456.5	\$56,412.1	\$60,462.7	54.5%	67.6%	0.6x

High	75.9%	67.6%	4.5x
Low	32.8%	9.9%	0.0x
Mean	60.6%	34.0%	1.9x
Median	<b>61.5%</b>	<b>26.0%</b>	<b>1.8x</b>

(\$ in millions, except per share data)

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value:			
			High	Low				TTM Revenue	TTM Gross Profit	TTM EBITDA	TTM P/E
AMD	Advanced Micro Devices, Inc.	\$120.8	\$227.3	\$117.9	53.1%	\$196,018.9	\$193,712.9	8.0x	15.3x	NM	107.1
ANET	Arista Networks Inc	\$110.5	\$116.9	\$56.7	94.5%	\$139,241.2	\$131,882.6	19.9x	NM	NM	53.1
AVGO	Broadcom Inc.	\$231.8	\$251.9	\$104.2	92.0%	\$1,086,716.7	\$1,146,284.7	22.2x	NM	NM	179.7
CSCO	Cisco Systems, Inc.	\$59.2	\$60.2	\$44.5	98.3%	\$235,779.3	\$249,646.3	4.7x	7.3x	17.5x	25.4
HPE	Hewlett Packard Enterprise Company	\$21.4	\$24.2	\$14.5	88.1%	\$28,082.4	\$33,707.4	1.1x	3.4x	6.7x	11.1
IBM	International Business Machines Corporation	\$219.8	\$239.4	\$157.9	91.8%	\$203,264.7	\$249,770.7	4.0x	7.1x	20.9x	32.2
JNPR	Juniper Networks, Inc.	\$37.5	\$39.8	\$29.1	94.1%	\$12,399.3	\$12,983.3	2.6x	4.4x	NM	49.6
NTAP	NetApp, Inc.	\$116.1	\$135.4	\$83.6	85.7%	\$23,599.8	\$23,620.8	3.6x	5.1x	14.5x	21.4
NVDA	NVIDIA Corporation	\$134.3	\$152.9	\$47.3	87.8%	\$3,288,762.1	\$3,260,500.1	NM	NM	NM	53.0
2330	Taiwan Semiconductor Manufacturing Company	\$32.8	\$33.6	\$17.5	97.7%	\$850,448.1	\$816,597.6	9.8x	18.0x	14.5x	26.9

High	22.2x	18.0x	20.9x	179.7x
Low	1.1x	3.4x	6.7x	11.1x
Mean	8.4x	8.6x	14.8x	55.9x
Median	<b>4.7x</b>	<b>7.1x</b>	<b>14.5x</b>	<b>40.9x</b>

Source: Capital IQ as of 12/31/2024

*(\$ in millions, except per share data)*

Ticker	Company Name	TTM as of:	Revenue Growth	Financials				Margins		Debt / EBITDA
				TTM Revenue	TTM Gross Profit	TTM EBITDA	2024 EBITDA	Gross Profit	TTM EBITDA	
DLR	Digital Realty Trust, Inc.	09/30/2024	1.2%	\$5,488.7	\$2,833.7	\$2,337.6	\$2,935.3	52.7%	43.5%	7.2x
EQIX	Equinix, Inc.	09/30/2024	4.5%	\$0.0	\$3,786.8	\$3,100.9	\$4,106.8	46.5%	38.1%	5.6x
GDS	GDS Holdings Limited	09/30/2024	12.0%	\$1,564.8	\$328.0	\$639.8	\$700.2	21.0%	40.9%	10.0x
IRM	Iron Mountain Incorporated	09/30/2024	12.2%	\$3,611.4	\$3,379.5	\$2,002.0	\$2,208.2	56.4%	33.4%	6.0x
SBAC	SBA Communications Corporation	09/30/2024	-2.3%	\$2,516.5	\$2,062.6	\$1,785.8	\$1,897.3	77.5%	67.1%	6.8x

High	77.5%	67.1%	10.0x
Low	21.0%	33.4%	5.6x
Mean	50.8%	44.6%	7.1x
<b>Median</b>	<b>52.7%</b>	<b>40.9%</b>	<b>6.8x</b>

*(\$ in millions, except per share data)*

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value:			
			High	Low				TTM Revenue	TTM Gross Profit	TTM EBITDA	TTM P/E
DLR	Digital Realty Trust, Inc.	\$177.3	\$198.0	\$130.0	89.6%	\$58,822.6	\$77,797.8	14.2x	NM	NM	142.2
EQIX	Equinix, Inc.	\$942.9	\$994.0	\$684.1	94.9%	\$90,977.7	\$107,413.7	NM	NM	NM	85.0
GDS	GDS Holdings Limited	\$23.8	\$24.7	\$5.0	96.0%	\$4,618.9	\$11,396.9	7.3x	NM	17.8x	NM
IRM	Iron Mountain Incorporated	\$105.1	\$130.2	\$64.7	80.7%	\$30,845.6	\$47,040.3	13.0x	13.9x	23.5x	294.1
SBAC	SBA Communications Corporation	\$203.8	\$255.9	\$183.6	79.6%	\$21,913.1	\$36,297.2	14.4x	17.6x	20.3x	32.2

High	14.4x	17.6x	23.5x	294.1x
Low	7.3x	13.9x	17.8x	32.2x
Mean	12.2x	15.8x	20.5x	138.4x
<b>Median</b>	<b>13.6x</b>	<b>15.8x</b>	<b>20.3x</b>	<b>113.6x</b>



(\$ in millions, except per share data)

Ticker	Company Name	TTM as of:	Revenue Growth	Financials				Margins		Debt / EBITDA
				TTM Revenue	TTM Gross Profit	TTM EBITDA	2024 EBITDA	Gross Profit	TTM EBITDA	
NasdaqGS:AKAM	Akamai Technologies, Inc.	09/30/2024	5.9%	\$3,966.2	\$2,367.0	\$1,118.4	\$1,664.8	59.7%	28.2%	3.2x
NYSE:AMT	American Tower Corporation	09/30/2024	8.8%	\$11,016.7	\$7,912.9	\$6,966.1	\$6,949.2	70.9%	62.4%	5.2x
NYSE:NET	Cloudflare, Inc.	09/30/2024	30.0%	\$1,572.2	\$1,218.9	-\$43.3	\$344.5	77.5%	-2.8%	NM
NasdaqGS:CCOI	Cogent Communications Holdings, Inc.	09/30/2024	24.0%	\$976.0	\$394.8	\$100.8	\$345.6	40.4%	10.3%	10.6x
NYSE:CCI	Crown Castle Inc.	09/30/2024	-6.8%	\$6,364.0	\$4,757.0	\$3,994.0	\$4,181.0	72.2%	60.6%	6.0x
NYSE:DBRG	DigitalBridge Group, Inc.	09/30/2024	680.5%	\$302.2	\$876.6	-\$74.0	\$102.9	100.0%	-8.4%	NM
NYSE:LUMN	Lumen Technologies, Inc.	09/30/2024	-10.4%	\$13,296.0	\$6,562.0	\$3,318.0	\$3,813.2	49.4%	25.0%	5.0x
NasdaqGS:RXT	Rackspace Technology, Inc.	09/30/2024	-8.4%	\$2,771.2	\$570.0	\$201.4	\$247.1	20.6%	7.3%	11.4x

High	100.0%	62.4%	345.2x
Low	20.6%	-8.4%	3.2x
Mean	61.3%	22.8%	55.2x
<b>Median</b>	<b>65.3%</b>	<b>17.6%</b>	<b>6.0x</b>

(\$ in millions, except per share data)

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value:			TTM P/E
			High	Low				TTM Revenue	TTM Gross Profit	TTM EBITDA	
NasdaqGS:AKAM	Akamai Technologies, Inc.	\$95.7	\$129.2	\$84.7	74.0%	\$14,369.2	\$17,040.8	4.3x	7.2x	15.2x	28.3
NYSE:AMT	American Tower Corporation	\$183.4	\$243.6	\$170.5	75.3%	\$85,705.5	\$134,887.7	12.2x	17.0x	19.4x	44.2
NYSE:NET	Cloudflare, Inc.	\$107.7	\$119.4	\$66.2	90.2%	\$36,955.1	\$36,582.0	23.3x	NM	NM	NM
NasdaqGS:CCOI	Cogent Communications Holdings, Inc.	\$77.1	\$86.8	\$50.8	88.8%	\$3,656.3	\$5,654.7	5.8x	14.3x	NM	94.0
NYSE:CCI	Crown Castle Inc.	\$90.8	\$120.9	\$88.9	75.1%	\$39,444.1	\$68,886.1	10.8x	14.5x	17.2x	32.2
NYSE:DBRG	DigitalBridge Group, Inc.	\$11.3	\$21.0	\$10.6	53.7%	\$1,964.8	\$3,331.9	11.0x	3.8x	NM	11.0
NYSE:LUMN	Lumen Technologies, Inc.	\$5.3	\$10.3	\$1.0	51.4%	\$5,388.7	\$21,568.7	1.6x	3.3x	6.5x	NM
NasdaqGS:RXT	Rackspace Technology, Inc.	\$2.2	\$3.4	\$1.5	64.8%	\$502.9	\$3,686.4	1.3x	6.5x	18.3x	NM

High	23.3x	17.0x	19.4x	94.0x
Low	1.3x	3.3x	6.5x	11.0x
Mean	8.8x	9.5x	15.3x	41.9x
<b>Median</b>	<b>8.3x</b>	<b>7.2x</b>	<b>17.2x</b>	<b>32.2x</b>



Mergers and Acquisitions  
Valuations and Fairness  
Opinions  
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