

Digital Colony Launches Scala, a Latin American Hyperscale Data Center Platform

Partnering with Industry Veteran Marcos Peigo, Digital Colony Acquires Premium Data Center Assets from UOL Diveo

BOCA RATON, FL AND SAO PAULO, BR (April 23, 2020)—Digital Colony Management, LLC (“Digital Colony” or the “Firm”), the digital infrastructure investment platform of Colony Capital, Inc. (NYSE: CLNY), today announced that Digital Colony has established Scala Data Centers S/A (“Scala”), a hyperscale data center platform headquartered in Sao Paulo, Brazil through the acquisition of assets UOL Diveo. Upon closing of the acquisition, Marcos Peigo, currently an Operating Partner at Digital Colony, will also become the Chief Executive Officer of Scala. Financial terms of the transaction were not disclosed.

Upon closing of the transaction, Scala will be one of the largest data center platforms in Brazil, and poised to scale efficiently through organic development and acquisitions. As the ninth largest economy in the world, and the largest in Latin America, Brazil is an attractive and underserved market for outsourced data centers. Moreover, demand is projected to continue to accelerate, which is driven by cloud growth, IT outsourcing and the adoption of new technologies, including 5G. Through further accretive investment opportunities, Digital Colony sees a multibillion dollar data center and digital infrastructure opportunity in the region.

Despite current market conditions, Digital Colony remains committed to identifying compelling investment opportunities, backing strong management teams and building premier businesses that are positioned for long-term growth in the digital economy. This transaction follows the recent \$14.3 billion acquisition of Zayo Group Holdings, Inc., which closed in March 2020 as well as the European expansion of Vantage Data Centers through its acquisition of Next Generation Data. Scala is Digital Colony’s second investment in Brazil and fourth in Latin America, after acquiring Highline do Brasil in 2019, Andean Telecom Partners in 2017 and Mexico Towers Partners in 2013 through its affiliate Digital Bridge.

With more than 20 years of experience leading technology and infrastructure focused firms, Mr. Peigo provides critical insight into the Latin American market. Most recently, he served as Vice President of Value Creation for IBM Latin America, where he led the company’s industry solutions, business development, architecture and innovation practices in the region. Before joining IBM, Mr. Peigo was Executive Director at UOL Diveo, Founder and Chief Executive Officer of Lemniscata Ventures, a Brazilian privately held investment company focused on ventures that have intensive use of IT as its core and Chief Executive Officer of Solvo S/A, a managed services company focused on mission-critical infrastructure. In 2017, he was named the IT Executive of the Year, by Korn Ferry/ IT Midia.

“We are thrilled to welcome Marcos to Digital Colony and expand our presence in Latin America. With his proven track record, digital infrastructure expertise and strong network throughout the region, Marcos is the ideal person to lead Scala and oversee the growth strategy in Latin America,” said Jon Mauck, Managing Director of Digital Colony. “Hyperscale data centers are more in need than ever, and we are confident that Scala, with its high-quality facilities, significant expansion capacity and seasoned management team will provide a superior hyperscale solution. The business is ideally positioned to support the growth of cloud and IT outsourcing across Latin America and meet the demands of our global customers.”

“I have long admired Digital Colony for its global digital infrastructure investment platform, operational excellence, innovative technology and relationships with blue-chip customers around the globe. I look forward to partnering with their team to lead Scala, which will be supported by Digital Colony’s industry leading capabilities and strong management team,” said Mr. Peigo. “Scala’s Latin American investment strategy is highly compelling, and its quality data centers will enable the next generation of mobile and internet connectivity throughout the region.”

UOL Diveo is excited to partner with Scala to support our long-term data center infrastructure requirements,” commented Gil Torquato, UOL Diveo CEO. “We are confident that Scala, with its premier facilities and track record of performance, together with its seasoned management team and partnership with Digital Colony, will be the ideal partner for our business as we continue to scale our infrastructure requirements.”

About Digital Colony

Digital Colony Management, LLC (“Digital Colony”) is the global digital infrastructure investment platform of Colony Capital, Inc. (NYSE: CLNY) and a leading investor, owner and operator of companies enabling the next generation of mobile and internet connectivity. Digital Colony was launched in 2018 by Digital Bridge Holdings, LLC and Colony Capital to bring together Digital Bridge’s industry, operational and investment expertise in the telecommunications sector with Colony Capital’s global scale, operating platform and capital markets access. The inaugural fund, Digital Colony Partners, closed in May 2019, with \$4.05 billion in commitments, making it the first fund dedicated solely to investing in digital infrastructure. For more information, please visit www.digitalcolony.com

About Scala Data Centers S/A

Scala Data Centers S/A is a Latin American hyperscale data center platform headquartered in Brazil and established by Digital Colony Management, LLC, the digital infrastructure investment platform of Colony Capital, Inc. (NYSE: CLNY). Designed to meet and exceed the ever-increasing demand for more computing power in the region, Scala leverages Digital Colony’s strong sector expertise, deep operating team and global scale of communication infrastructure assets to delivers world-class data center services to hyperscalers, cloud providers and large enterprises. For more information, please visit www.scaladatacenters.com.

About UOL Diveo

UOL DIVEO is a Brazilian company which offers datacenter infrastructure and Internet access. With more than 20 years of experience in the Brazilian market, UOL DIVEO provides colocation services for critical mission business in the retail market and wholesale (very often used by cloud services providers). Selling this business, UOL Diveo will continue to provide infrastructure services through Scala as well as its Managed Services, Multicloud, Security, Software Development and Digital Solution through its services company Compasso UOL.

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