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SECTORS

Infrastructure

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



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UN SDG ACTIVITY



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AND INFRASTRUCTURE



DC Advisory advises XpFibre on its €5.8bn debt refinancing



Background

- XpFibre is the largest independent Fibre-to-the-Home infrastructure operator in France, providing connectivity services across rural areas through a non-discriminatory wholesale, open access network under a concession model
- XpFibre's management and its shareholders - Altice, OMERS, Allianz, and AXA - have developed the business into a mature brownfield platform, with a de facto exclusive footprint of 7.2m homes

Process

- DC Advisory was mandated to advise on the refinancing of the existing capital structure and raising of new long-term financing to align the capital structure with the utility-like nature of the business
- DC Advisory, alongside XpFibre's shareholders, supported the company throughout the process and successfully delivered a number of detailed workstreams, including overall process management, financial modelling, debt and hedge structuring, ESG structuring, and documentation negotiations
- DC Advisory analysed refinancing options, including the impact on debt sizing of a corporate or project finance structure, to achieve Investment grade-like structure and terms and successfully refinance existing debt at the level of various SPVs while optimising the capital structure
- DC Advisory ran a highly competitive financing process, competing different structures and pools of liquidity across global bank lenders and private placement funds across Europe and the US

Outcome

- On 14 May 2024, XpFibre secured a €5.8bn total debt financing in one new common terms secured platform
- The new financing moved away from traditional precedent fibre finance transactions to a more utility-like infrastructure platform that reflects the mature, brownfield nature of the company supported by long term contracts and protective regulatory scheme
- The financing package comprises bank facilities, institutional private placement notes across a range of tenors, as well as a capex facility to support the end of the roll-out and a bridge-to-private placement
- Financing was secured from European banks and institutional lenders
- €1.2bn was successfully priced during an inaugural private placement visit for XpFibre in September 2024 (targeting both European and US investors)
- As one of the most advanced roll-out programmes, and the first independent FTTH operators in France to reach this mature stage, this is a landmark transaction for the French Fibre Infrastructure market and one of the largest European Digital Infrastructure financing transactions to date