

DATE

December 09, 2021

SECTORS

Infrastructure

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Neale Marvin
Managing Director



Phillip Hyman
Managing Director



Christopher Quayle
Executive Director

DC Advisory advised Cross London Trains on its £1.7bn refinancing

XLT [Cross London Trains](#)

Background

- Cross London Trains (XLT) was established to procure and lease the rolling stock for use on the Thameslink passenger rail franchise
- XLT owns a fleet of 115 Siemens Class 700 Desiro trains, operating on the Thameslink passenger rail franchise which covers the critical North-South London commuter rail corridor
- The fleet was procured in 2013, and began service between 2016 and 2018
- XLT trains were tailored to the requirements of the Thameslink route and were procured to offer a single, unified, high quality, and homogeneous fleet as part of the Thameslink programme
- Under Section 54 of the Railways Act 1993, XLT is set to benefit from guaranteed revenue until 2036 by the Department for Transport (DfT)
- XLT's shareholders include Dalmore, Equitix, Innisfree and Siemens Financial Services

Process

- DC Advisory (DC) acted as the exclusive financial advisor to XLT in connection with the refinancing of its debt facilities
- DC supported XLT throughout the process and successfully delivered a number of detailed work streams, including:
 - Key marketing materials (eg management presentations and IM)
 - Business planning

Interested in deal announcements?

Subscribe to get regular updates to your inbox

Sign up now

- Due diligence
- Financial modelling and sensitivity analysis
- Debt and hedge structuring
- Support in full documentation negotiations
- Ashurst acted as legal advisor to XLT and White & Case acted as legal advisor to the lenders throughout the refinancing process

Outcome

- The £1.7bn refinancing package was highly attractive and was executed on competitive terms, including:
 - Improvements to the existing multi-creditor platform and the introduction of institutional lenders globally
 - Optimised debt maturity profile to reflect the useful life of the asset
 - Introduced flexibility making it easier for XLT to invest in its fleet, improving the offering for customers
- This transaction further demonstrates DC's expertise in the rolling stock sector and strengthens the firm's experience advising on complex debt refinancing transactions

XLT and its shareholders are delighted with the outcome of this refinancing and we have secured facilities that better reflect the strength of our fleet, making it easier for us to invest to improve our offering for passengers. The DC team were professional and committed throughout, using their deep sector knowledge and independent advisory expertise to optimise the structure and deliver a very successful result for XLT and its shareholders.

Charles Doyle, CFO, Cross London Trains