

Broadgate Financing PLC

£225,000,000 Class A1 Floating Rate Bonds due 2032
£315,000,000 Class A2 4.949 per cent. Bonds due 2031
£175,000,000 Class A3 4.851 per cent. Bonds due 2033
£400,000,000 Class A4 4.821 per cent. Bonds due 2036
£365,000,000 Class B 4.999 per cent. Bonds due 2033
£235,000,000 Class C1 Floating Rate Bonds due 2022
£215,000,000 Class C2 5.098 per cent. Bonds due 2035
£150,000,000 Class D Floating Rate Bonds due 2025

Semi-Annual Update as at 30th September 2005

29 November 2005

This annual update is not, and is not accompanied by, an invitation to underwrite, subscribe or otherwise acquire or dispose of any investment, and does not advise any person to engage in one of those activities.

This annual update does not, and is not accompanied by, an invitation to effect any transaction with any person, or make use of any services provided by any person.

This annual update is not, and is not accompanied by, any inducement.

This annual update does not refer to, and is not accompanied by, a reference to any price of any investments or any yield on any such investments.

Overview

Broadgate is the premier City of London estate. It is 100% owned by British Land. It comprises 15 office buildings and related retail, leisure and ancillary space totalling over four million sq ft of space.

Further details on the estate itself can be found at www.britishland.com

Quarterly Report

Quarterly reports giving details of payments of principal interest together with calculations of gross and net coverage ratios are provided on the British Land website.

Asset Performance

For half-year ended:	30 th September 2005
Valuation:	£2,974 billion
Net initial yield:	5.70% ¹
Rent per annum:	£151m
Contracted Reversionary Income per annum:	£177m
Average contracted rent p.s.f. (office space/ excluding vacancies):	£46.74
Average headline ERV p.s.f. (office space):	£37.50-£45.00 ²
Vacancy rate:	2.6%

¹ Excluding 10 Exchange Square which was recently completed and is valued on an equivalent yield basis due to vacant space

² Our new valuers have taken a different basis for headline rental values to our previous valuers, as they do not assume capital expenditure on breaks or end of leases

Rent Reviews

18 rent reviews were settled during the six months to 30th September 2005 on 398,000 sq ft, with a combined rent of £17.96m at no uplift.

Principal rent reviews settled were:

Building	Tenant	Sq Ft	New Rent psf	Old Rent psf
199 Broadgate	ABN Amro	68,000	£46.25-£55.00	£46.25-£55.00
6 Broadgate	Williams De Broe	23,134	£46.54	£46.54
Broadwalk House	Ashurst Morris Crisp	118,704	£40.00	£40.00
155 Bishopsgate	Framlington	28,611	£44.00	£44.00
155 Bishopsgate	Sumitomo	48,940	£44.00	£44.00
155 Bishopsgate	Norinchukin	20,169	£51.50	£51.50
155 Bishopsgate	Bank of Scotland	38,449	£50.63	£50.63

4 office reviews are outstanding on 332,000 sq ft, with an average passing rent of £54.56 psf.

Principal reviews outstanding are:

Building	Tenant	Sq Ft	Passing Rent psf
Exchange House	Foreign & Colonial	34,100	£54.02
Exchange House	Societe Generale	67,312	£54.02
Exchange House	Herbert Smith	230,300	£54.80

Lease Renewals/ Breaks

In November 2005 Western Asset Management exercised their break option in respect of 8,000 sq ft of space at 155 Bishopsgate as part of their planned move into 25,200 sq ft of space at 10 Exchange Square.

New Lettings

During the six months to 30th September 2005 new lettings were concluded with Western Asset Management at 10 Exchange Square (25,200 sq ft) and Gaucho Grill in Finsbury Avenue Square.

Financial Summary

Market Value of Mortgaged Properties ¹	£2,974m
Net Annual Rents receivable ¹	£151m

Debt Outstanding²

	£'m
AAA	1,110.5
AA	365.0
A	450.0
BBB	149.25
Total	2,074.8

Interest Payable³

	£'m
AAA	54.4
AA	18.2
A	23.6
BBB	8.5
Total	104.7

Amortisation Payable³

	£'m
AAA	6.1
AA	-
A	-
BBB	3.0
Total	9.1

Interest Cover Ratios³

AAA	2.72
AA	2.05
A	1.55
Total	1.43

DSCR Ratios³

AAA	2.45
AA	1.89
A	1.46
Total	1.31

LTV Ratios

AAA	37.34%
AA	49.61%
A	64.74%
Total	69.76%

1. Market values and net annual rents receivable are as at 30th September 2005 and are provided by Knight Frank.
2. Debt outstanding is at 5th October 2005, the last interest payment date.
3. Interest in respect of Fixed Rate Bonds is annualised based on interest expected to be paid on the next interest payment date, 5th January 2006.

Interest in respect of Floating Rate Bonds is calculated using the closing balance (after amortisation) on the last interest payment and fixed annual interest rate payable under the interest rate swap transactions which protect against interest rate risk arising from those Floating Rate Bonds.

Amortisation for all bonds is annualised based on amortisation paid on last interest payment date, 5th October 2005.