

## **Broadgate Financing PLC**

*£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*

*£215,000,000 Class C2 5.098 per cent. Bonds due 2035*

### **Annual Update as at 31 March 2025**

**6 June 2025**

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.

## **Background**

On 2 March 2005 Broadgate Financing PLC issued £2.080 billion of bonds backed by the rental income from Broadgate, the premier City of London estate.

Broadgate Financing PLC is an indirect subsidiary of Broadgate REIT Limited. Broadgate REIT Limited operates as a joint venture between Euro Bluebell LLP, an affiliate of GIC, Singapore's sovereign wealth fund, and BL Bluebutton 2023 Limited, a wholly owned subsidiary of The British Land Company PLC.

Further details on the estate itself can be found on the website at <https://broadgate.co.uk>

## **Quarterly Report**

Quarterly reports giving details of payments of principal and interest together with calculations of gross and net coverage ratios are provided on the British Land website. <https://www.britishland.com/investors/debt-investors/joint-venture-secured-debt/broadgate-financing-plc>

## Asset Performance

For period ended:	31 March 2025
Valuation:	£2.740 billion
Net Initial Yield (topped up):	5.9% <sup>1, 2</sup>
Gross Passing Rent per annum:	£122.1m <sup>3</sup>
Gross Contracted Rent per annum:	£130.5m <sup>3</sup>
Average contracted rent psf (office space/ excluding vacancies):	£54.60 psf
Average headline ERV psf (office space):	£73.46 psf
Vacancy rate:	2.9% <sup>2</sup>

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<sup>1</sup> Assumes top up of rent free periods, after purchasers' costs

<sup>2</sup> Excludes 1 Appold St and the Broadgate Club, and Broadgate Tower levels subject to Asset Management Initiatives

<sup>3</sup> Includes £1.2m of lease surrender receipts to be recognised as securitisation rental income over the next 4 quarters after the 7 April 2025 interest payment date

## Overview of the year to 31 March 2025

### New Lettings

At 155 Bishopsgate:

- Regear with Spectron Services Limited (trading as Marex) where they are overall upsizing to 85k sq ft from 75k sq ft in the building, including new lettings on part level 3 (21k sq ft) for 11.5 years to October 2035 at a rent of £62.50 psf, with 26 months rent free commencing June 2024 and 3 units on part level 2, (10k sq ft) until August 2028 with 1.5 months rent free at a rent of £85 psf where the space is provided on a 'work ready' basis. See Lease Renewals and Restructurings section for additional information on this regear.
- An Agreement for Lease has exchanged with Akin Gump to take a minimum of 77k sq ft across levels 9-12 (with options over L8) at an average rent of £83.50 psf. Works are underway and the target lease commencement date is 1st September 2025. All floors are on 15 years leases with a tenant only break option after 10 years, except L12 which has an additional break option in the 5th year. They will receive 24 months rent free on levels 9-11 and 12 months rent free on level 12. Post period end Akin exercised their option over Part L8, taking their total occupancy to 91k sq ft.
- We have completed a 4 year lease with Pico in the Storey space, unit C (3.7k sq ft) at £67 psf from October 2024.

At 199 Bishopsgate:

- New Letting to Crowell & Moring U.L. LLP on the 9th floor (14k sq ft) for 10 years (with a break in year 5) at a rent of £73.50 psf. Start date 1<sup>st</sup> November 2025 with a 12 month rent free.
- Lease completed with COWI UK Ltd to take level 8 (14.5k sq ft), for a 10 year term (with a break in year 5) at £73 psf. Lease start date 1st July 2025 with a 12 month rent free.

At 10 Exchange Square:

- We have exchanged with Browns Brothers Harriman on the 8th floor (14.5k sq ft) meaning the building is now fully let. The lease was agreed for 10 years at £85 sq ft with 6 months rent free period.

At Broadgate Tower:

- New letting to Engie in December 2025 on level 4 (11k sq ft) for £65.50 psf for a 5 year term with 8 months rent free.
- New Letting to Tencent starting March 2026 on level 22 (12.5k sq ft) for £83.50 psf was signed for a 10 year term with 6 month rent free.

At 201 Bishopsgate:

- Level 7 was vacated by Landesbank Baden-Württemberg and Legg Mason with the delivery of Storey space has subsequently been completed. New Storey leases were signed with Apron Payments, Cover Genius, DocuSign, Gent Commodity, Pigment Global and others covering 20k sq ft for a total Storey rent in 201 Bishopsgate of c£2m p.a. with start dates late 2024 to mid 2025, average lease tenor of 28 months, 22 months to first break, with minimal rent free periods. After these lettings there is 7k sq ft vacant.

## **Lease Renewals and Restructurings**

At 155 Bishopsgate:

- A long term regear was secured with Spectron Services committing to 10 additional years on level 5 and part level 4 (total 54k sq ft), as well as taking a new lease over the vacant part level 3 (see above). These leases all run to October 2035. The new leases over both level 5 and part level 4 start on expiry of existing leases in October 2025 and are at £65 psf with 20 months rent free.

## **Lease Surrenders and Breaks**

At Broadwalk House:

- Vorboss vacated their space on level 3 in June 2024 following their relocation and upsize to 10 Exchange Square (see March 2024 Annual Report).

At Broadgate Tower:

- Reed Smith vacated their space on level 3 and levels 25-33 in July 2024.
- Regus vacated their space at level 12 in July 2024.
- Trading Hub vacated their space in September 2024.
- Itochu have decided not to renew (levels 15, 16 & Part level 18). We are currently negotiating a short term extension with them from their November 2025 expiry, to stay until mid 2026.
- Busuu have confirmed they will vacate at expiry in June 2025.
- Networking People are no longer in occupation with the lease expiry July 2025.
- See Additional Information below

Exchange House

- Zego have served break notice to vacate part level 7 (15k sq ft) in March 2025

At 135 Bishopsgate:

- McCann chose not to exercise their 2025 break option on L8, thereby continuing their occupation to at least the next break date in 2030.
- Symphony chose not to exercise their January 2025 break option on level 12, thereby continuing their occupation to January 2026.

At 199 Bishopsgate:

- Refurbishment has been completed on levels 4/7/8 and 9 after SAS vacated level 7.
- Subsequently level 9 has been let to Crowell & Moring U.K. LLP, level 8 was let to COWI UK Ltd (see new lettings above), level 7 is currently in negotiations with an occupier and level 4 refurbishment has completed in 'work ready' condition.

1 Finsbury Avenue:

- Product Madness (UK) Limited served notice to vacate level 6 (30.5k sq ft) in June 2024.

## **Rent Reviews**

At 201 Bishopsgate

- The outstanding rent review for Mayer Brown (135k sq ft on levels 1-4) completed at £50.91 psf.

## **Additional Information**

We are making good progress on asset management initiatives to improve the sustainability credentials of several buildings on the campus. At 199 Bishopsgate, following completion of Net Zero Carbon works, and fully de-gassing the building, the EPC has been reassessed as an 'A'. At 155 Bishopsgate, we have committed to undertake Net Zero Carbon works to improve the EPC rating to 'B'.

For Broadgate Tower we have secured planning consent and placed a build contract to deliver a repositioning of the building to capture the increased rental values for high quality tower office space which also involves expanding the reception and creating additional amenity to the building. The project is targeting EPC rating of 'A'.

For additional information please see press release:

<https://www.britishland.com/news/british-land-to-reposition-broadgate-tower/>

For Broadgate Tower this is in addition to Asset Management Initiatives on several floors where works are progressing and some of the floors are complete and being marketed.

## Financial Summary

Market Value of Mortgaged Properties <sup>1</sup>	£2.740bn
Annual rents receivable <sup>1, 2</sup>	£130.5m

## Debt Outstanding<sup>3</sup>

Class	£'m
A	543.9
B	321.2
C	183.5
Total	1,048.6

### Interest Payable<sup>4</sup>

	£'m
A	26.3
B	15.2
C	9.3
Total	50.8

### Amortisation Payable<sup>4</sup>

	£'m
A	0.0
B	43.8
C	2.9
Total	46.7

### Interest Cover Ratios<sup>4, 5</sup>

A	4.96
B	3.14
C	2.57

### DSCR Ratios<sup>4, 5</sup>

A	4.07
B	1.43
C	1.26

### LTV Ratios

A	19.9%
B	31.6%
C	38.3%

1. Market values and annual rents receivable are as at 31 March 2025. Market values are provided by Cushman & Wakefield, external valuer to Broadgate Financing PLC.
2. Annual rents receivable comprises Gross Contracted Rent per annum as at 31 March 2025
3. Debt outstanding is at 7 April 2025, the last interest payment date.
4. Interest and Amortisation for the bonds represents the actual amounts to be paid over the four interest payment dates subsequent to the 7 April 2025 interest payment date.
5. Reported ratios per the most recent Borrower Quarterly Report on 7 April 2025:

Net Coverage Ratio:	128%
Gross Coverage Ratio:	143%
Class A Interest Cover Ratio:	493%