

Canary Wharf Finance II plc

Class A1 6.455% Fixed Rate First Mortgage Debentures due 2033

Class A3 5.952% Fixed Rate First Mortgage Debentures due 2037

Class A7 Floating Rate First Mortgage Debentures due 2037

Class B 6.800% Fixed Rate First Mortgage Debentures due 2033

Class B3 Floating Rate First Mortgage Debentures due 2037

Class C2 Floating Rate First Mortgage Debentures due 2037

Class D2 Floating Rate First Mortgage Debentures due 2037

Issued June 2000/June 2001/February 2002/October 2002/May 2005/April 2007

Quarterly update

31 March 2024

Property and leasing

Recent activity regarding the mortgaged properties

- On 4 January 2024, The Felix Project (a charity) signed a 3-year lease in respect of a single 1,820 sq ft unit on level 6 in One Canada Square. The lease commenced 1 January 2024 with expiry on 31 December 2026.
- On 17 January 2024, FIA Services UK Limited signed a 7-year lease renewal in respect of a single 2,424 sq ft unit on level 28 in One Canada Square. The lease commenced 25 March 2024 with expiry on 31 May 2031.
- On 26 January 2024, Rittal Limited signed a 2-year lease renewal in respect of a single 2,594 sq ft unit on level 28 in One Canada Square. The lease commenced 25 March 2024 with expiry on 24 March 2026 and contains a tenant break option on 25 March 2025.
- On 3 April 2024, Morgan Stanley UK Group (“Morgan Stanley”) varied the lease on its EMEA Headquarters at 20 Bank Street, removing its 15 August 2028 break option, with its lease expiry remaining on 14 August 2038.

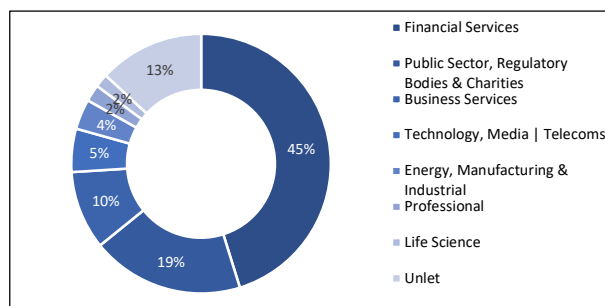
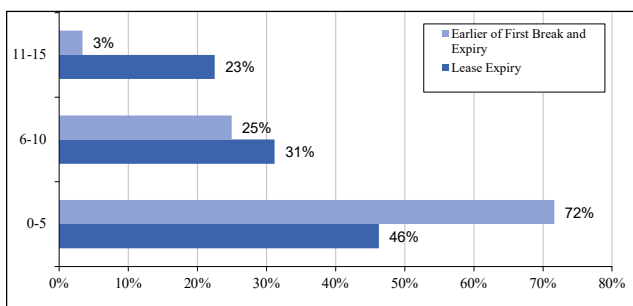
Property Portfolio Summary ⁽¹⁾

Property:	Total property NIA (sq ft) ⁽²⁾	Area let NIA (sq ft)	Occupancy (%)	Actual	Estimated	Market value (£ million) ⁽⁵⁾	Outstanding rent reviews	
				quarterly rental income (£ million) ⁽³⁾	annualised after rent free (£ million) ⁽⁴⁾		Area (sq ft)	Passing rent (£ million)
20 Bank Street	546,538	546,538	100.0	6.6	26.2	375.0	-	-
40 Bank Street	608,679	423,465	69.6	4.1	33.0	339.2	-	-
20 Cabot Square ⁽⁶⁾	555,779	554,519	99.8	6.3	24.4	355.2	-	-
One Canada Square	1,197,057	930,434	77.7	9.9	59.4	765.0	-	-
33 Canada Square	562,745	562,745	100.0	5.1	20.5	235.0	-	-
Total portfolio	3,470,798	3,017,701	86.9	32.0	163.5	2,069.4	-	-

Analysis of Office Lease Expiries and Breaks ⁽¹⁾

Office Leases NIA by Sector

The weighted average unexpired lease term of the securitised office portfolio (by sq ft) was 7.0 years. The weighted average lease term reflecting all break options was 4.6 years.



Major Tenants

20 Bank Street	40 Bank Street	20 Cabot Square	One Canada Square	33 Canada Square
<ul style="list-style-type: none"> Morgan Stanley UK Group 	<ul style="list-style-type: none"> Citigroup Herbert Smith hVIVO 	<ul style="list-style-type: none"> The Secretary of State for Communities and Local Government 	<ul style="list-style-type: none"> Moody's Investor Services Fisher Investments Europe The Office Group Reach Plc University College London Brookfield Global Asset Management MDU Services 	<ul style="list-style-type: none"> Citigroup

(1) All data is as at 31 March 2024 unless otherwise stated and hence excludes impact of Morgan Stanley transaction.

(2) The whole of each property is securitised.

(3) The rental income figures for the properties below are based on rents billed in Q1 2024.

(4) Estimated annual rental income based on annualised rent at 31 March 2024 after expiry of rent-free periods and includes potential rental income on unlet space, where applicable, using market rate at £55/sq ft.

(5) Properties are valued at 30 June and 31 December each year. Latest valuation as at 31 December 2023.

(6) The office rent on 20 Cabot Square is subject to annual RPI increases over the remaining term until the expiry of the leases in June 2032.

Debt balances and ratios

Debt balances are as at 22 April 2024, the latest IPD, following payments of interest and principal repayments made on that date.

Rating	Class	Debt balance post repayments (£ million)	Interest paid (£ million) ⁽¹⁾	Principal repaid (£ million)	Interest Cover Ratio	Debt Service Cover Ratio	Loan Minus Cash to Value
AA	A1	74.5	(1.2)	(2.9)			
AA	A3	208.0	(3.1)				
AA	A7	222.0	(3.0)				
AA	Total	504.5	(7.3)	(2.9)	4.27 x	2.89 x	22.7%
A+	B	103.7	(1.8)	(1.7)			
A+	B3	77.9	(1.1)				
A+	Total	181.6	(2.9)	(1.7)	3.07 x	1.99 x	31.4%
BBB+	C2	239.7	(3.7)				
BBB+	Total	239.7	(3.7)		2.25 x	1.59 x	43.0%
BBB	D2	125.0	(2.2)				
BBB	Total	125.0	(2.2)		1.94 x	1.42 x	49.1%
		1,050.8	(16.1)	(4.6)			

Cash available for debt service

£ million	Q1 2024
Gross rental income	32.0
Interest on collateral accounts and other releases	0.1
	32.1
B3 defeasance	(0.2)
C2 defeasance	(1.6)
Senior expenses ⁽²⁾	(0.8)
Cash available for debt service	29.5

Net debt

£ million	at 22 April 2024
Gross debt	1,050.8
Cash reserves	(35.3)
Net debt	1,015.5

Cash reserves

£ million	Opening balance at 22 January 2024	Movement	Closing balance at 22 April 2024
Void costs ledger	-	-	-
Cash ledger	-	-	-
B3 defeasance ledger	11.0	0.2	11.2
C2 defeasance ledger	22.2	1.6	23.8
Subtotal coverage reserves	33.2	1.8	35.0
Cash collateral	0.3	-	0.3
Total reserves	33.5	1.8	35.3

(1) Interest paid on 22 April 2024 comprises bond interest of £16.8 m and receipts under interest rate swaps of £0.7 m.

(2) Senior expenses principally include the DS6 facility fees and the liquidity facility fee.