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 2007

14 December 2007

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

This semi-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

On 2 March 2005 Broadgate Financing PLC issued £2.098 billion of bonds backed by the rental income from Broadgate, the premier City of London estate which is owned by British Land.

Further details on the estate itself can be found on the British Land website at www.britishland.com/broadgate

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:	30th September 2007
Valuation:	£3.207 billion
Top up Net initial yield:	4.9%[1]
Contracted Rent per annum:	£153.6m
Contracted Rent per annum (including fixed uplifts):	£154.3m
Average contracted rent p.s.f. (office space/ excluding vacancies):	£46.60 psf
Average headline ERV p.s.f. (office space):	£49.00 – 57.50psf
Vacancy rate:	0%
Eligible investments held	£248m

[1] Assumes top up of rent free periods and guaranteed minimum uplifts to first review after purchasers' costs.

Rent Reviews

No rent reviews were settled during the period to 30th September 2007.
Four office reviews were outstanding as at 30th September 2007.

Lease Renewals/ Breaks

Executive Offices served notice to break their lease at 199 Bishopsgate on 14,000 sq ft from July 2007. Terms were agreed to renew under a management contract from July 2007 until 31 August 2010, determinable on 3 months notice. Under the new agreement Broadgate will receive up to £600,000 priority return plus 50% surplus, dependent on turnover.

On 10 May 2007 it was announced that terms have been agreed to surrender Henderson's lease at 4 Broadgate as part of their relocation to British Land's 201 Bishopsgate development which is adjacent to the securitised estate. The relocation is anticipated to take place in December 2008 following fit-out of their new premises.

RCM's lease on 14,000 sq ft at 155 Bishopsgate has been restructured. The original lease was due to expire in September 2008 and terms have been agreed to extend this until July 2019 at a rent equating to £54.50 per sq ft together with a rent free period until 5 January 2009. This shows an uplift from £41.00 per sq ft passing rent.

New Lettings

In May 2007 the last remaining vacant floor of 10 Exchange Square (14,500 sq ft) was let to Herbert Smith at £55.00 per sq ft until December 2020 with 15 months rent free.

Sempra have taken a lease on 38,000 sq ft at 155 Bishopsgate at a rent of £57.50 per sq ft. The lease expires in 2019 with a rent free period until 30 September 2008.

Property substitution

During the period under review 175 Bishopsgate was sold for £406.3 million. The securitisation documentation contains rights of repayment, cash collateralisation and property substitution in the event of property sales. Following the sale cash collateral of some £248 million was retained in accordance with the securitisation documentation. On 14 December 2007, in accordance with the substitution rights, British Land's newly constructed "Willis Building" was charged to the securitisation releasing the cash collateral. In addition to the property £52 million of cash has been charged to the securitisation to fund the rent free period currently enjoyed by the tenant. Part of this cash will be released each quarter in an amount equal to the rents which would have been paid had 175 Bishopsgate remained in the securitisation. The rating agencies have all confirmed their ratings in respect of the outstanding bonds following the substitution.

The Willis Building is a newly completed 491,000 sq ft building located at 51 Lime Street, EC3, with all office accommodation let to the leading insurance broker Willis Group.

Financial Summary

Market Value of Mortgaged Properties[1]	£3,207m
Net Annual Rents receivable[1]	£153.6m
Cash collateral[4]	£248m
Net annual interest receivable[4]	£14m

Debt Outstanding[2]

	£'m
AAA	1,097.52
AA	365.0
A	450.0
BBB	134.25
Total	**2046.77**

Interest Payable[3]

	£'m
AAA	53.8
AA	18.2
A	23.6
BBB	7.7
Total	**103.3**

Amortisation Payable[3]

	£'m
AAA	6.8
AA	-
A	-
BBB	18.0
Total	**24.8**

Interest Cover Ratios[3, 4]

AAA	3.12
AA	2.33
A	1.76
Total	**1.62**

DSCR Ratios[3, 4]

AAA	2.77
AA	2.13
A	1.64
Total	**1.31**

LTV Ratios[4]

AAA	31.77%
AA	42.53%
A	55.36%
Total	59.25%

1. Market values and net annual rents receivable are as at 30th September 2007 and are provided by Knight Frank.

2. Debt outstanding is at 5th October 2007, the last interest payment date.

3. Interest in respect of Fixed Rate Bonds is annualised based on interest paid on the last interest payment date, 5th October 2007.

   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 2007.

4. Cash collateral held at 30th September 2007. Net annual interest receivable is calculated by multiplying the cash collateral held by the Bank of England base rate, in this case 5.75%. Interest cover, DSCR and LTV ratios include value of cash collateral/interest receivable.