

Canary Wharf Finance II plc

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

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

QUARTERLY UPDATE

Canary Wharf Group updates information on the securitisation quarterly.

The enclosed statistics are as at 31/03/20

HIGHLIGHTS

Properties 96.6% let at 31 March 2020.

Valuations as at 31 December 2019 were £3,304M

LMCTV Ratio 42.8%

Recent activity regarding the mortgaged properties

- On 27th February 2020, Pirean renewed their lease in respect of 4,709 sq ft on part L28, One Canada Square. The renewal is for a further four years.
- On 21th March 2020, The European Banking Authority exercised their break clause in respect of 44,673 sq ft on L45 and part L46, One Canada Square. The lease will expire on 6th December 2020.
- On 31st March 2020, Novartis' lease in respect of 1,995 sq ft on part L34, One Canada Square expired.
- Subsequent to the period end, on 5th May 2020, an agreement for lease was concluded with Ibbuy in respect of 1,311sq ft part L19, One Canada Square. The lease is for a 5 year term commencing October 2020.
- Also subsequent to the period, on the 5th April 2020 Runwils' lease in respect of 3,640 sq ft on part L06, One Canada Square expired.

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The rental income figures for the properties below are based on rents billed for Q1 2020.

Property Portfolio Summary

Address	Whole Building NIA	Area Securitised NIA	Area Securitised Let NIA ⁽¹⁾	Actual Quarterly Rental Income	Estimated Annualised after rent free ⁽³⁾	Market Value ⁽²⁾
33 Canada Square	562,700 sq ft	562,700 sq ft	562,700 sq ft	£5.1 m	£20.3 m	£403.0 m
One Canada Square	1,236,200 sq ft	1,220,700 sq ft	1,114,234 sq ft	£11.1 m	£49.8 m	£915.0 m
20 Bank Street	546,500 sq ft	546,500 sq ft	546,500 sq ft	£6.6 m	£26.2 m	£533.0 m
40 Bank Street	607,400 sq ft	607,400 sq ft	573,593 sq ft	£4.2 m	£25.5 m	£435.0 m
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	639,000 sq ft	£6.0 m	£24.8 m ⁽⁴⁾	£539.0 m
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	562,000 sq ft	£5.1 m	£21.1 m ⁽⁴⁾	£479.0 m
Subtotal	4,153,800 sq ft	4,138,300 sq ft	3,998,077 sq ft	£38.0 m	£167.6 m	£3,304.0 m

Notes:

- (1) Area let as at 31st March 2020.
- (2) MV based on valuation of the properties at 31st March 2020.
- (3) Estimated annual rental income based on annualised rent as at 31st March 2020 after expiry of rent-free periods and including potential rental income on unlet space, where applicable.
- (4) The office rent on 10 Cabot Sq and 20 Cabot Sq is subject to annual RPI increases over the remaining term until the expiry of the lease in June 2032.

Occupancy

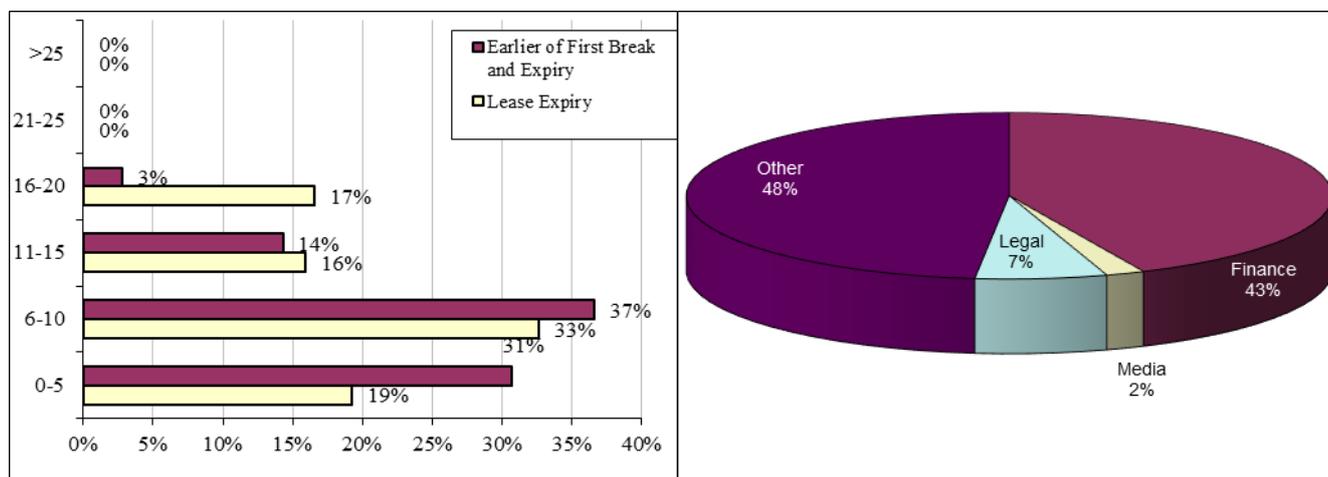
At 31st March 2020 the securitised property portfolio was 96.6% let.

Rent Reviews

	Area	Passing Rent
Outstanding Rent Reviews	623,329 sq ft	£22,396,502

Analysis of Office Lease Expiries and Breaks (Note 1)

Concentration of Leases by Area



- (1) The weighted average unexpired lease term of the securitised office portfolio (by sq ft) was 9.1 years. The weighted average lease term reflecting all break options was 7.3 years.

Major Tenants:

33 Canada Square

Citigroup

One Canada Square

Bank of New York Mellon
The Office Group
Moody's Investor Services
BBVA
European Banking Authority
First Abu Dhabi Bank

20 Bank Street

Morgan Stanley UK Group

40 Bank Street

Skadden Arps
Allen & Overy
Shell International Limited
Australia and New Zealand Bank

5 North Colonnade

Barclays Bank Plc

10 South Colonnade

The Secretary of State for Communities and Local Government

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Financial Considerations

	Q1 2020 Actuals
Gross Rental	£38.0 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£38.0 m
B3 Defeasance	(£0.6 m)
C2 Defeasance	(£0.2 m)
Senior Expenses ⁽¹⁾	(£1.0m)
	£36.2 m
Gross Debt	£1,428.8 m
Cash Reserves	(£16.7 m)
Net Debt	£1,412.2 m

Quarter 1 2020 Actuals

The Interest Cover and Debt Service Cover ratios have been calculated on the basis of total interest costs, including payments to interest swap providers for the quarter.

Class	Amount post repayments ⁽²⁾	Interest ⁽³⁾	Principal ⁽⁴⁾	Reserve Release	Interest Cover Ratio	Debt Service Cover Ratio	LMCTV
AAA							
- A1	£233.0 m	(£3.9 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.0 m)					
	£855.0 m	(£12.8 m)			2.88 x	1.96 x	25.4%
AA							
- B	£131.3 m	(£2.3 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
	£209.2 m	(£3.4 m)			2.29 x	1.54 x	31.7%
A							
- C2	£239.7 m	(£3.7 m)			1.86 x	1.33 x	39.0%
BBB							
- D2	£125.0 m	(£2.2 m)			1.67 x	1.23 x	42.8%
	£1,428.8 m	(£22.1 m)	(£7.3 m)				

Reserve	Opening Balance ⁽⁵⁾	Period Movement	Closing Balance ⁽⁵⁾
Void Costs Ledger			
Cash Ledger	£0.0 m	£0.0 m	£0.0 m
B3 Defeasance Ledger	£6.2 m	£0.3 m	£6.5 m
C2 Defeasance Ledger	£8.0 m	£0.5 m	£8.5 m
Subtotal Coverage Reserves	£14.2 m	£0.8 m	£15.0 m
Cash Collateral	£1.8 m	(£0.1 m)	£1.7 m
Total Reserves	£16.0 m	£0.7 m	£16.7 m

Notes:

- Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- Total outstanding debt at 23rd April 2020 interest payable date.
- Interest paid on 23rd April 2020 comprises bond interest of £15.0m and payments under interest rate swaps of £7.1m.
- Amortisation paid on 23rd April 2020.
- Opening balance is as at 22nd January 2020, closing balance is at 23rd April 2020.
- Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.