

13 February 2019

LEGAL & GENERAL COMPLETES FINANCING ON ONE AND TWO SOUTHBANK PLACE

LGIM Real Assets (Legal & General) announces that it has provided, on behalf of its clients including Legal & General Retirement Institutional (LGRI), £420 million in long-term financing to support Almacantar on the debt refinancing of One and Two Southbank place in London.

One and Two Southbank place represent the commercial element of the 1.5 million sq ft. mixed-use development at Southbank Place, being delivered by Canary Wharf and Qatari Diar. They are the first two buildings at Southbank Place to complete, and form an integral part of the wider regeneration of the Southbank Place development.

One Southbank Place reached practical completion in August 2018, and has been handed over to long-term leaseholder Shell International. Shell has taken a 20-year lease and will make the premises their new UK headquarters.

In January 2019, Two Southbank Place was handed over to WeWork, which has taken a 20-year lease. Following fit out of the site, Two Southbank Place will become the world's largest co-working space.

Lorna Brown, Head of Real Estate Debt at LGIM Real Assets commented: “We are delighted to support Almacantar with an investment loan secured on One and Two Southbank Place. Almacantar has a strong track record in delivering high quality buildings across London and this transaction is a great fit for our pension fund capital.”

Hayley Rees, Head of Direct Investments, Legal & General Retirement Institutional said; “This transaction, our largest UK real estate debt deal, provides diversity for our portfolio of investments backing our pension commitments. These buildings also both enhance the local area and enable the provision of a modern working environment. This further demonstrates the powerful combined benefit of our in-house real estate lending capability in LGIM and our ability to deploy at scale, enabling us to deliver bespoke funding transactions.”

Jonathan Paul, Almacantar Finance Director said: “We are delighted with this deal and the shared confidence that LGIM Real Assets and Almacantar have in One and Two Southbank Place. It was always our ambition to create a world class business destination. It is extremely satisfying that LGIM Real Assets, a global leader in investment, shares our view. It reinforces our long-held belief in London's resilience and our confidence in the capital's prime property market, at a time of short-term political uncertainties.

The completion of the refinancing places us in strong position to explore further commercial and residential opportunities in London.”

- Ends -

For further information, please contact:

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Notes to editors

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe’s largest institutional asset managers and a major global investor. LGIM manages £984.8bn in assets (as at 30 June 2018), providing products and solutions spanning all asset classes. LGIM Real Assets, headed up by Bill Hughes, has AUM of £28.1bn (as at 30 June 2018), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.

Legal & General Group

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with a number of growing businesses in the US. Over fifteen million people worldwide rely on us to help them save for the future and to protect their families and their homes.

We operate in three principal areas:

- Investing & Annuities, where we manage £56.4bn of retirement annuities for policyholders and invest for their long term return within Legal & General Retirement, as well as investing our own balance sheet within Legal & General Capital;
- Investment Management, where we have £984.8bn in total assets under management from clients in the UK, US, Asia and EMEA and a leading UK workplace savings and retail investments business within LGIM; and
- Insurance, where we provide protection against life events for customers, with £2.9bn of gross written premiums principally in life insurance in the UK and US within Legal & General insurance and household insurance in the UK within our General insurance division.