

# Legal And General Managed Fund

## INVESTMENT POLICY AND OBJECTIVES

The objective of the Fund is to deliver good long-term relative performance by being fully invested in a diversified portfolio of UK commercial property. Its objective is to exceed the median return for similar funds in the CAPS Survey of pooled property funds.

Approved defined benefit and defined contribution occupational pension schemes

Fund details	
Type of fund	Managed Property Fund
Residence	United Kingdom
Launch date	01-Jun-71
Open/closed-ended	Open-ended
Earliest date of winding up	n/a
Year-end	31-Mar
NAV (GBPm)	3454.4

Source: Legal & General Investment Management Limited

Management/professional advisors	
Manager	Legal & General Investment Management Limited
Property advisor	n/a
Investment Advisor	Legal & General Investment Management Limited
Fund Manager	Rob Codling
Corporate trustee	n/a
Auditors	PwC

Source: Legal & General Investment Management Limited

Fund Level Total Return, %	Legal And General Managed Fund	MSCI/AREF UK Quarterly Property Fund Index*		
		Managed open-ended funds	All balanced open-ended funds	All funds
3 months	1.3	1.1	1.1	1.4
Year-to-date	1.5	1.5	1.7	1.7
12 months	2.2	1.5	0.1	0.0
3 years+	1.7	1.2	0.6	0.0
5 years+	2.0	1.8	1.5	0.6
10 years+	4.5	4.4	4.8	4.0

Source: Legal & General Investment Management Limited

\* MSCI/AREF UK Quarterly Property Fund Index

Note: Weighted average returns + Annualised

Fund Restraints	
<b>Property investment restrictions</b>	
Maximum development exposure	10%
Maximum speculative development exposure	*
Maximum lot-size holding as a standing investment	10%
Maximum lot-size holding permitted at purchase	7.5%
Maximum exposure to limited partnerships	15%
Maximum exposure to joint ventures	15%
Maximum exposure to closed and open-ended property unit trusts	15%
<b>Restrictions on holdings of cash/borrowings</b>	
Maximum total gearing permitted	*
Cash holdings (maximum)	25%
Cash holdings (minimum)	5%

Note: \*None specified

Source: Legal & General Investment Management Limited

Portfolio distribution %	Legal And General Managed Fund+*	MSCI/AREF UK Quarterly Property Fund Index**		
		Managed open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	1.3	2.3	3.7	3.4
Standard retail – Rest of UK	1.8	1.1	1.1	1.2

Supermarkets	2.0	2.0	1.1	1.7
Shopping centres	1.9	1.7	0.9	0.6
Retail warehouses	9.5	11.2	12.0	7.4
<b>All UK retail</b>	<b>16.4</b>	<b>18.2</b>	<b>18.8</b>	<b>14.4</b>
City offices	0.0	3.3	3.1	2.6
West End offices	6.5	4.3	6.6	4.8
Rest of South East offices	7.4	6.3	6.3	5.2
Rest of UK offices	3.4	2.5	4.0	4.4
<b>All UK offices</b>	<b>17.3</b>	<b>16.4</b>	<b>20.0</b>	<b>17.0</b>
South East industrial	25.4	22.4	20.1	18.0
Rest of UK industrial	0.8	6.0	7.2	6.5
South East Distribution Warehouse	9.9	6.3	5.4	4.1
Rest of UK Distribution Warehouse	0.0	6.2	6.3	5.3
<b>All UK industrial</b>	<b>36.2</b>	<b>40.9</b>	<b>39.1</b>	<b>33.8</b>
Residential excl Student Accomodation	6.1	3.2	1.3	2.4
Student Accomodation	0.0	4.3	3.3	10.7
Hotel	4.0	2.1	3.2	6.1
Leisure	5.2	3.3	2.2	4.1
Healthcare	0.0	0.0	1.3	1.4
Other UK properties	2.6	1.5	3.2	4.1
Cash***	12.2	10.1	7.7	6.0
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Note: + Includes the Fund's share of any properties held jointly or indirectly Sources: \* Legal & General Investment Management Limited

\*\* MSCI/AREF UK Quarterly Property Fund Index

#### Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	62	2,572.2	84.2
Joint and indirect holdings	4	482.1	15.8
Listed investments	0	0	0.0
<b>Total</b>	<b>66</b>	<b>3,054.2</b>	<b>100.0</b>

Source: Legal & General Investment Management Limited

#### Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
WOODSIDE INDUSTRIAL PARK	DUNSTABLE	Industrial	300-350	*
WEST CROSS IND PARK	BRENTFORD	Industrial	150-200	*
BASINGSTOKE	THAMES VALLEY AND THE SOUTH	Industrial Other	100-150	*
STRAND ISLAND	LONDON	Office	100-150	*
NORTH TOWER	MANCHESTER	Residential	90-100	*
INTO NEWCASTLE UNIVERSITY	NEWCASTLE UPON TYNE	Education	80-90	*
YOTEL LONDON CLERKENWELL	LONDON	Hotel	80-90	*
76-88 WARDOUR STREET	LONDON	Office	70-80	*
TEMPO	MAIDENHEAD	Office	60-70	*
INTERCHANGE RETAIL PARK	BEDFORD	Retail Park	60-70	*

#### 10 largest investments as % of portfolio

Source: Legal & General Investment Management Limited

#### Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0 -2.5	0	0.0	0.0
2.5 - 5	0	0.0	0.0
5-10	6	47.4	1.6
10-25	23	385.7	12.6
25 - 50	19	664.0	21.7
50 - 100	9	619.6	20.3
100 - 150	3	360.8	11.8
Over 150	2	494.7	16.2
<b>Total</b>	<b>62</b>	<b>2572.2</b>	<b>84.2</b>
Average lot size		41.5	

Source: Legal & General Investment Management Limited

\* Fund cannot disclose this information due to commercial sensitivity

Property Yield*		Voids as % of ERV*	
Net initial yield	4.50%	Investments	11.60%
Nominal equivalent yield	-	Developments	0.00%

True equivalent yield	6.80%
Net reversionary yield	-

Source: Legal & General Investment Management Limited

Total	11.60%
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Source: Legal & General Investment Management Limited

#### Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	8.1	8.8
Retail warehousing	15.0	12.5
Shopping centres	5.6	5.4
Central London offices	6.1	8.1
Other offices	10.9	17.0
Industrial	26.8	32.0
Other	27.5	16.1
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>

Source: Legal & General Investment Management Limited

#### Over Renting and Reversionary Potential, % Rent Passing

Sector	Rent Passing, GBP Millions	Rent Free, % Rent Passing	Development vacancy, % Rent Passing	Investment vacancy, % Rent Passing	Over rented, % Rent Passing	Reversionary potential, % Rent Passing	Reversionary potential Net of Over renting, % Rent Passing	Market Value, % Rent Passing
Standard retail	11.6	1.4	-	14.6	-18.6	37.2	18.6	137.2
Retail warehousing	21.4	1.7	-	6.0	-8.9	5.2	-3.6	105.2
Shopping centres	8.0	2.8	-	14.2	-9.4	22.6	13.2	122.6
Central London offices	8.7	20.0	-	39.5	-9.5	67.1	57.6	167.1
Other offices	15.6	7.8	42.8	41.0	-2.2	96.6	94.4	196.6
Industrial	38.3	5.1	-	17.9	-0.7	50.5	49.8	150.5
Other	39.3	0.4	-	1.1	-28.6	-26.1	-54.7	73.9
<b>Overall</b>	<b>143.0</b>	<b>4.1</b>	<b>4.7</b>	<b>14.9</b>	<b>-12.2</b>	<b>26.1</b>	<b>13.8</b>	<b>126.1</b>

\*Comprising the ERV of developments in progress or contracted which have not been pre-let

Source: Legal & General Investment Management Limited

#### Listed Investments

	% of Issue held	Valuation (GBPm)	Est. % of total portfolio
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

Source: Legal & General Investment Management Limited

#### The unexpired term of leases % of rent passing

Years	Including breaks	Excluding breaks
20 years or greater	5.0	4.9
15 years or greater, but less than 20	6.1	4.9
10 years or greater, but less than 15	4.8	7.1
5 years or greater, but less than 10	23.5	56.0
Less than 5 years	60.7	27.0

Source: Legal & General Investment Management Limited

#### Joint and Indirect property holdings

Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio
HAMMERSMITH	Office	INDIRECT RE - LIMITED PARTNERSHIP	-	50.0	-	-
INDUSTRIAL PROPERTY INVESTMENT FUND	Industrial	INDIRECT RE - LIMITED PARTNERSHIP	-	9.4	-	-
LEISURE FUND LIMITED PARTNERSHIP	Leisure	INDIRECT RE - LIMITED PARTNERSHIP	-	13.9	-	-
L&G BTR fund	Residential	INDIRECT RE - LIMITED PARTNERSHIP	-	8.9	-	-
-	-	-	-	-	-	-

Source: Legal & General Investment Management Limited

## Debt analysis

Fixed rate borrowings			Variable rate borrowings		
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above Risk Free Rates (incl expenses) (%)	Off balance sheet debt (GBPm)+
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

Source: Legal & General Investment Management Limited

## Development exposure\*

	Capital value of developments			Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0.0	0.0	0.0	0.0
% of all directly held properties*	0.0	0.0	0.0	0.0

Note: \* Includes joint ventures in which the Fund has an interest of 50% or more

+ Including schemes to which the fund is contractually committed

Source: Legal & General Investment Management Limited

## Valuations/performance monitors/affiliations

Frequency of valuation	Monthly, as at the end of each month
Valuers	CB Richard Ellis
Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	Yes
Member of the Association of Real Estate Funds	Full member

Source: Legal & General Investment Management Limited

## The contribution of major tenants to rental income

Tenant	%
Tesco Stores Limited	3.0
Into Newcastle University Llp	2.9
Tjx Uk	2.0
Signature Flatbreads (Uk) Ltd	1.7
The Bank Of New York Mellon	1.7
Matalan Retail Ltd	1.6
The Malmaison Hotel (Birmingham) Ltd	1.6
Cine-Uk Ltd	1.4
Currys Group Limited	1.4
Next Holdings Limited	1.3
Three largest tenants' contribution to rental income	7.9
Five largest tenants' contribution to rental income	11.3
Ten largest tenants' contribution to rental income	18.4

Source: Legal & General Investment Management Limited

## Balance sheet/gearing

	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	2572.2	0.0	482.1	0.0	3054.2
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	0.0	0.0	-87.0	0.0	-87.0
Cash	426.3	0.0	0.0	0.0	426.3
Other net assets/liabilities	32.5	0.0	28.3	0.0	60.8
Total net assets	3031.0	0.0	423.4	0.0	3454.4
Gearing (%)					
Net debt (cash)/properties	-16.6	-	18.0	-	-11.1
Net debt (cash)/equity	-14.1	-	20.5	-	-9.8

Source: Legal & General Investment Management Limited

## Quarterly data per unit

As at	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24
Bid (GBP)	57.61	57.69	57.89	58.15	58.25	59.04
Offer (GBP)	61.38	61.44	61.65	61.93	62.04	62.90

Mid (GBP)	59.50	59.56	59.77	60.04	60.14	60.97
Bid/offer spread	6.14%	6.10%	6.10%	6.11%	6.11%	6.14%
Net asset value (GBP)	58.27	58.35	58.55	58.81	58.91	59.71
Quarterly distribution (GBP)	n/a	n/a	n/a	n/a	n/a	n/a
Yield	n/a	n/a	n/a	n/a	n/a	n/a

Source: Legal & General Investment Management Limited

### Unit pricing

The unit price is calculated on the last business day of each month. Income is not included in the unit price. Some of the vehicles through which the

### Distributions

The Fund has an accumulating share class only, however investors are able to sign up to the Notional Income Service for regular disbursements.

### Minimum investment/disinvestment

The minimum initial investment is GBP250,000, although this can change at the managers discretion. Existing unitholders may increase or decrease their holdings by minimum amounts of GBP10,000 (rounded to the nearest number of whole units). No redemption notice will be accepted that

### Creation, transfer and realisation of units

The fund is open to subscriptions on a monthly and daily basis, with applications to be received at least two business days before subscription day, which is the last working day of the month, for DB clients, or before 6pm the preceding day for DC clients.

The Manager has the discretion to defer redemptions if it deems it in the interest of continuing unitholders to do so, or if market conditions dictate.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	-	-
1% or greater but less than 2%	-	-
2% or greater but less than 4%	-	-
4% or greater but less than 8%	-	-
Greater than 8.0%	-	-
<b>Total</b>	-	-
Major investors		
Largest holder	1	-
Three largest holders	3	62
Five largest holders	5	67
Ten largest holders	10	75
Internal/external investors		
Internal	-	-
External	776	100

Source: Legal & General Investment Management Limited

Liquidity						
Period	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023	Year to Dec 2024
<b>Issues and redemptions</b>						
Units in issue as at start of period	66,043,863	63,174,181	59,865,523			
Units issued during period	0	-	1,156,967.39			
Units redeemed during period	-2,869,683	-3,308,658	-1,490,276			
Units in issue at end of period	63,174,181	59,865,523	59,532,214			
<b>Unit transfers</b>						
Matched bargains	-	-	-			
Matched bargains %*	-	-	-			

\* as % of units in issue at the end of the period

Source: Legal & General Investment Management Limited