

# Pinewood Defies Studio Uncertainty With £750M Debt Raise

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Pinewood Group this week completed a £750M bond issue, the largest new UK bond issued in the past three years, despite uncertainty in the film and TV sector.

The film studio owner, with major facilities near London and Toronto and managed by European real estate fund manager Aermont, raised a £750M high-yield bond that matures in 2030 and a £76M revolving credit facility. The money will be used to repay another high-yield bond that matures in 2025.

The debt raised was 50% more than the £500M bond originally envisaged by the company, a sign financial investors are willing to back quality infrastructure to make film and TV programmes even as the industry pauses for breath after a period of rapid expansion and grapples with the impact of artificial intelligence on content creation.

In February, entertainment mogul Tyler Perry said that after seeing a demonstration of a new text-to-video artificial intelligence model, he [won't go forward with a massive planned expansion](#) of his studio campus in Atlanta.

Perry had planned an \$800M expansion that would have added 12 soundstages but put the project on hold.

“I had gotten word over the last year or so that this was coming, but I had no idea until I saw recently the demonstrations of what it’s able to do,” he told The Hollywood Reporter. “It’s shocking to me.”

More broadly, film studio development increased rapidly in recent years to keep pace with demand from steaming services like [Disney](#), [Netflix](#) and [Amazon](#), as well as traditional studios. But many of those players are now cutting costs to make content creation profitable after scrambling for market share.

New leases being signed by TV-related firms in New York were down 85% in 2023, according to data from [CBRE](#), Bloomberg reported. Bloomberg added that only 38% of Atlanta’s soundstages were occupied in February.

But Pinewood, the historic home of famous franchises like James Bond, is bucking the trend, primarily due to its business model of signing tenants to long traditional real estate leases rather than renting out space on a production-by-production basis.

Virtually all of its UK studios at Pinewood and Shepperton, to the west of London, are leased or pre-leased to Netflix, Disney and Amazon. It is expanding the studios from 2.1M SF to more than 3M SF. Last year, Pinewood bought a new studio in Toronto.

The prospectus of the bond issuance said Pinewood and Shepperton were valued at about £2.75B, while Pinewood Toronto was valued at about £250M.

**[Brookland Partners](#) advised Pinewood on the bond issuance.**

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