

PRESS RELEASE
29 February 2008

Derwent London plc (“Derwent London”/ “Company”)

DERWENT LONDON SECURES PLANNING FOR MIDTOWN OFFICE SCHEME

Derwent London, one of London’s most dynamic and innovative property investors and developers, is pleased to announce that the City of London has resolved to grant planning permission for the redevelopment of 40-45 Chancery Lane, WC2 which currently comprises three multi let buildings totalling 71,146 sq ft (6,610 sq m).

Designed by Bennetts Associates, the proposals are for a development of 102,900 sq ft (9,556 sq m) of high quality office. The key focus of the design is a central courtyard which will be built at the rear of the scheme linking the new space to a building which is being retained in Took’s Court. In addition, there will be retail space fronting Chancery Lane.

Chancery Lane will be a welcome addition to Derwent London’s growing portfolio of stylish office accommodation in the Midtown area, building on the successful refurbishment and lettings at the Johnson Building in Hatton Garden in 2007. Located in a rapidly expanding and vibrant part of London, Chancery Lane further demonstrates the Company’s confidence in an area which it believes continues to offer occupiers significant rental value.

The planning consent for Chancery Lane is the third successful consent achieved by Derwent London since the beginning of 2008 and adds to the pipeline of future schemes. The three planning consents will allow Derwent London to create a total of 297,681 sq ft (27,655 sq m) of additional lettable office space.

- In January the Company secured planning permission for its 316,000 sq ft (29,360 sq m) mixed-use canal side scheme, at 55-65 North Wharf Road in Paddington, London W2. The site, at the heart of Paddington Basin regeneration area, is directly opposite the northern entrance to Paddington Station. The new scheme will provide 240,250 sq ft (22,320 sq m) of office space.
- Earlier this month Derwent London secured planning permission from Islington Council for the 255,000 sq ft net (23,690 sq m) office refurbishment of the Angel Centre, London EC1, increasing the total space by 93,000 sq ft (8,639 sq m). The property is the first building from the London Merchant Securities’ (“LMS”) portfolio to be refurbished by Derwent London following its merger in February 2007.

Nigel George, Director at Derwent London, commented:

“The scheme for Chancery Lane was well researched to achieve floorplates which will appeal to a range of different occupiers, together with a private courtyard offering tenants attractive break out spaces.

“The proposals for all of these developments are entirely consistent with Derwent London’s passion for delivering high quality offices that will be attractive to prospective tenants looking to base themselves in Central London’s key villages.”

-ends-

For further information please contact:

Dido Laurimore/Nicole Marino, Financial Dynamics (for Derwent London): Tel: 020 7831 3113

Nigel George, Director, Derwent London Tel 020 7659 3000

Notes to editors

Derwent London plc

Derwent London plc was formed on 1 February 2007 following the merger of Derwent Valley Holdings and London Merchant Securities and converted to REIT status on 1 July 2007. The group is one of London's most innovative office specialist property developers and investors and is well known for its established design-led philosophy and creative management approach to development. Derwent London won the RIBA Client of the Year Award 2007.

Derwent London's core strategy is to acquire and own a portfolio of Central London property that has reversionary rents and significant opportunities to enhance and extract value through refurbishment and redevelopment. The group owns and manages an investment portfolio of over £2.8 billion, of which £2.5 billion or 93% is located in Central London, with a specific focus on the West End and the areas bordering the City of London. Landmark schemes by Derwent London include: Qube W1, Johnson Building EC1, Davidson Building WC2 and Broadwick House W1.

Approximately 50% of the London portfolio is identified as having the opportunity, through development, to achieve significant gains in floor area and, thereby, increases in value. The existing pipeline of development and refurbishment projects is extensive, totalling 3.3 million sq ft (306,500 sq m).