

PRESS RELEASE

10 June 2008

**APOSTROPHE ARRIVES AT DERWENT'S
BAKER STREET SCHEME**

Derwent London plc ("Derwent" / the "Company") and The Portman Estate are pleased to announce that their joint venture company, Portman Investments (Baker Street) Ltd, has let the retail unit at 19 Baker Street, to Apostrophe, which opened for business on 19th May 2008.

Popular French-style café chain, Apostrophe, has taken a unit comprising 2,908 sq ft (270 sq m), fronting the ground floor of the Baker Street development on the corner meeting George Street. It has taken the retail premises on a new 15-year lease, at a headline rent of £80,000 per annum.

19-35 Baker Street comprises a 7-storey mixed-use scheme, combining 71,125 sq ft (6,608 sq m) of office space with 20,506 sq ft (1,905 sq m) of retail space. Other occupiers at the building include House of Fraser, Misura Emme and Hulsta.

Through the joint venture, this Baker Street property forms an important part of Derwent's growing Marylebone portfolio and reflects its core strategy to extend its presence in the villages immediately surrounding London's West End.

Amir Chen, Managing Director of Apostrophe, comments: "We are strong believers in the regeneration of this area of Baker Street. With an already large and growing business community, an affluent residential population and significant tourist footfall, this area has a lot going for it.

"With floor-to-ceiling windows looking out onto Baker Street and George Street and a large outdoor seating area, the unit benefits from great natural light to create a spacious feel. Additionally, combined with Apostrophe's signature showcase furniture and innovative design features, such as a light box encasing its ovens and a raised seating area with a walnut canopy, it creates dynamic space that will attract customers at all times of the day and in all moods."

Simon Silver, Head of Development, Derwent London, comments: "Apostrophe complements our existing tenant mix and presents the perfect fit for this unique and vibrant area of the West End, bordering Mayfair. We are working with the brightest talents to help reshape and regenerate central London, creating desirable spaces to work and live in, as people's focus continues to shift towards village areas encircling the traditional core West End and City markets."

The launch of this unit represents Apostrophe's 14th store opening, in and around London, since its foundation in 2001. Other existing branches include those on Regent Street, Grosvenor Street, Tottenham Court Road, St Christopher's Place and The Strand, as well as at Heathrow Terminal 5.

The Portman Estate and Derwent were advised by Capital Retail; Ian Scott International acted for Apostrophe.

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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).