

31 October 2008

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

**DERWENT LONDON SECURES PLANNING CONSENT ON APPEAL
FOR
CITY ROAD ESTATE REDEVELOPMENT**

Derwent London, one of Central London’s leading developers/investors has secured detailed planning consent to redevelop its significant City Road site on the Old Street roundabout.

The Secretary of State for Communities and Local Government has granted planning permission for a mixed use scheme comprising a 39 storey residential tower, with approval granted for 250 apartments, as well as a new office building. The total gross area of the approved development is 38,126 sqm. Planning consent was refused in August 2007 by Islington Council and Derwent London appealed that decision. Situated adjacent to the Old Street roundabout, the current buildings that are the subject of the planning appeal comprise approximately 16,500 sqm and date back to the 1950’s and 1960’s.

The existing buildings are currently income producing and Derwent London will monitor current market conditions to determine when the approval will be implemented.

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For further information please contact:

Stephanie Highett/ Olivia Goodall, Financial Dynamics: Tel: 020 7831 3113

John Burns, Chief Executive, 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 £2.5 billion, of which 94% 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 Tea Building E1.

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.