

16 March 2009

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

**DERWENT LONDON ANNOUNCES SALE OF
28 DORSET SQUARE, LONDON NW1**

Derwent London has exchanged contracts on the sale of its freehold interest in 28 Dorset Square, London NW1 to a private UK investor for £17 million.

The sale price reflects a net initial yield of 6.1% and represents a 5% premium over the 31 December 2008 valuation.

Located next to Marylebone station, the four-storey office building totals 23,530 sq ft and comprises 26, 27 and 28 Dorset Square and 2, 4 and 6 Boston Place. The property underwent comprehensive refurbishment in 2006 and was subsequently let to Bacardi Global Brands Limited on a 15-year lease, expiring in 2021, at a rent of £1.1 million per annum. The rent is subject to an upward only rent review in 2011 and five-yearly thereafter.

The 2006 redevelopment of the property was undertaken by architects John McAslan + Partners and won a Royal Institute of British Architects (RIBA) Design Award in 2007.

John Burns, Chief Executive of Derwent London, comments:

“This transaction represents the continuation of our selective disposals programme of mature assets in order to recycle capital within the portfolio. We are pleased to have secured this sale at a 5% premium to the December year-end valuation.”

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