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Derwent London plc Convertible Bond Offering

Derwent London plc (the “Group”, the “Company” or “Derwent London”) today announces the launch of an offering of £175 million of Convertible Bonds due 2016 (the “Bonds”) with an option to increase the offering to up to £200 million.

The Company intends to use the net proceeds of the offering to help fund its development pipeline and increase resources for future acquisition opportunities whilst also taking advantage of current favourable market conditions to diversify its medium-term sources of finance.

The Bonds are expected to be issued by Derwent London Capital (Jersey) Limited, a wholly-owned subsidiary of the Company incorporated in Jersey, and will be guaranteed by the Company. The Bonds will be senior and unsecured obligations of the Group and will be subject to a negative pledge.

The Bonds will be issued at par and are expected to carry a coupon of between 2.50% and 3.00% per annum payable semi-annually in arrear and will be convertible into fully paid Ordinary Shares of the Company (the “Shares”) . The initial conversion price is expected to be set at a premium of between 25% and 30% above the volume weighted average price of the Shares from launch to pricing less £0.2025 to be paid to shareholders on the share register on 20 May 2011.

Settlement is expected to take place on or about 2 June 2011 (the “Settlement Date”). If not previously converted or redeemed, the Bonds will be redeemed at par on 15 July 2016. The Company will have the option to call all outstanding Bonds on or after the date falling 15 days after the Interest Payment Date falling in July 2014 at par plus accrued interest if the value of the Ordinary Shares underlying a Bond equals or exceeds 130% of the conversion price for at least 20 out of 30 consecutive dealing days or, at any time, if 15% or less of the principal amount of the Bonds remains outstanding.

It is intended that an application will be made for the Bonds to be listed on the Official List and admitted to trading on the Professional Securities Market of the London Stock Exchange.

J.P. Morgan Cazenove and RBS Hoare Govett Limited are acting as Joint Global Coordinators and Joint Bookrunners and HSBC Bank plc and UBS Limited are acting as Joint Bookrunners for the offering.

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John Burns, Chief Executive Officer

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About Derwent London plc

Derwent London plc is the largest central London focused REIT with an investment portfolio of £2.4bn as at 31 December 2010. The Group is one of London's most innovative office specialist property regenerators and investors and is well known for its established design-led philosophy and creative management approach to development.

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, regeneration and redevelopment. The Group owns and manages an investment portfolio of 5.4 million sq ft (500,000m²), as at 31 December 2010, of which 95% 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 Angel Building EC1, Arup Phases II & III W1, Qube W1, Horseferry House SW1, Johnson Building EC1, Davidson Building WC2 and Tea Building E1.

Derwent London came first in the property sector in the 2010 awards for 'Britain's Most Admired Companies'.

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The Joint Bookrunners are acting on behalf of the issuer and the Company and no one else in connection with the Bonds and will not be responsible to any other person for providing the protections afforded to clients of the Joint Bookrunners or for providing advice in relation to the Bonds.

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