

17 May 2011

NOT FOR DISTRIBUTION IN OR TO THE U.S., CANADA, AUSTRALIA OR JAPAN, OR IN ANY OTHER JURISDICTION IN WHICH SUCH DISTRIBUTION WOULD BE PROHIBITED BY APPLICABLE LAW

Derwent London plc Convertible Bond Offering

Derwent London plc (the “Group”, the “Company” or “Derwent London”) announces the final terms of its offering of £175 million of Convertible Bonds due 2016 (the “Bonds”), announced earlier today.

The Bonds will have a coupon of 2.75% 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 has been set at £22.22, a premium of 30% above the volume weighted average price of the Shares from launch to pricing less the £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”).

John Burns, Chief Executive Officer of Derwent London said:

“We are very pleased with the result of this bond offer and the confidence that the market has shown in the future prospects of the Group. The bonds have been priced at the top end of the premium range and the transaction was substantially oversubscribed at that level.”

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.

For further information, please contact:

Derwent London

Tel: +44 (0)20 7659 3000

John Burns, Chief Executive Officer

Damian Wisniewski, Finance Director

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

sqft (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'.

DISCLAIMER

This announcement does not constitute or form part of an offer to sell or the solicitation of an offer to subscribe for or otherwise acquire any securities in the United States or in any other jurisdiction. This announcement is not for distribution, directly or indirectly in or into the United States (as defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")). The securities referred to herein have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This communication is directed only at persons who (i) are outside the United Kingdom or (ii) have professional experience in matters relating to investments falling within Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) are persons falling within Article 49 2(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This communication must not be read, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

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.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or by any of their respective officers, employees or agents as to or in relation to the accuracy or completeness of this any written or oral information made available to any interested party or its advisers and any liability therefor is hereby expressly disclaimed.

Stabilisation/FSA.