

11 October 2011

Derwent London plc (“Derwent London” / “the Group”)

**MAJOR REDEVELOPMENT AT CITY ROAD ESTATE
GAINS PLANNING CONSENT**

Derwent London is pleased to announce that it has been granted planning permission by the London Borough of Islington for a major new 289,000 sq ft (26,800m²) redevelopment at City Road Estate, London EC1



This prominent one acre island site faces on to Old Street roundabout and is bordered by City Road, Old Street, Featherstone and Mallow Streets. The proposals, by architects Allford Hall Monaghan Morris, include 271,000 sq ft (25,200m²) of offices, 10,000 sq ft (900m²) of retail and 8,000 sq ft (700m²) of private residential accommodation. The planning permission includes full payment of the Crossrail levy, and a significant contribution for off-site affordable housing.

The centrepiece is a 16-storey office building that will incorporate our White Collar Factory concept. This uses passive measures such as concrete-slab cooling and generous floor-to-ceiling heights to provide spacious, flexible accommodation that is economic to run and environmentally more sustainable than a conventional office building.

This landmark building will be complemented by a mixture of new and sensitively refurbished five to six storey buildings that respect the surrounding conservation area. These will offer flexible yet affordable studio office space, perfectly suited for the growing number of innovative technology companies that are being attracted to this area, dubbed 'Silicon Roundabout'. Dual-aspect retail accommodation will be provided on the ground floor, fronting both City Road and the generous public square at the centre of the site, around which all the buildings are positioned. The scheme also includes nine private residential units on Mallow Street.

The existing buildings total 124,000 sq ft (11,500m²) and are let on a short-term basis - the new scheme represents a 130% increase on the existing floorspace. The group is currently reviewing its strategy for the development, and it is likely that a marketing campaign will be undertaken to secure a significant pre-let prior to commencing construction. Capital expenditure for the new scheme is anticipated to be in the region of £105 million.

John Burns, Chief Executive at Derwent London, commented:

"We are delighted to have won this major planning consent, which follows closely on the heels of our recent planning success at 80 Charlotte Street, Fitzrovia W1. The proposed City Road Estate scheme, incorporating our White Collar Factory concept, will be an exciting new project for the Group at this up-and-coming location that is proving highly appealing to the technology and media sectors."

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Notes to editors

Derwent London plc

Derwent London plc is the largest central London focused REIT with an investment portfolio of £2.6bn as at 30 June 2011. The Group is one of London's most innovative office specialist property

regenerators and investors and is well known for its 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 (505,000m²), as at 30 June 2011, of which 96% 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'. This year, Angel Building was shortlisted for the RIBA Stirling Prize following its RIBA London 2011 award and has also won accolades from the British Council for Offices and New London Architecture. The recent Maple & Fitzroy development in Fitzrovia W1 also won a 2011 RIBA London and New London Architecture award.