



GROSVENOR AND DERWENT LONDON JOIN FORCES TO REDEVELOP LANDMARK WEST END SITE

11 October 2011

Grosvenor and Derwent London have signed a Memorandum of Understanding to form a partnership to consider the redevelopment of 1-5 Grosvenor Place, London SW1. The site of over 1.5 acres, next to Hyde Park Corner, offers the opportunity to undertake a substantial mixed-use redevelopment, likely to include a luxury hotel, commercial and residential uses.

The existing building is held under long leases by Derwent, with the freehold held by Grosvenor. It comprises mainly offices and extends to 168,000 sq ft (15,600m²) with the potential to be increased significantly. Subject to planning consent the redevelopment could commence in 2014.

Giles Clarke, Grosvenor Britain & Ireland's Executive Director with responsibility for its London estate, said:

"We are delighted to work with Derwent London to unlock the potential transformation of this important site which acts as a gateway to Belgravia. The project is a perfect fit for our expertise in mixed-use, and prime central London development, and adds to our growing pipeline in the capital."

John Burns, Chief Executive at Derwent London, commented:

"Signing this Memorandum of Understanding with Grosvenor is an important step forward in the redevelopment of this prestigious Belgravia site. We look forward to working closely with our freeholder in producing a high quality scheme that will bring substantial benefits to the local area."

Derwent London will continue its active asset management role at the site with Grosvenor acting as development manager.

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Notes to editor

About Grosvenor

Grosvenor is a privately owned property group with offices in 18 of the world's most dynamic cities. It has four regional investment & development businesses in Britain & Ireland, the Americas, Australia and Asia Pacific; an international fund management business, which operates across these markets and in continental Europe; and a portfolio of indirect investments. As at 31 December 2010, the Group had total assets under management of £10.9bn. Unusually for a private company, Grosvenor publishes a full Annual Report & Accounts, available at: www.grosvenor.com

Grosvenor Britain & Ireland's strategy emphasises the creation and management of successful places, with a particular focus on high-end residential and mixed-use. The core portfolio comprises 300 acres of Mayfair and Belgravia in London, which first came into the Grosvenor family in 1677. Ownership and active management of its London estate remains at the heart of Grosvenor Britain & Ireland's strategy. Investment assets comprise the largest part of its portfolio. Grosvenor Britain & Ireland also undertakes development across London, and in selected city centres around the UK. As at 31 December 2010, Grosvenor Britain & Ireland had assets under management of £3.5bn.

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 the 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, the Angel Building has been 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.