

24 April 2015

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

**DERWENT LONDON SECURES OVER £3M OF ADDITIONAL RENT TAKING  
NEW LETTINGS TO £10.6M SO FAR IN 2015**

Derwent London has secured £10.6m pa of rents from new lettings in the year to date, which already exceeds the £9.2m we achieved in the whole of 2014. Recent transactions total more than £3m pa, with the principal ones shown below.

At the recently acquired Angel Square, Islington EC1 the Group has let 40,700 sq ft of offices in Block Two to The Office Group, the flexible office space provider. The occupier is taking a 10-year lease with a landlord’s break from year five at a base rent of £1.4m pa, reflecting £35 per sq ft. The incentives are equivalent to a nine-month rent free period. The Group will receive a share of The Office Group’s profits above a minimum level. Angel Square is a 128,700 sq ft office property acquired in November 2014. The passing rent at acquisition was £2.4m pa, but the majority of the leases expired in March 2015. In the last two months we have re-let over 75% of the building, and renewed one lease for a combined income of £3.7m pa. This newly let income alone represents a 54% increase on the property’s income at the time of acquisition, and the Group will refurbish the 25,000 sq ft balance of the property upon vacant possession.

At the Davidson Building, Covent Garden WC2, where four floors totalling 23,200 sq ft have recently been refurbished, the Group has let 10,600 sq ft to two occupiers on 10-year leases with breaks in year five. The combined rent is £0.8m pa equating to £80 per sq ft on the terraced penthouse fifth floor (4,370 sq ft) and £72.50 per sq ft on the fourth floor (6,230 sq ft). Both leases have minimum rental uplifts in year five. There is a further 12,600 sq ft available at this property.

At the Tea Building, Shoreditch E1, a rent of £47.50 per sq ft (£0.4m pa) was attained after Feed, an independent communications agency, took just under 8,000 sq ft on a five-year lease. This exceeded the previous high of £39 per sq ft which was achieved last year.

At Morelands, Clerkenwell EC1, existing tenant Spark44, a marketing and communications agency, has taken further space at a rent of £55 per sq ft or £0.3m pa, with a minimum uplift to £60 per sq ft on first review, on a 5,370 sq ft unit for nine years with a tenant’s break at five years.

John Burns, Chief Executive Officer of Derwent London, commented:

*“These recent deals are further confirmation of the continuing strength of the central London letting market that we reported with our results in February. We are delighted that we have achieved our initial plans for Angel Square so quickly.”*

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## **Notes to editors**

### **Derwent London plc**

Derwent London plc owns a portfolio of commercial real estate predominantly in central London valued at £4.2 billion as at 31 December 2014, making it the largest London-focused real estate investment trust (REIT).

Our experienced team has a long track record of creating value throughout the property cycle by regenerating our buildings via development or refurbishment, effective asset management and capital recycling.

We typically acquire central London properties off-market with low capital values and modest rents in improving locations, most of which are either in the West End or the Tech Belt. We capitalise on the unique qualities of each of our properties – taking a fresh approach to the regeneration of every building with a focus on anticipating tenant requirements and an emphasis on design.

Reflecting and supporting our long-term success, the business has a strong balance sheet with modest leverage, a robust income stream and flexible financing.

Landmark schemes in our portfolio of 5.7 million sq ft as at 31 December 2014 include Angel Building EC1, The Buckley Building EC1, White Collar Factory EC1, 1-2 Stephen Street W1, Horseferry House SW1 and Tea Building E1.

In December 2014 Derwent London topped the real estate sector for the fifth year in a row and was placed ninth overall in the Management Today awards for 'Britain's Most Admired Companies'. Also in 2014 the Group won the Property Week 'Developer of the Year' and the RICS London Commercial Award, and was shortlisted for awards by Architects' Journal, BCO, NLA and OAS. The Group was also awarded EPRA Gold for corporate and sustainability reporting.

For further information see [www.derwentlondon.com](http://www.derwentlondon.com) or follow us on Twitter at @derwentlondon

### **Forward-looking statements**

This document contains certain forward-looking statements about the future outlook of Derwent London. By their nature, any statements about future outlook involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. Actual results, performance or outcomes may differ materially from any results, performance or outcomes expressed or implied by such forward-looking statements.

No representation or warranty is given in relation to any forward-looking statements made by Derwent London, including as to their completeness or accuracy. Derwent London does not undertake to update any forward-looking statements whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast.