

13 July 2015

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

**WHITE COLLAR FACTORY UP AND RUNNING – FIRST LETTINGS SECURED**

Derwent London has pre-let almost 70,000 sq ft on the lower floors at White Collar Factory EC1 – its innovative development overlooking Silicon roundabout in the heart of London’s Tech Belt.

The Office Group, a leading provider of design-led and flexible offices and co-working spaces, and structural engineers AKT II will take five floors in the 16-storey office tower. The combined rent totals £4.0m per annum, or £57.50 per sq ft, which is 12.7% above the Estimated Rental Value on these lower floors at December 2014. Both leases have compounded annual inflation increases with an annual floor of 2% and a cap of 4% for at least five years which takes the rent to between £63.50 and £70.00 per sq ft at first review.



The Office Group will be taking a 20-year lease, without breaks, on the first to third floors, amounting to 41,300 sq ft. The rent is £2.4m per annum with rental incentives equivalent to a 24 month rent free period. The rent is inflation linked and rises on the fifth and tenth years based on the floor and cap arrangement.

AKT II has agreed a 20-year lease on the fourth and fifth floors, totalling 28,400 sq ft, at an initial rent of £1.6m per annum. There are tenant breaks in years 12 and 15 and a rental incentive equivalent to a 24 month rent free period. The initial rent rises with inflation, on the same floor and cap basis, at first review.



The White Collar Factory will be a 237,000 sq ft landmark office building that incorporates innovative and sustainable design with 3.5m high ceilings, concrete core cooling, openable windows and the ability to accommodate flexible occupation. The tower will have a communal roof terrace with a running track and forms part of a new urban campus that is complemented by five low-rise buildings and new public realm. These latter properties provide 39,000 sq ft of office space, 9,000 sq ft of restaurant and retail space and 8,000 sq ft of residential. The scheme, designed by leading architects AHMM, is on schedule and due to complete in Q3 2016.

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

*"We have made an excellent start with the letting of almost 25% of the White Collar Factory to two occupiers who share our vision for this exciting multi-tenanted urban campus. The initial rent is above our expectations and sets the tone, which we expect to improve as we let the upper floors of the building."*

Lloyd Dorfman, Chairman of The Office Group, commented:

*"We are delighted to have secured space in another prestigious building in London. Our footprint in the Capital continues to grow along with the demand for the services we offer. We are looking forward to maintaining our successful relationship with Derwent London as we build another thriving and diverse business community in the White Collar Factory."*

Derwent London was represented by Pilcher Hershman, DTZ and Cushman & Wakefield.

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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. In April 2015, 1-2 Stephen Street W1 won the BCO London and South East award for Refurbished / Recycled Workplace.

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

### The Office Group

The Office Group (TOG) provides design-led flexible offices, meeting rooms and co-working spaces for start-ups, small businesses as well as increasingly larger, more established companies. All are typically from the creative, media and digital sectors. Founded in 2003 by Co-CEOs Charlie Green and Olly Olsen, the pair were joined in 2010 by its Chairman Lloyd Dorfman, founder of Travelex. TOG now has 28 buildings with 26 across London, as well as one in Leeds and one in Bristol. 12 of these buildings are owned freehold. TOG continues to challenge the office industry, with its flexible product being an acceptable form of tenure and a genuine alternative to the conventional lease. Each building is designed individually with a focus on creating inspirational workplaces with a genuine sense of community. In a joint venture with Network Rail, TOG continues to roll out its network of drop-in and flexible work spaces within mainline train stations. For more information please visit [www.theofficegroup.co.uk](http://www.theofficegroup.co.uk).

## **AKT II**

AKT II is a design-led structural and civil engineering consultancy that has won over 250 awards for its work in the UK and across the world.

The practice was formed in 1996 as Adams Kara Taylor and later known as AKT. In 2011, with the addition of two new Principals and as the next chapter in its progress, the practice was renamed AKT II.

We believe in providing a high value and quality driven model which draws on a wealth of experience through to the successful delivery of a project. In addition to the project work undertaken we work with academic institutions, industry forums and design councils to enrich our knowledge and the projects on which we collaborate.

For further information see [www.akt-uk.com](http://www.akt-uk.com).

### **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.