

25 February 2016

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

## **DERWENT LONDON £105 MILLION US PRIVATE PLACEMENT**

Derwent London announces that it has entered into £105 million of new unsecured fixed rate private placement funding with 12 and 15 year maturities.

The issue is in two tranches, both of which will be drawn on 4 May 2016: £30 million 3.46% Senior Notes due 4 May 2028 and £75 million 3.57% Senior Notes due 4 May 2031 (the “Notes”). The Notes were placed with three institutional investors all of whom are new lending relationships for the Group.

The debt issue was priced on 4 February 2016 and the note purchase agreement was signed on 19 February 2016. The funds will be used for general corporate purposes and to refinance existing Group indebtedness. As a result, the Group’s total facilities will increase to £1.266bn. The financial covenants are the same as the Group’s other unsecured facilities, including its £100 million US private placement notes arranged in November 2013.

Damian Wisniewski, Finance Director of Derwent London, commented:

*“We are delighted to welcome three new funding relationships to our pool of lenders and extend our available facilities by £105 million. With a December 2015 loan-to-value ratio of just under 18% and a strong increase in earnings cover during 2015, the Group is well placed to fund its pipeline of value-enhancing projects and to continue growing earnings. When drawn in May, this long-term debt will also increase the Group’s weighted average maturity of borrowings by about 12 months.”*

The Notes have not been, nor will they be, registered in the United States under the United States Securities Act of 1933, as amended (the “Securities Act”), or under any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons unless the Notes are registered under the Securities Act or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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**Enquiries:**

Derwent London  
Tel: +44 (0)20 7659 3000

Damian Wisniewski, Finance Director  
Quentin Freeman, Head of Investor Relations

Brunswick Group  
Tel: +44 (0)20 7404 5959

Nina Coad  
Emily Trapnell

**Notes to editors****Derwent London plc**

Derwent London plc owns a portfolio of commercial real estate predominantly in central London valued at £5.0 billion as at 31 December 2015, 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 6.2 million sq ft portfolio 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 2015 the Group has won awards by Architects' Journal, British Council for Offices, Civic Trust and RIBA and achieved EPRA Gold for corporate and sustainability reporting. In December, Derwent London topped the real estate sector for the sixth year in a row and was placed third overall in the Management Today 2015 awards for 'Britain's Most Admired Companies'.

As part of its wider sustainability programme, in 2013 Derwent London launched a dedicated £250,000 voluntary Community Fund and, in 2016, announced a further commitment of £300,000 for the next three years for Fitzrovia and the Tech Belt.

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