

28 February 2017

Derwent London plc (“Derwent London” / “the Group”)
Derwent London sells 132-142 Hampstead Road NW1

Derwent London has entered an agreement to sell the freehold interest in 132-142 Hampstead Road NW1 for £130m before costs. The purchaser was the Secretary of State for Transport. The property provides 219,700 sq ft and is let to University College London for £1.7m pa. The property was acquired in 2007, and planning for the development of 233,000 sq ft of offices and 38 residential units was achieved in 2010. The offices were designed as Derwent London’s first White Collar Factory development, the same concept that is now being successfully delivered at Old Street Yard EC1, and had attracted considerable pre-letting interest. However, these plans were unable to be carried forward by the decision to build HS2 announced in 2012. The December 2016 book value, which did not reflect the full benefit of the very valuable planning consent, was £115m.

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

“We are pleased to have concluded the sale of this well located property to HS2. The transaction will provide greater certainty both for Derwent London and for the future of the site.”

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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 £5.0 billion (including joint ventures) as at 31 December 2016, 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 6.0 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 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'. In addition the Group won awards by Architects' Journal, British Council for Offices, Civic Trust and RIBA and achieved EPRA Gold for corporate and sustainability reporting. In 2016 Turnmill and The Corner House won RIBA National awards.

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

The Company is a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in the UK. The address of its registered office is 25 Savile Row, London, W1S 2ER.

For further information see 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.