

4 November 2021

## **Derwent London plc (“Derwent London” / “the Group”) ACQUISITION OF 230 BLACKFRIARS ROAD, SOUTHWARK SE1**

Derwent London is pleased to announce that it has exchanged contracts to acquire the 100-year leasehold interest in Conoco House and Quadrant House at 230 Blackfriars Road SE1 in Southwark for £55.0m before costs. The ground rent is a fixed £5,000 pa.



Conoco House, a 1970s office building comprising 60,300 sq ft, is multi-let at a passing rent of £2.1m (£41 per sq ft on average) with all leases expiring in 2025, with tenant breaks in 2023. The net initial yield is 3.5% which would rise to c.4.2% on letting the 9,400 sq ft of vacant space. The acquisition cost, excluding Quadrant House, equates to £880 per sq ft on the existing space. The adjoining Quadrant House is a 36-unit residential building let to 2074 at a nominal rent. Together they occupy a 0.8 acre site, which includes 30 car parking spaces, and has medium-term potential for a substantial office-led development.

### **Paul Williams, Chief Executive of Derwent London, said:**

*“We are delighted to have exchanged contracts to acquire 230 Blackfriars Road, an exciting addition to our medium-term development pipeline, and which establishes a new village for us in the heart of South London’s Innovation Corridor and Health Science cluster in Southwark.”*

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## Notes to editors

### Derwent London plc

Derwent London plc owns 81 buildings in a commercial real estate portfolio predominantly in central London valued at £5.4 billion as at 30 June 2021, 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.

As part of our commitment to lead the industry in mitigating climate change, Derwent London has committed to becoming a net zero carbon business by 2030, publishing its pathway to achieving this goal in July 2020. In 2019 the Group became the first UK REIT to sign a Revolving Credit Facility with a 'green' tranche. At the same time, we also launched our Green Finance Framework and signed the Better Buildings Partnership's climate change commitment. The Group is a member of the 'RE100' which recognises Derwent London as an influential company, committed to 100% renewable power by purchasing renewable energy, a key step in becoming a net zero carbon business. Derwent London is one of only a few property companies worldwide to have science-based carbon targets validated by the Science Based Targets initiative (SBTi).

Landmark schemes in our 5.4 million sq ft portfolio include 80 Charlotte Street W1, Brunel Building W2, White Collar Factory EC1, Angel Building EC1, 1-2 Stephen Street W1, Horseferry House SW1 and Tea Building E1.

In October 2021 Derwent London won EG's UK Company of the Year award and in January 2021 came top of the Property Sector and 10th position overall in Management Today's Britain's Most Admired Companies awards 2020. In 2020 the Group won several awards for Brunel Building with the most prominent being the BCO Best Commercial Workplace award. In 2019 the Group won EG Offices Company of the Year, the CoStar West End Deal of the Year for Brunel Building and Westminster Business Council's Best Achievement in Sustainability award. In 2013 the Company launched a voluntary Community Fund and has to date supported well over 100 community projects in the West End 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](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.