
**Derwent London plc (“Derwent London” / “the Group”)
New headlease agreed at 50 Baker Street W1**

Derwent London is pleased to announce that it has successfully agreed a new 125-year headlease (from scheme completion) for its 50 Baker Street W1 development with the freeholder, The Portman Estate. This follows receipt of resolution to grant planning consent in August 2024 for this best-in-class 236,000 sq ft project. We have also appointed a contractor under a pre-construction services agreement, ahead of the main construction contract being placed in H1 2026.

The new headlease consolidates ownership of the existing buildings on the site into a single headlease, with a ground rent of 7.5% of gross income from completion. The Portman Estate will contribute its ownership interest of 62-64 Baker Street, giving Derwent London full control of the island site. No upfront consideration is payable. Similar to the structure agreed at our nearby 25 Baker Street project, part of the retail element will be sold back to the freeholder.

This architecturally striking building, designed by AHMM, comprises 204,000 sq ft of highly efficient office space, in addition to ground floor retail and 17 private residential flats.

In line with the Group’s high standards in terms of sustainability and design, this is an exemplary project with a class-leading embodied carbon intensity of c.530 kgCO₂e/sqm, well below the GLA’s target. The scheme incorporates a variety of circular economy measures, including a pioneering engineering approach to the re-use of existing reconditioned concrete slabs. The use of off-site manufacturing and the investigation of innovative concrete mixes will further reduce embodied carbon, while improving the overall build quality. The building, which is targeting a 5-star NABERS UK rating, has an enhanced concrete core cooling system and openable windows throughout.

Paul Williams, Chief Executive of Derwent London, said:

“Building on the success at our 25 Baker Street project opposite and the strength of our longstanding partnership with The Portman Estate, I am delighted that we have agreed a new headlease at 50 Baker Street, enabling a start on site next year. The shortage of well-located Grade A space is becoming increasingly pronounced, particularly in Marylebone. That depth of demand, combined with the building’s quality and prime location, supports a compelling rental outlook which sets the stage for strong returns.”

Oliver Fenn-Smith, Chief Executive of The Portman Estate, said:

“We are proud to be working with Derwent London to deliver high-quality office, residential and retail space at 50 Baker Street – further enlivening Marylebone and our vision for the future of the Estate. Commencement of the development will mark an exciting milestone in our ongoing partnership with Derwent London following the success of 25 Baker Street and Loxton Walk.”

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Notes to editors

Derwent London plc

Derwent London plc owns a commercial real estate portfolio predominantly in central London valued at £5.0 billion as at 31 December 2024, making it the largest London office-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 redevelopment 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 City Borders. 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.

We are frequently recognised in industry awards for the quality, design and innovation of our projects. Landmark buildings in our 5.4 million sq ft portfolio include 1 Soho Place W1, 80 Charlotte Street W1, Brunel Building W2, White Collar Factory EC1, Angel Building EC1, 1-2 Stephen Street W1 and Tea Building E1.

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. Our science-based carbon targets validated by the Science Based Targets initiative (SBTi). In 2013 the Company launched a voluntary Community Fund which has to date supported 180 community projects in central London.

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 LinkedIn

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.