DERWENT LONDON

5 November 2026

Derwent London plc ("Derwent London" / "the Group")

THIRD QUARTER BUSINESS UPDATE

Further strong leasing progress

Jonathan Murphy, Chief Executive of Derwent London, said:

"Since joining Derwent London, I have been encouraged to see our teams achieve higher rents and occupancy rates across our quality portfolio. This strong leasing activity has further reduced EPRA vacancy and, with additional lettings under offer, 2026 is on track to be one of our best years on record.

I have also been impressed by the talent and experience across the business and the strength of our operational platform. Our focus is on translating these strengths into attractive medium-term returns and earnings growth by further aligning the portfolio with evolving occupier requirements, capturing rental reversion and maintaining rigorous capital discipline. While the near-term outlook for property yields remains uncertain, this reinforces the importance of focusing on the factors within our control.

We are making good progress on capital recycling, with £290m of disposals completed or exchanged year to date, alongside completion of our £50m share buyback in September. Our four committed major West End developments are expected to make a meaningful contribution to future rental and earnings growth. I look forward to providing a broader update on 30 November."

Key highlights

- £39.8m of leasing and asset management YTD, with open-market lettings 6.1% above December 2025 ERV; further £1.7m of lettings under offer
- EPRA vacancy reduced to 3.4% at Q3 (H1 2026: 4.4%)
- £290m of disposals completed or exchanged YTD with additional c.£135m under offer
- Development contracts now in place at all four major West End projects (527,300 sq ft), targeting ungeared IRRs of between 10% and 15%
- £50m share buyback completed at an average price of 1,959p, adding c.30p to NTA per share

Leasing and asset management

We have signed £11.2m of new rent since the start of H2, bringing the year-to-date total to £39.8m. This comprises £28.6m of new leases, with open-market lettings 6.1% above December 2025 ERV, and £11.2m of renewals and regears, with new rents 5.2% above previous levels. A further £1.7m of rent is under offer.

Key lettings since the start of H2 include:

- **1-2 Stephen Street W1**: 11,000 sq ft let to Grayling at £92.50 psf (£1.0m pa) and 8,100 sq ft to Econic UK at £125 psf (£1.0m pa), leaving only level 10 available which is under offer; and
- **One Oliver's Yard EC1**: 18,800 sq ft let to NewFlex at £73 psf (£1.4m pa) and 7,300 sq ft let to Beauty Seen at £72.50 psf (£0.5m pa), following completion of the recent refurbishment.

The EPRA vacancy rate reduced to 3.4% at Q3 (H1 2026: 4.4%; FY2025: 4.1%). This reflects further leasing activity and the disposal of 90 Whitfield Street W1, which was 86% occupied at H1.

Capital recycling

Since the start of 2026, we have completed or exchanged £290m of disposals, at an average discount of 2% to December 2025 book values. In addition, we are under offer on more than £135m of additional sales and remain on track against our disposal target of c.£400m in 2026.

Our approach is to recycle capital into opportunities offering superior risk-adjusted returns. These include our development and asset management pipeline, as well as potential share buybacks and property acquisitions, while maintaining balance sheet discipline.

Development update

Our four major West End projects total 527,300 sq ft and we are targeting ungeared IRRs of between 10% and 15%. Supported by the strength of the occupational market, where demand continues to outpace supply, we anticipate substantial rental growth across our principal sub-markets.

- **50 Baker Street W1** (236,000 sq ft): demolition and enabling works are making good progress. The scheme incorporates innovative Piecewise Re-use of Existing Concrete Structure (PRECS), enabling the re-use of c.2,000m^3 of concrete in what will be the UK's largest project of its type. Located opposite our highly successful 25 Baker Street project in supply-constrained Marylebone, we are confident in the leasing prospects ahead of completion, anticipated in H2 2029.
- **Holden House W1** (133,500 sq ft): demolition is progressing in line with programme, with significant re-use and recycling of the existing structure through a variety of circular economy initiatives. Well located for the Elizabeth line, we anticipate significant rental growth ahead of completion, which is anticipated in H2 2028.
- **Greencoat & Gordon SW1** (107,800 sq ft): refurbishment of this Victorian warehouse is progressing in line with expectations, providing a range of HQ and 'Furnished + Flexible' space on completion in H2 2027.
- **Middlesex House W1** (50,000 sq ft): refurbishment of this 1930s building will provide a range of furnished/managed space which is in short supply in Fitzrovia on completion in H1 2027.

Share buyback

The £50m share buyback programme announced in May was completed in September. In total, 2.6m shares were repurchased at an average price of 1,959p, representing a 39% discount to December 2025 NTA of 3,225p. The buyback increases proforma NTA by c.30p per share and is expected to be EPS accretive.

Financial position

Net debt reduced during Q3 to £1.34bn (H1 2026: £1.38bn), with proceeds from the disposal of 90 Whitfield Street W1 partly offset by £53.1m of capex and completion of the share buyback. EPRA LTV was 28.2%, based on the H1 2026 portfolio valuation, from 29.4% at December 2025 and 28.8% at June 2026. Cash and undrawn facilities totalled £620m at the end of Q3 2026 (H1 2026: £481m).

In July, we agreed a new £100m unsecured revolving credit facility with Handelsbanken, for an initial five-year term plus two one-year extension options. We also extended the maturity of the Group's main £450m revolving credit facility to July 2030. Consequently, the weighted average maturity of our drawn debt was broadly stable at 4.2 years (H1 2026: 4.3 years). The Group's weighted average interest rate was 3.8% as at 30 September 2026.

Business priorities and outlook

Derwent London will host an update for analysts and investors at 9am on 30 November 2026 at 25 Baker Street W1, setting out the Group's business priorities and medium-term outlook.

For further information, please contact:
Derwent London
Tel: +44 (0)20 3478 4217

Jonathan Murphy, Chief Executive
Damian Wisniewski, Chief Financial Officer
Robert Duncan, Head of Investor Relations

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

Nina Coad
Peter Hesse

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 30 June 2026, 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 5.2 million sq ft portfolio include 25 Baker Street W1, 1 Soho Place W1, 80 Charlotte Street W1, Brunel Building W2, White Collar Factory EC1, Angel Building EC1 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, with its updated pathway published in 2025. Our science-based carbon targets have been validated by the Science Based Targets initiative (SBTi). In 2013, we launched a voluntary Community Fund which to date has supported 200 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 forward-looking statements involve risk beyond the control of the management of Derwent London and may be subject to significant business, economic or competitive uncertainties, assumptions and contingencies or subjective judgments, including because they relate to events and depend on circumstances that may or may not occur in the future. These assumptions and judgments may or may not prove to be correct and actual results, performance or outcomes may differ materially from any results, performance or outcomes expressed or implied by such forward-looking statements. Any forward-looking statements have not been independently audited, examined or otherwise reviewed or verified.

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