

13 July 2020

## **Derwent London plc (“Derwent London” / “the Group”) DISPOSAL OF 2 & 4 SOHO PLACE**

Derwent London is pleased to announce that it has exchanged contracts to sell the long leasehold interest of 2 & 4 Soho Place W1 to Sir Lloyd Dorfman’s family’s property interests for £40.5m before costs. The property is part of our Soho Place development, currently on site and due to complete in the first half of 2022. The sale of the 150-year leasehold interest relates to the 18,400 sq ft of offices located on the sixth to eighth floors as well as the theatre, which is pre-let on a 125-year lease to impresario Nica Burns of Nimax Theatres. The disposal price equates to a capital value of £2,200 per sq ft on the offices and is in excess of the expected end value. The monies are payable upon practical completion of the project.



Soho Place is a prominent AHMM-designed scheme located over the Tottenham Court Road Elizabeth line and Underground station that will total 285,000 sq ft in two buildings comprising: 1 Soho Place 192,000 sq ft of offices with 36,000 sq ft of retail space, which is 81% pre-let, and 2 & 4 Soho Place which has now been forward sold. Completion is expected in the first half of 2022. The development occupies a gateway position at the junction of Oxford Street and Charing Cross Road. It will form a significant part of the major upgrade of the area at the eastern end of Oxford Street which is re-establishing itself as one of central London's key locations.

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

*"The disposal means that we have either pre-let or pre-sold virtually all the office space at Soho Place over eighteen months ahead of completion. Our success demonstrates the continuing broad appeal of our office product with its generous volume and a commitment to net zero carbon. The two buildings' adaptability and resilience, together with the quality of the occupiers, will ensure that this will be a thriving office hub woven into the local theatre and retail mix for many years to come."*

**Sir Lloyd Dorfman commented:**

*"We were attracted to this particular space because of the superb location next to a strategic Crossrail station, the quality of the buildings and our firm belief in the regeneration of this area which has an exciting future. The inclusion of the theatre, let to Nica Burns of Nimax, was an additional attractive feature. Despite these challenging times, I have great faith in the future of the office market of Central London."*

Pilcher Hershman acted for Derwent London.

James Andrew International acted for Sir Lloyd Dorfman.

- ends -

**Notes to editors**

**Derwent London plc**

Derwent London plc owns 82 buildings in a commercial real estate portfolio predominantly in central London valued at £5.5 billion (including joint ventures) as at 31 December 2019, 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, in October 2019, Derwent London became the first UK REIT to sign a Green Revolving Credit Facility. 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 5.6 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 2019, the Group won several awards including EG Offices Company of the Year, the CoStar West End Deal of the Year for Brunel Building, Westminster Business Council's Best Achievement in Sustainability award and topped the real estate sector and was placed ninth overall in the Management Today 2019 awards for 'Britain's Most Admired Companies'. In 2013 the Company launched a voluntary Community Fund and has to date supported 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

### **Sir Lloyd Dorfman**

An entrepreneur and philanthropist, Sir Lloyd Dorfman is the Chairman and co-founder (2014) of Doodle, the retail click and collect IT platform. He is a shareholder of The Office Group, the leading flexible office company, having been its Chairman and majority shareholder from 2010 to 2017 (until its sale to Blackstone in June 2017). He is also a Shareholder and Board Director of the London Theatre Company. He sits on the Business Advisory Board of the Mayor of London, Sadiq Khan.

Sir Lloyd founded the Travelex Group, the world's largest retailer of foreign exchange, which he started in 1976 from one small shop in central London. The business was sold in 2015.

In 2018, he was awarded a Knighthood in the Queen's Birthday Honours list for services to philanthropy and the arts, following his appointment as CBE in 2008 for services to business and charity. In 2011, he was awarded The Prince of Wales Medal for Arts Philanthropy.

### **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.