

Contents

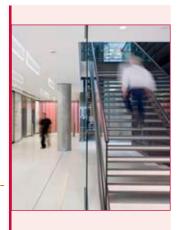
	Page
Highlights	01
Results review	03
Debt and financing	11
Market summary	15
Valuation	18
Portfolio statistics	24
Portfolio management	29
Acquisitions and disposals	34
Projects update	36
Outlook	47
Appendices	49
Disclaimer	69

Presentation: John Burns, Chris Odom, Simon Silver, Paul Williams, Nigel George, David Silverman

Highlights John Burns

Highlights

- Strong recurring pre-tax profits £33.3m
- Total property return -9.6%, an outperformance against the wider market
- Business model of providing modern space at mid-market rents remains robust and in demand
- 155,000 sq ft lettings in H1 and low vacancy rate (3.9%)
- Ownership of a portfolio with reversion and opportunities
- An important pipeline of future schemes, with good upside potential for the next cycle
- Signs of investment market improving and Derwent well placed
- Capital recycled £100m+ since year end
- Unutilised facilities of over £300m, provides firepower



Results review 30 June 2009 Chris Odom

Headline numbers

• Adjusted net asset value per share 993p (31 December 2008: 1,226p)

Recurring profit before tax

	£m	
Recurring profit before tax	33.3	
Foreign exchange translation profit	(3.6)	
Underlying recurring profit before tax	29.7	(H1 2008: £17.3m)
 Diluted recurring earnings per share 	30.17p	(H1 2008: 9.68p)
Diluted recurring earnings per snare	30.17p	(111 2008. 9.00p)
Interim dividend per share	8.15p	(H1 2008: 8.15p)
menn annaena per enare	оор	(111 2000)
 Net debt 	£849.3m	(31.12.08 £865.4m)
LTV ratio	44.3%	(31.12.08 39.7%)
	00.00/	(04.40.00.74.00/)
 Balance sheet gearing 	86.2%	(31.12.08 71.2%)

Group balance sheet

Summarised format

	30.06.09 £m	30.06.08 £m	31.12.08 £m
Investment property	1,718.9	2,496.8	2,068.1
Other non-current assets	39.5	46.5	38.8
	1,758.4	2,543.3	2,106.9
Non-current assets held for re-sa	ale 110.2	-	17.5
Trading properties	7.5	8.4	7.5
Other current (liabilities)/assets	(11.9)	0.4	(9.1)
Cash and cash equivalents	9.0	5.8	10.5
Bank overdrafts and loans	(4.3)	(100.0)	(106.6)
Corporation tax liability	(2.6)	(11.4)	(7.1)
	(2.3)	(96.8)	(104.8)
Financial liabilities	(854.0)	(751.7)	(769.3)
Other liabilities	(27.6)	(12.1)	(35.3)
	(881.6)	(763.8)	(804.6)
Total net assets	984.7	1,682.7	1,215.0
Minority interests	(32.0)	(55.4)	(35.4)
Attributable to equity holders	952.7	1,627.3	1,179.6

Group balance sheet

- Adjusted net asset value per share down 19% to 993p
- Reconciliation of net asset value per share in Appendix 1
- Non-current assets held for re-sale are mainly 13-17 Fitzroy Street and The Rotunda, Kingston
- Net debt is £16.1m lower than the 2008 year end
- But LTV ratio at 44.3% and gearing at 86.2% have both risen
- Derivatives fair value liability is reduced £7.0m compared with the 2008 year end

Group income statement

Summarised format

	6 months to		Year to
	30.06.09 £m	30.06.08 £m	31.12.08 £m
Gross property income	63.1	57.5	119.0
Other income	0.6	0.1	0.9
Property outgoings	(4.4)	(7.2)	(14.6)
	59.3	50.4	105.3
Development income	-	0.5	0.5
Reverse surrender premium	-	(8.3)	(8.3)
Trading stock write down	-	(1.0)	(2.0)
	59.3	41.6	95.5
Administrative expenses	(9.8)	(8.4)	(16.7)
Revaluation deficit	(258.9)	(163.8)	(602.1)
(Loss)/profit on disposals	(3.4)	2.1	1.2
Net finance costs	(19.3)	(23.7)	(47.2)
Foreign exchange profit/(loss)	3.6	-	(8.3)
Joint venture results	(1.8)	(0.3)	(8.0)
Derivatives fair value adjustment	7.0	7.8	(28.1)
IFRS loss before tax	(223.3)	(144.7)	(606.5)

Group income statement

- A good set of half year results
 - Underlying valuation movement has outperformed IPD Central London Office Index
 - Recurring profit before tax increased to £33.3m from £9.0m
- Reflects Derwent's active management approach:
 - Rental growth from 2008 lettings
 - · Capital expenditure reined in
 - One off reduction in business rates charge
 - Property management brought in-house
- Interim dividend maintained at 2008 level

Group income statement

- Gross property income rose £5.6m compared with H1 2008
 - Letting activity added £6.3m
 - Rent reviews contributed £2.3m
 - Reduction due to voids (£2.2m) and disposals (£1.5m)
- Property outgoings were lower by £2.8m
 - Reduced transaction costs £0.8m
 - Lower void costs of £1.8m due to rates credits of £2.6m
- Net property income benefits from absence of:
 - Reverse surrender premium
 - Trading stock write down
- Administrative expenses lower than H1 2008
- Finance costs down due to lower interest rates
- Finance income includes foreign exchange profit arising on translation of LMS Inc balance sheet of £3.6m
 - A matching loss is taken to reserves
- Reconciliation of recurring profit to IFRS loss before tax is in Appendix 2

Cash flow

• Cash inflow in half year of £15.8m after payment of dividends

	Half year to		Year to
	30.06.09	30.06.08	31.12.08
	£m	£m	£m
Operating activities Dividend	30.6	19.7	38.3
	(15.7)	(14.5)	(23.5)
Investing activities	14.9	5.2	14.8
	0.9	(71.0)	(98.5)
	15.8	(65.8)	(83.7)

- Both 2008 periods included the REIT conversion charge of £53.6m in investing activities
- Net investment in portfolio

	Half year to		Year to
	30.06.09 £m	30.06.08 £m	31.12.08 £m
Acquisitions	1.5	16.9	31.9
Capital expenditure	44.9	44.4	72.9
Disposal proceeds	(39.3)	(55.3)	(72.6)
	7.1	6.0	32.2

- Disposals continue to finance acquisitions and capital expenditure
- Forecast capital expenditure for 2009 and 2010 can be found in Appendix 13

Debt and financing Chris Odom

Debt facilities and utilisation

• Debt facilities total £1.145 billion. Full list of facilities is provided in Appendix 3

• New £125m five year facility replacing that expiring in November 2009 was signed in April 2009

Next debt maturity is December 2011

Unutilised committed facilities at 30 June 2009 were £309m

- Current cash flow forecast to 31 December 2011 predicts unutilised committed facilities of:
 - Assuming refinancing of 2011 debt maturity £371m
 - Disposals/acquisitions caveat

Debt covenants and gearing ratios

- Secured loans only have two financial covenants
 - There have been no breaches of banks' LTV covenants
 - Headroom under ICR covenants is currently substantial
- Property values remain comfortably above current and predicted debt security requirements

	Security requirement £bn	Headroom based on 30.06.09 valuation
Drawn debt at 30.06.09 (Appendix 4)	1.16	38
Predicted drawn debt at 31.12.11	1.16	38
Full draw down of facilities	1.58	15

(Portfolio fair value at 30.06.09 was £1.86bn)

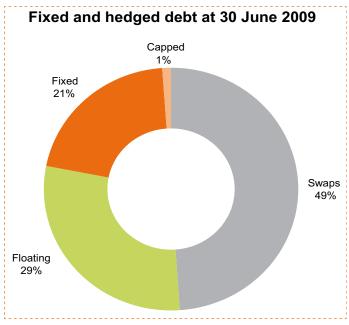
- Structure of bank facilities gives maximum flexibility to manage LTV covenants
- Gearing

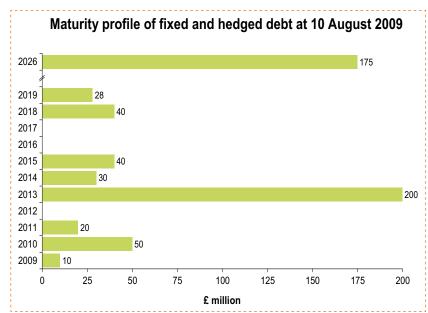
	30.06.09	31.12.08
LTV	44.3%	39.7%
Balance sheet	86.2%	71.2%
Interest - current definition	3.24	2.47
old definition	2.59	1.88

Liability risk management

- 71% of drawn facilities were either at fixed rates or hedged at 30 June 2009
- Maturity profile of fixed and hedged debt is shown in the bar chart
- Average weighted LIBOR of hedging is 4.72%
- Spot weighted average cost of drawn facilities at
 - 30 June 2009 4.70%
 - 10 August 2009 4.53%

 Fair value adjustment for the secured bond is not included in the results. At 30 June 2009, this would have been a gain of £18.7m (31 December 2008: gain £18.7m)

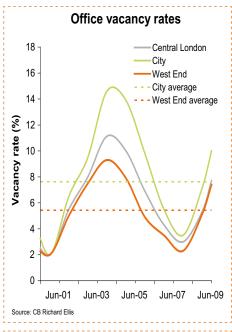




Market summary John Burns

Our market

West End office occupational market



Market

Take-up in H1 2009 was 1.1m sq ft

- Lowest take-up level since H2 1991
- Down 43% on H1 2008
- 44% lower than long term average

Derwent London

An active six months

- 50 transactions
- 155,000 sq ft

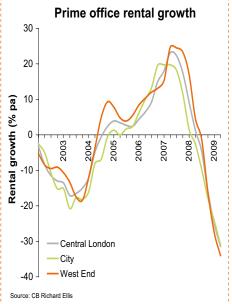
Continued letting progress in H2

Vacancy rate increased

- 5.1% to 7.4% (8.1m sq ft) in H1 2009
 - Long term average of 5.4%
- Lower than City rate of 10%

Low vacancy rate maintained

• 3.9% by rental value



Development pipeline due to return to below average levels

- 1.0m sq ft to be delivered in 2010
- Long term average of 1.2m sq ft

Completion of existing projects

- Delivering 407,000 sq ft
- 57% pre-let

Substantial flexible pipeline

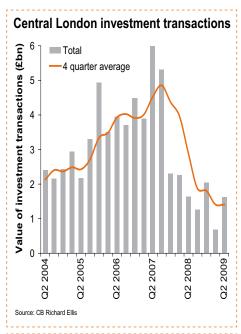
Prime West End rents – £80 psf

- Steep six month decline of 18%
- 34% year on year decline

Rental value decline of 11%

- Mid-market rental focus
 - Rents £30 £50 psf
 - Proving more resilient

Our market Investment summary



Market

H1 central London transactions £2.3bn

- 41% lower than H1 2008
- 51% lower than long term average

Derwent London

Continue to recycle capital

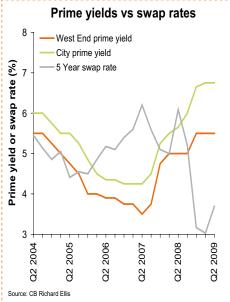
- 2008 £73m
- 2009 over £100m to date

Overseas investors dominant

- 67% of activity
- Particularly Middle Eastern

Derwent purchasers all UK

- Private investors
- Owner occupier



Stabilising of prime yields on long term, secure income

Impact of rental declines

Disposal of mature assets

- 28 Dorset Square
- Arup Phase I

Swap rate v property yields

- Sizeable gap despite swap increase
- Property providing attractive yields
- Limited availability of bank lending

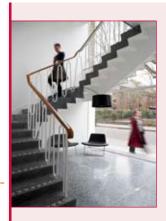
Active demand for small lot sizes

- 17 sold in H1
- Continued in H2

Valuation performance Key points

	Portfolio valuation¹ £m	Valuation movement² £m	Valuation movement %
Investment properties Development properties ³	1,740.3	-228.9	-11.6
	113.9	-24.7	-17.8
Underlying	1,854.2	-253.6	-12.0
Acquisitions	1.4	-0.1	-7.4
	1,855.6	-253.7	-12.0

- H1 2009 total property return of -9.6%
 - Relative outperformance compared to IPD4 Central London Office Index of -11.1%



¹ As at 30 June 2009

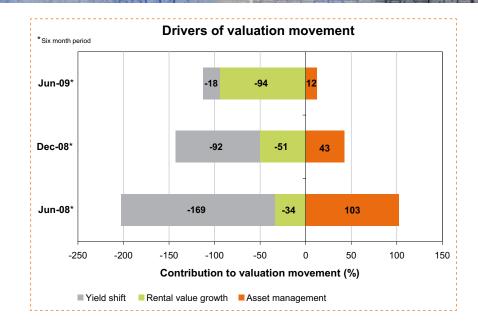
² Prior to the adjustment for lease incentives of £5.2m

³ Angel Building, Arup III, 17 Gresse Street, 7-8 Rathbone Place, Leonard Street

⁴ Quarterly Index

Valuation performance Drivers of movement

	H1 valuation movement %	H1 rental growth %
West End	-12.7	-13.1
City Borders	-11.8	-6.2
Central London	-12.5	-11.5
Provincial	-5.4	-2.5
Underlying	-12.0	-11.0

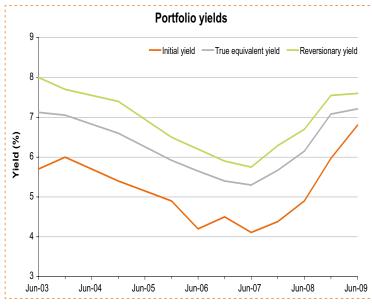


- An outperformance against the IPD¹ office capital growth figures of:
 - Central London -14.0%
 - West End/Midtown -14.0%
 - City -13.7%
- Yields beginning to stabilise
- Focus now on impact of rental value declines
- Further portfolio analysis in Appendices 5 to 7

Valuation performance Yields

	Initial yield¹ %	Reversionary yield ¹ %	Yield spread %
West End	6.4	7.3	0.9
City Borders	8.1	8.8	0.7
Central London	6.8	7.6	0.8
Provincial	6.7	7.1	0.4
	6.8	7.6	0.8

True equivalent yield Dec 2008 %	True equivalent yield June 2009 %	H1 movement basis points
6.87	6.99	12
7.94	8.06	12
7.08	7.21	13
7.81	8.25	44
7.12	7.27	15

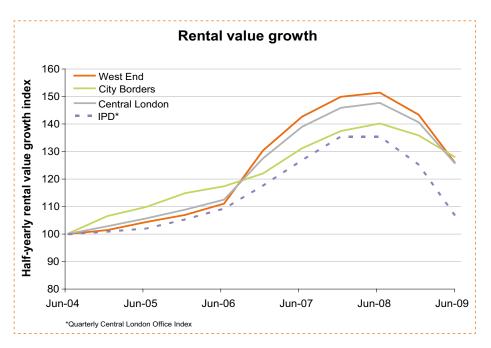


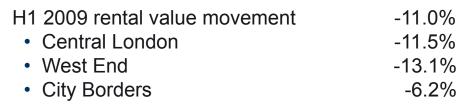
- 80 bp increase in the initial yield to 6.8%
 - Pre rent free yield of 6.3% (Dec 2008 5.5%)
- Portfolio true equivalent yield of 7.27%
 - 15 bp outward movement
 - 97 bp movement in H2 2008
 - Lowest yield movement since June 2007
- Reflects a 192 bp outward movement since June 2007 compared to IPD² movement of 289 bp

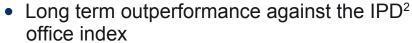
¹ Yield to Derwent London at 30 June 2009 based upon an annualised contracted net rental income, including pre-lets and rent frees of £125.6m pa and an estimated rental value of £146.5m pa. Adjusted for costs to complete commenced projects

² Quarterly Central London Office Index

Valuation performance Estimated rental values

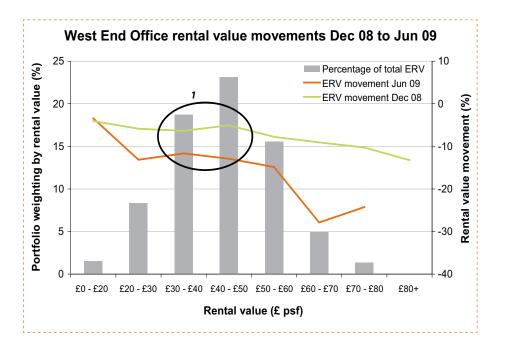






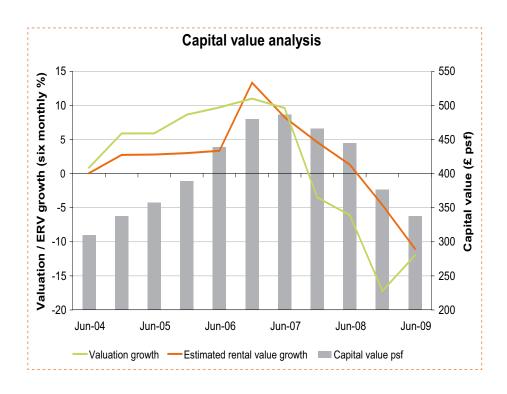


² Quarterly Central London Office Index



- Middle market rents continued to be more resilient (1)
- Average West End H1 rental value decline
 - -12% for £30 £50 psf
 - -19% for £50+ psf

Valuation performance Capital values psf



- Low average capital values
 - Portfolio £337 psf
 - West End Central £418 psf
- Return to December 2004 average capital values
- Compares to building replacement cost¹ of £375 psf
 - West End Central £421 psf



¹ Includes demolition, construction costs and fees and is based upon net are

Portfolio statistics Nigel George

Portfolio summary Rental income profile

	Core properties ¹		Developments ²		Total		1
	Rental uplift £m	Rental per annum £m	Rental uplift £m	Rental per annum £m	Rental uplift £m	Rental per annum £m	Yield⁴ %
Contracted rental income, net of ground rents		120.3		5.3 ³		125.6	6.8
Letting vacant accommodation - available	5.6		-		5.6		7.1
Completion and letting of current schemes	3.4		2.2		5.6		7.3
Contracted Arup III additional rental increase at project completion	-		2.4		2.4		7.4
Angel additional rental income upon letting the development	-		5.0		5.0		7.5
Anticipated rent review and lease renewal reversions	1.7		0.6		2.3		7.6
Portfolio reversion	1 1 1 1 1	10.7		10.2		20.9	
	1	131.0		15.5		146.5	

- Portfolio 17% reversionary at £20.9m down from 33% in 2008 (£41.4m)
- £7.1m (34%) of reversion is fixed via contracted uplifts or pre-lets
- Appendix 8 contracted income reconciliation
- Appendix 9 detailed analysis of vacant space

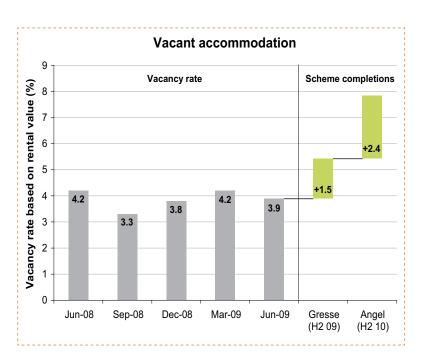
¹ Core portfolio £1,741.7m, including acquisitions

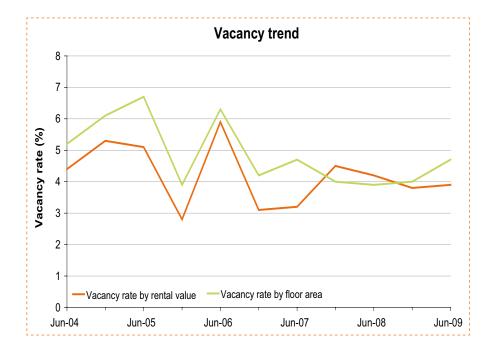
² Development properties £113.9m – Arup III, Angel Building, 17 Gresse Street/7-8 Rathbone Place and Leonard Street

³ Existing income from Angel Building (£4.2m) and Arup III (£1.2m) less ground rent for 17 Gresse Street and 7-8 Rathbone Place (£0.1m)

⁴ Yield to Derwent London based upon the valuation of £1,855.6m and adjusted for cost to complete for commenced schemes and developments

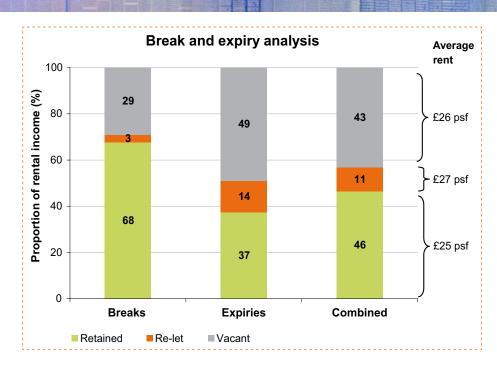
Portfolio summary Vacancy levels





- We have managed the portfolio vacancies well during the downturn
- Vacancy rate of space available for letting
 - 3.9% of portfolio rental value
 - 4.7% of portfolio floor area

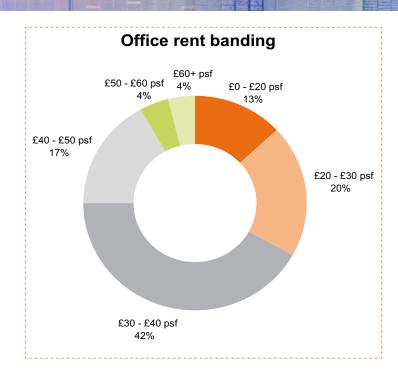
Portfolio summary H1 2009 lease breaks and expiries



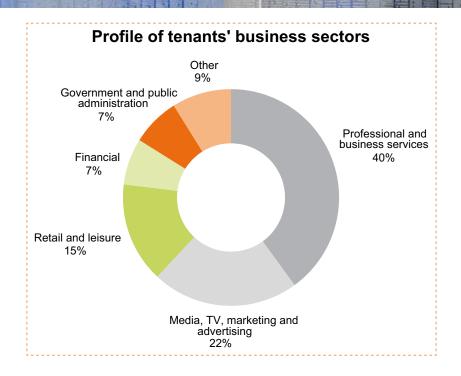
- H1 2009 breaks/expiries
 - Exposure of £4.9m, equating to 3.9% of rental income
 - 46% retained, 11% re-let, 43% vacant
 - Half of the vacant relates to a single tenant expiry in March at 1-3 Grosvenor Place (£1.0m, 22,500 sq ft)
 - 65% of the vacant relates to long term development properties – short term lettings proposed
- Average rental value of vacant space is £26 psf
- Further details on tenants and lease expiries in Appendices 10 to 12

	Breaks	Expiries	Total	% of total portfolio
Total exposure			 	
Number Area Rental income	27 53,325 £1.4m	53 149,454 £3.5m	80 202,779 £4.9m	3.6% 3.9%
Vacant				
Area Rental income	16,162 £0.4m	68,483 £1.7m	84,645 £2.1m	1.5% 1.7%
	1	!		

Portfolio summary Average office rents and tenant profile



Average office rents	Passing rent £psf	Estimated rental value £psf
West End	28	31
City Borders	24	24
Central London	27	29

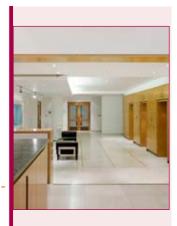


- Diverse portfolio covering a wide range of business sectors
- Rent collection remains strong
 - 96% collected within 14 days of the quarter date
- Tenant defaults remain low

Portfolio management John Burns

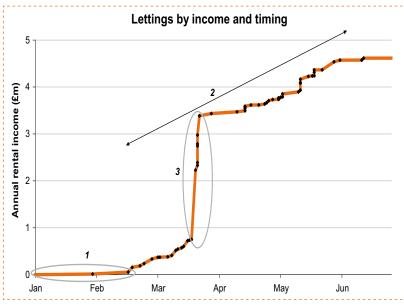
Lettings and activity Key points

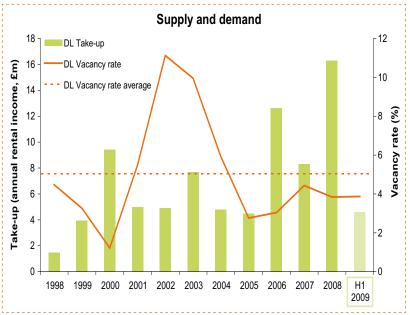
- A focussed product aimed at the mid-range rental levels of £30-£50 psf
 - Delivering stylish design and quality
- Despite low take-up levels in the central London office market we were active
- 50 lettings at £4.6m per annum totalling 155,000 sq ft
 - Average rent of £30 psf
 - 9.6% below December 2008 estimated rental values
 - 7.7% below excluding short-term lettings
- 29 lease renewals and 30 rent reviews were concluded at £7.1m
 - £1.2m (20.9%) uplift on previous rents
 - 7.8% below December 2008 estimated rental values
- Good letting activity since half year



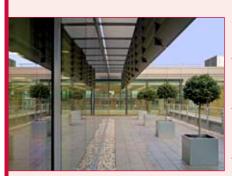
Lettings and activity Supply and demand

- Quiet start to 2009 (1)
- Continued letting activity since mid February (2)
- Major activity in March letting of Qube (3)
- Lettings of £4.6m pa in H1 2009
 - 47% above the half year average
 - Diverse range of tenants
- Half of the space available at year end now let





Lettings and activity Lettings H1 2009



Qube W1

- 45,500 sq ft let at £2.19m pa
 offices fully let
- 31,100 sq ft to EDF Energy (£1.48m pa / £47 psf)
- 6,500 sq ft to ScanSafe (£0.29m pa / £45 psf)
- Retail: Cilantro Café, Rush Hair



1 Grosvenor Place SW1

- 13,700 sq ft let at £0.57m pa
- 8,800 sq ft to Jupiter Investment (£0.41m pa / £46 psf)



Tea Building E1

- 23,700 sq ft let at £0.40m pa
- 8,500 sq ft to Erasmus Consulting (£0.19m pa / £22.50 psf)
- 10,200 sq ft restaurant to Soho House (£0.10m pa / £10 psf)



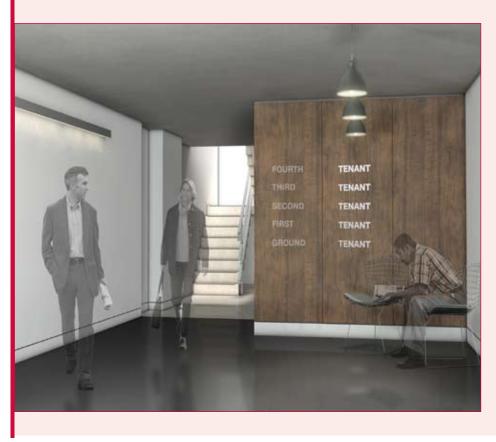
Portobello Dock W10

- 16,400 sq ft let at £0.17m pa
- 3,700 sq ft to Timothy Hatton Architects (£0.05m / £14 psf)
- Office rents between £14 psf and £20 psf

- Tenant incentives
 - Major lettings 12 months rent free on a 5 year certain term. 10 year leases granted, break at year 5
 - Smaller lettings 6-9 months rent free on 3-5 year term

Lettings and activity Post half year lettings

- Occupier enquiries have continued in H2
- 26,400 sq ft of lettings since half year £0.7m pa (7 transactions)
- 28,500 sq ft under offer £0.7m pa



45-51 Whitfield Street W1

- · Part of our Fitzrovia estate
- Tenant vacated in December 2008
- Refurbishment achieved 22% uplift in floorspace to 12,200 sq ft
- Entire building pre-let to Target Media Group at £345,000 pa
 - £30 psf on best
 - 10 year lease with breaks from 2013
 - 10 months initial rent free period
- · Redevelopment flexibility maintained
 - Part of Saatchi masterplan expiries 2013
- Follows our recent lettings at 43 Whitfield Street, adjacent
 - 15,000 sq ft refurbishment

Acquisitions and disposals John Burns

Acquisitions and disposals Key points

- H1 2009 disposals
 - Net proceeds £39.1m
 - Income £2.5m pa disposal yield 6.5%
 - 8% below December 2008 book value
 - 20 properties sold
 - 28 Dorset Square, Marylebone
 - Smaller properties
 - 7-8 Midford Place, Fitzrovia
 - Clerkenwell properties



28 Dorset Square W1

- £16.8m after costs
- Net initial yield 6.1%
- 4% above December 2008 book value
- 23,530 sq ft
- Rental income £1.1m (£47 psf)
- Lease expiry 2021
- Gross capital value £720 psf

- Post half year 13 properties sold/exchanged
 - Proceeds before costs £71m
 - Arup Phase I, Fitzrovia

- No significant acquisitions in H1
 - · Well positioned to acquire



13-17 Fitzroy Street W1 (Arup Phase I)

- £60m before costs
- Net initial yield 7.0%
- 10% below December 2008 book value
- 90,418 sq ft
- Rental income £4.5m (£49 psf)
- Lease expiry 2023
- Gross capital value £665 psf

Projects update Simon Silver

Projects update Key points

- Current projects 57% pre-let
 - Angel Building, Arup III, Gresse Street
 - £68.2m of capex required to complete
- Planning permissions total 800,000 sq ft five future projects (Appendix 14)
 - 500,000 sq ft of additional space 171% increase in floor area
 - Current income of £3.7m pa
 - 84% occupancy rate
- Planning applications recently submitted:
 - The Turnmill, Clerkenwell new build offices
 - 60 Commercial Road, Shoreditch student accommodation
- Appraisal studies (Appendices 15 and 16):
 - Charing Cross Road
 - Hampstead Road
 - Charlotte Street (Saatchi & Saatchi)



Projects update Current projects









	17 Gresse Street W1	Arup III Fitzroy Street W1	Angel Building St John Street EC1	Total
Floor area	59,000 sq ft³	85,000 sq ft	263,000 sq ft	407,000 sq ft
Est costs to complete ¹	£6.2m	£8.0m	£54.0m	£68.2m ⁴
Total cost ²	£26.6m	£54.8m	£118.3m	£199.7m
Headline ERV	£45 psf	£42 psf	£35 psf	
ERV/pre-let income	£2.2m pa	£3.6m pa	£9.9m pa	£15.7m pa
Est yield	6.5%	6.0%	7.0%	
Est end value	£31.8m	£56.6m	£134.0m	£222.4m
Est surplus to come	£5.2m	£1.8m	£15.7m	£22.7m
Anticipated completion date	Q4 2009	Q4 2009	Q3 2010	
		::		

¹ Post 30 June 2009

² Comprising latest book value, capex to complete, fees and notional interest

³ Includes 12,000 sq ft at 7-8 Rathbone Place, principally residential

⁴ Includes £2.7m costs to complete 7-8 Rathbone Place residential

Projects update Angel Building 407 St John Street EC1

- 263,000 sq ft Grade A office space
- Building's design comprises flexible internal space with high daylight levels
- Incorporates latest initiatives to:
 - limit energy consumption
 - conserve water
 - create efficient temperature systems
- 53% let, with further interest





Projects update Angel Building 407 St John Street EC1







Full height atrium around imaginative public art

Terraces with spectacular views

A striking building







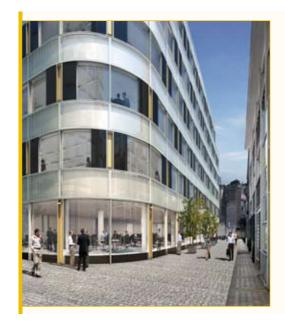
Projects update 17 Gresse Street W1

 Elegant 47,000 sq ft office building set around a landscaped granite courtyard

Completion in October 2009

Designed for multi-letting

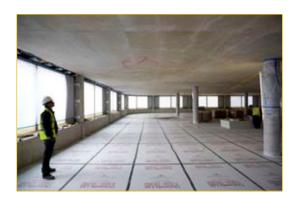
Attracting letting interest





Website: www.charlottebuildingw1.com

Projects update 17 Gresse Street W1



Creating clear spaces



Attractive terrace



Elegant architecture







Projects update Arup III Fitzroy Street W1

- The final phase of new headquarters for Arup
 - Pre-let:
 - Rent £3.6m pa (£42 psf) undemanding
 - Term 25 years, no breaks
- 85,000 sq ft offices
- Completion December 2009
- Creating a prime asset
 - Long term income
 - International tenant







Appraisal studies The Turnmill 63 Clerkenwell Road EC1

- Existing building 45,000 sq ft
- 2007 planning consent obtained for refurbishment – 65,000 sq ft
- 2009 planning application submitted for a new seven storey office building – 76,000 sq ft
- Opportunity for regeneration and enhancement of the conservation area
- Adjacent to proposed Crossrail interchange at Farringdon





A bespoke building for Clerkenwell

Appraisal studies 60 Commercial Road E1

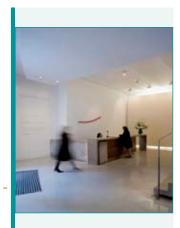
- Looking at new and alternative development options
- Existing building 30,000 sq ft offices generating income of £0.5m pa (leases expire in 2011)
- July 2009 planning application submitted for a 117,000 sq ft development
 - 458 unit student accommodation
 - 24,000 sq ft offices
- An opportunity to gain a valuable consent in the growing student accommodation market





Project pipeline Summary

- Gresse Street and Arup III due to complete in H2 2009
- Angel Building due to complete in H2 2010
- Ensuring flexibility for future projects
 - Active portfolio management where Derwent excels
 - North Wharf Road, Paddington
 - Chancery Lane, Holborn
- Planning applications
 - The Turnmill, Clerkenwell
 - 60 Commercial Road, Shoreditch
- Appraisal of our significant portfolio opportunities
 - · Charlotte Street, Fitzrovia
 - · Charing Cross Road, Soho
 - · Grosvenor Place, Belgravia
- Positioned to extract value when conditions prevail



Outlook

- Success achieved despite a difficult market
 - Continued strong letting progress
 - Low vacancy rate maintained
 - Low average rent of £25 psf focus on the more resilient middle rental market
 - Disposal of mature assets to recycle capital
 - Strong balance sheet and sound financing
- Focus for the immediate future
 - Asset management
 - Minimising voids proactive tenant relationships
 - Continued disposal of smaller assets
 - Completion and letting of current projects
- In the market for opportunities where value creation can be identified
- Our portfolio
 - Inherent potential
 - Flexible development pipeline

Appendices

Appendices

		Page
1	Net asset value per share	51
2	Group income statement	52
3	Debt facilities	53
4	. Net debt	54
5	Valuation performance	55
6	Portfolio summary	56
7	Portfolio statistics by village	57
8	Annualised contracted rental income	58
9	Vacant accommodation	59
10). Tenant profile	60

	Page
11. Lease length	61
12. Lease expiry profile	62
13. Capital expenditure	63
14. Planning consents	64
15. Appraisal studies	65
16. Appraisal studies –Charing Cross Road WC2	66
17. Investing in design	67
18. Management structure – executive team	n 68

Appendix 1 Net asset value per share

Reconciliation

	30.06.09		30.0	6.08	31.12.08	
	£m	р	£m	р	£m	р
Net assets attributable to equity shareholders	952.7	945	1,627.3	1,614	1,179.6	1,170
Deferred tax on revaluation surplus	7.3		10.4		8.4	
Fair value of derivatives	20.4		(9.1)		26.9	
Fair value adjustment to bond on						
acquisitions	20.5		21.2		20.9	
	1,000.9	993	1,649.8	1,637	1,235.8	1,226

Appendix 2 Group income statement

• Reconciliation of recurring profit before tax to IFRS loss before tax

	6 mor	iths to	Year to
	30.06.09 £m	30.06.08 £m	31.12.08 £m
Loss before tax	(223.3)	(144.7)	(606.5)
Revaluation deficit	258.9	163.8	602.1
Joint venture revaluation deficit	1.3	0.3	1.3
Loss/(profit) on disposal of properties	3.4	(2.1)	(1.2)
Development income	-	(0.5)	(0.5)
Fair value movement in derivatives	(7.0)	(7.8)	28.1
	33.3	9.0	23.3

Appendix 3 Debt facilities

		Maturity	
	£m	£m	-
6.5% secured bond		175.0	March 2026
Floating rate guaranteed unsecured loan note		2.8	February 2012
Committed bank facilities			
Term ¹	28.0		June 2018
Term/revolving credit	125.0		April 2014
Revolving credit	100.0		November 2013
Revolving credit	100.0		April 2013
Term/revolving credit	375.0		March 2013
Term unsecured	29.7		June 2012
Revolving credit	200.0		December 2011
		957.7	
Overdraft		10.0	On demand
		1,145.5	

Appendix 4 Net debt

Net debt

	30.06.09 £m	31.12.08 £m
Bank overdraft and loans	4.3	106.6
Financial liabilities	854.0	769.3
Cash and cash equivalents	(9.0)	(10.5)
Net debt	849.3	865.4
Acquired fair value of bond less costs	(19.0)	(19.3)
Leasehold liabilities	(8.6)	(8.6)
Drawn facilities	821.7	837.5

Appendix 5 Valuation performance

	Portfolio valuation £m	Weighting %	Valuation movement H1 2009 ¹	mo H1	luation vement 2009 ² £m	Comment
West End						
Fitzrovia/Euston	478.4	26	-9.8	-	51.9	Long term income, eg Arup II & III, Qube
Victoria	211.9	11	-10.3	-	24.4	98% occupancy rate
Baker Street/Marylebone	88.9	5	-11.7	-	-11.7	
Belgravia	105.8	6	-12.3	-	14.8	Significant development potential
Noho	126.6	7	-12.3	-	17.7	
Soho/Covent Garden	171.6	9	-12.6	-	24.8	
Mayfair	38.5	2	-14.1		-6.3	Rental value decline
Paddington	29.2	2	-24.7		-9.6	Short term income with development potential
Camden/Islington	84.7	4	-27.6	-	32.2	Impact of void risks at Angel development
Other ³	17.1	1	-15.1		-3.0	
	1,352.7	73	-12.7	-1	96.4	
City Borders						
Shoreditch	59.9	3	-8.8		-5.8	Letting activity at Tea Building
Holborn/Midtown	91.1	5	-9.8		-9.9	
Clerkenwell	108.7	6	-12.3	-	15.3	
Old Street	108.6	6	-14.2	-	17.9	Short term income pending redevelopment
Southbank	6.0	-	-16.0		-1.1	
Other	0.3	-	-		-	
	374.6	20	-11.8	-	50.0	
Central London	1,727.3	93	-12.5	-2	46.4	
Provincial	128.3	7	-5.4		-7.3	Relatively long leases
Investment portfolio	1,855.6	100	-12.0	-2	53.7	

Appendix 6 Portfolio summary

	Valuation £m	Net contracted rental income per annum £m	Average rental income £psf	Vacant floor area rental value per annum £m	Rent review and lease reversions per annum £m	Total reversion per annum £m	Estimated rental value per annum £m
West End							
Central Borders	1,250.9 101.8	78.7 7.9	28.49 15.26	7.3 1.3	4.1 5.0	11.4 6.3	90.1 14.2
011	1,352.7	86.6	26.42	8.6	9.1	17.7	104.3
City Borders	374.6	30.4	24.38	1.7	1.1	2.8	33.2
Central London	1,727.3	117.0	25.86	10.3	10.2	20.5	137.5
Provincial							
Scotland Other	87.6 40.7	5.3 3.3	15.87 19.77	0.9 -	(0.1) (0.4)	0.8 (0.4)	6.1 2.9
	128.3	8.6	17.18	0.9	(0.5)	0.4	9.0
Investment portfolio	1,855.6	125.6	25.00	11.2	9.7	20.9	146.5

West End

Central: Belgravia, Mayfair, Soho, Covent Garden, Victoria, Fitzrovia, Euston, Noho, Paddington, Baker Street, Marylebone

Borders: Camden, Islington, Ladbroke Grove

City

Borders: Clerkenwell, Holborn, Shoreditch, Southbank, Old Street

Appendix 7 Portfolio statistics by village

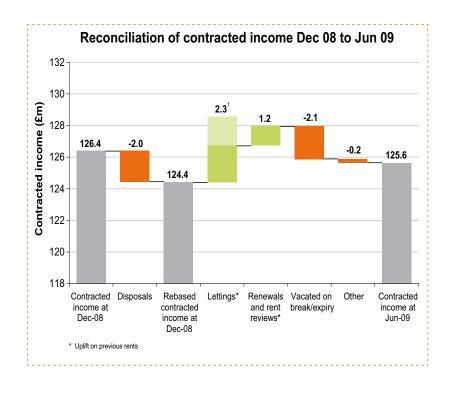
	Valuation £m	Weighting %	Floor area sq ft 000's	Vacant floor area sq ft 000's	Net contracted rental income £m pa	Average rental income £psf	Vacant accommodation rental value £m pa	Rent review/ lease renewal reversion ² £m pa	Total reversion £m pa	Estimated rental value £m pa
West End: Central										
Fitzrovia/Euston	478.4	26	1,337	48	30.5	23.62	1.4	3.4	4.8	35.3
Victoria	211.9	11	484	8	15.1	31.80	0.3	1.1	1.4	16.5
Soho/Covent Garden	171.6	9	377	9	10.4	29.36	0.3	0.1	0.4	10.8
Noho	126.6	7	276	74	7.4	37.50	2.9	(0.3)	2.6	10.0
Belgravia	105.8	6	170	40	5.1	40.38	1.7	0.1	1.8	6.9
Marylebone/Baker Street	88.9	5	223	8	6.6	30.68	0.2	-	0.2	6.8
Mayfair	38.5	2	42	-	2.0	48.52 ³	-	0.3	0.3	2.3
Paddington	29.2	2	86	15	1.6	24.49	0.5	(0.6)	(0.1)	1.5
West End: Borders										
Islington/Camden	84.7	4	521	54	7.0	14.96	0.7	5.0	5.7	12.7
Other ¹	17.1	1	82	30	0.9	17.90	0.6	-	0.6	1.5
West End	1,352.7	73	3,598	286	86.6	26.42	8.6	9.1	17.7	104.3
City: Borders										
Clerkenwell	108.7	6	366	31	9.2	27.69	0.6	0.2	0.8	10.0
Old Street	108.6	6	390	27	9.0	24.92	0.6	(0.2)	0.4	9.4
Holborn	91.1	5	266	10	7.7	30.12	0.2	(0.3)	(0.1)	7.6
Shoreditch	59.9	3	276	17	4.2	16.06	0.3	1.3	1.6	5.8
Southbank	6.0	-	39	-	0.3	8.51	-	0.1	0.1	0.4
Other	0.3	-	2	2	-	-	-	-	-	-
City Borders	374.6	20	1,339	87	30.4	24.38	1.7	1.1	2.8	33.2
Central London	1,727.3	93	4,937	373	117.0	25.86	10.3	10.2	20.5	137.5
<u>Provincial</u>										
Scotland	87.6	5	395	61	5.3	15.87	0.9	(0.1)	0.8	6.1
Other	40.7	2	170	-	3.3	19.77	-	(0.4)	(0.4)	2.9
Provincial	128.3	7	565	61	8.6	17.18	0.9	(0.5)	0.4	9.0
Investment portfolio	1,855.6	100	5,502	434	125.6	25.00	11.2	9.7	20.9	146.5

¹ Principally Portobello Dock

Includes reversion on Angel Building (£5.0m) and Arup III (£2.4m)

Rental income on owner occupied area of 10,980 sq ft has been included at nil. If this area is excluded the average rental income is £65.68

Appendix 8 Annualised contracted rental income



Annualised contracted rental income at 30 June 2009

- Includes
 - Annualised rents under committed leases
 - Pre-letting income
 - Rent frees
- Excludes
 - Future contracted stepped rent increases
 - Future rent review increases where there is a contracted minimum level
 - Rental movements on outstanding rent review and lease renewals

Appendix 9 Vacant accommodation

Vacant accommodation at 30 June 2009	Floor area 000 sq ft	Rental per annum £m	Comment
Available			
Strathkelvin Scotland	60	0.9	7,500 sq ft in negotiation
4 Grosvenor Place SW1	18	0.8	8,000 sq ft under offer/in negotiation
City Road Estate EC1	27	0.6	Short leases pending long term development
Portobello Dock W10	30	0.6	
45-51 Whitfield Street W1 ¹	12	0.3	Letting contracts recently exchanged on entire building
43 Whitfield Street W1 ¹	10	0.3	3,000 sq ft let post half year, 4,500 sq ft under offer
Other	100 257	2.1 5.6	
Refurbishments			
1/3 Grosvenor Place SW1	23	1.0	5,000 sq ft under offer/in negotiation
Victory House W1	11	0.4	Change of use under consideration
Bishops Bridge Road W2	8	0.4	
35 Kentish Town Road NW1	13	0.2	
Other	63 118	1.4 3.4	
Development ²			
Gresse Street/Rathbone Place W1	59	2.2	Completion October 2009
	434	11.2	

¹ Forms part of the Saatchi masterplan, Fitzrovia ² The Angel development is currently let to BT under their existing lease. On expiry of this lease in March 2010, 139,500 sq ft will be taken by Cancer Research UK at £5.6m pa, leaving 123,500 sq ft available.

Appendix 10 Tenant profile

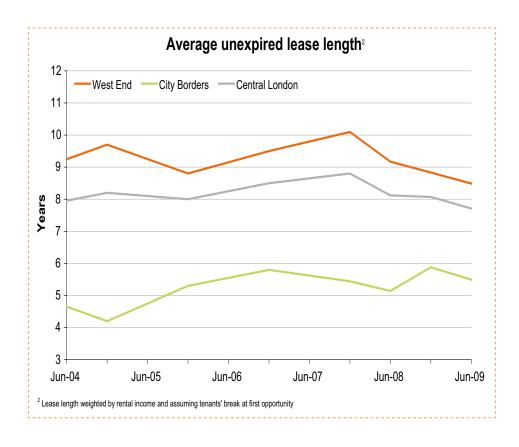
	Net income ¹ %	Net income £m	Average rental income £psf	Key expiry dates
Arup ²	8.0	10.2	33.09	2023 (£4.5m), 2031 (£3.9m)
Government	7.0	8.8	23.78	2011 (£3.3m), 2021 (£1.5m), 2022 (£1.7m)
Burberry	4.1	5.2	32.26	2033 with break in 2023 (£5.2m)
Saatchi & Saatchi	3.7	4.7	28.17	All 2013
BT	3.3	4.2	15.91	All 2010 (2010 onwards – income from CRUK of £5.6m secured on part)
MWB Business Exchange	2.4	3.1	34.21	2018 (£1.9m), 2026 (£1.2m)
Thomson Reuters	2.1	2.7	30.82	2016 with break in 2011 (£1.2m), 2022 with break in 2017 (£1.5m)
Pinsent Masons	1.9	2.5	32.50	All 2015
British Broadcasting Corporation	1.9	2.4	31.33	2017 (£0.2m), 2059 (£2.2m)
House of Fraser	1.6	2.0	26.28	All 2018
	36.0	45.8	27.29	

- Ten principal tenants pay £45.8m pa 36% of income
- Tenant income profile
 - 22 tenants pay over £1m 50% of income
 - 27 tenants pay £0.5m-£1m 15% of income

¹ Based upon the annualised contracted net rental income of £125.6m

² Includes £4.5m of rental income from Arup Phase I. Contracts for the sale of the property were exchanged in July 2009

Appendix 11 Lease length

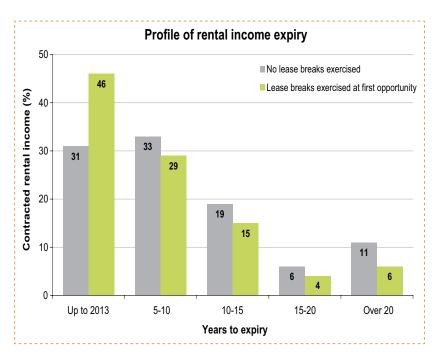


- Weighted average unexpired lease length of 8.0 years
 - Central London 7.7 years
 - Provincial 11.4 years

Appendix 12 Lease expiry profile

	 	Portfolio income¹									
	West End %	City Borders %	H2 2009 %		West End %	City Borders %	2010 %	2011 %	2012 %	2013 %	 otal %
Expiries	1	-	1		3	1	4	6	2	8	21
Angel expiry	-	-	-		3	-	3	-	-	-	3
Single breaks	1	-	1		3	1	4	4	4	4	17
Rolling breaks	2	1	3		2	-	2	-	-	-	5
	4	1	5		11	2	13	10	6	12	46

¹ Based upon the annualised contracted rental income of £125.6m at 30 June 2009



- Lease expiries by income up to 2013
 - No lease breaks exercised 31%
 - All lease breaks exercised 46%
- Low rents and high relocation costs cost effective for tenants to renew
- Asset management team continues to focus on retaining tenants

Appendix 13 Capital expenditure

Summary by property	2008 actual	bı	2009 budget		2010 budget		2011 & beyond¹ budget	
	£m		£m		£m	 	£m	
Angel Building	12.0	4	46.0		26.9		2.3	
Arup Phase III	3.9	1	13.5		0.2		-	
17 Gresse St & 7-8 Rathbone Place	7.8	1	10.6		0.4		-	
Tea Building	0.8		4.7		0.2		-	
Arup Phase II	12.4		3.0		-	[[[-	
Castle House, 75 Wells Street	0.4		1.3		0.2		-	
Qube	2.1		1.2		-		-	
43 Whitfield Street	0.2		1.1		-		-	
45 Whitfield Street	-		1.0		-		-	
1-5 Grosvenor Place	0.6		0.9		-	[[[-	
Portobello Dock	3.3		0.7		-		-	
City Road Estate	1.5		0.6		0.5		-	
Gordon House	4.0		0.5		-		-	
9 & 10 Rathbone Place	-		0.4		0.9		-	
100 George Street	1.8		0.4		-		-	
Suffolk House	-		0.3		2.1		3.0	
55-65 North Wharf Road	0.9		0.3		0.5		0.3	
151 Rosebery Avenue	3.5		0.3		-		-	
Wedge House	1.1		0.2		-		-	
The Turnmill	0.7		0.1		-		-	
Horseferry House	10.4		0.1		0.2		-	
Other	5.6		5.4		7.7		4.6	
	73.0	g	92.6		39.8	 	10.2	

¹ Does not include schemes that commence in 2011 and beyond

Appendix 14 Planning consents





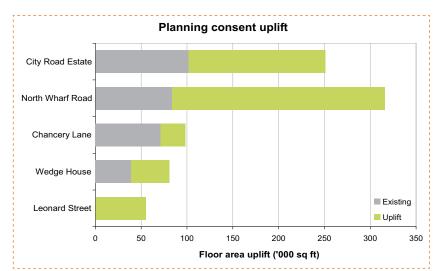






	Leonard Street EC2 ¹	Wedge House SE1¹	Chancery Lane WC2 ^{1,2}	North Wharf Road W2 ²	City Road Estate EC1¹	Total
Current rental income	n/a	£0.3m pa	£1.0m pa	£1.6m pa	£0.8m pa	£3.7m pa
Existing floor area	n/a	39,000 sq ft	71,000 sq ft	84,000 sq ft	102,000 sq ft	296,000 sq ft
Consented floor area	55,000 sq ft	81,000 sq ft	98,000 sq ft	316,000 sq ft	251,000 sq ft	801,000 sq ft
Uplift	n/a	108%	38%	276%	147%	171%
Comments	Offices/ residential site	Lease break 2012	Breaks 2010-2012	Breaks from 2011	Breaks from 2011	

¹Freehold ²Leasehold



• 0.5m sq ft of additional space

Appendices

Appendix 15 Appraisal studies

Property	Current income £m pa	Current income £psf	Existing area 000's sq ft	Potential area 000's sq ft	Appraisal studies/planning evaluation	Comment
Charlotte Street	4.7	28	200	300		A key ownership in the heart of our Fitzrovia estate, with the potential for major redevelopment. Tenants: Saatchi & Saatchi. Leases expire in 2013.
Hampstead Road	2.0	9	230	300		Various options being studied for this ownership, adjacent to Euston station. Tenants: NHS, BHS and BP. Leases expire in 2011 and 2012.
The Turnmill	0.3	7	45	76		A planning application has been submitted for a new build office scheme. This is an improvement on the current refurbishment option. Tenants: short-term lets with expiries from 2011.
Grosvenor Place	5.0	30	166	270		Working in conjunction with our freeholder, The Grosvenor Estate, various options are being studied. Tenants: multi-let. Leases expiring from 2016.
Riverwalk House	2.3	31	75	200		This prime riverside location in Victoria offers the potential for a significant redevelopment. Tenant: Government. Lease expires in 2011.
Commercial Road	0.5	17	30	117		Planning application submitted for a mixed use development. Tenants: Government and Thames Reach Housing. Leases expire in 2012.
	14.8	20	746	1,263		

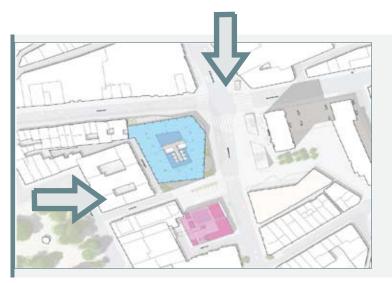
Appendix 16

Appraisal studies – Charing Cross Road WC2

- Proposed Crossrail interchange at the junction of Oxford Street and Charing Cross Road
- Design currently being finalised for a mixed use scheme consisting:
 - 174,000 sq ft offices
 - 30,000 sq ft retail
 - 300+ seat performance venue
 - New public space around Soho Square
- Our remaining interest at 135-155 Charing
 Cross Road compulsory purchase in H2 2009

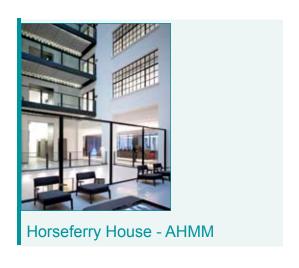


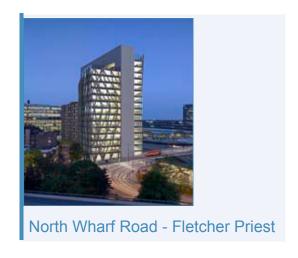


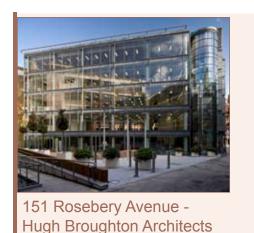


Appendix 17 Investing in design

• Delivering well designed developments by working with the country's most creative architectural talent

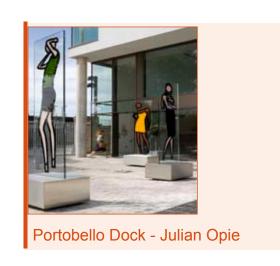






• Commissioning artists to help create special public areas







Appendix 18

Management structure – executive team

•	John Burns	Chief Executive
---	------------	-----------------

 Simon Silver 	Head of Development
----------------------------------	---------------------

•	Chris Odom	Finance Director
---	------------	------------------

•	Nigel George	Director

•	Paul Williams	Director
---	---------------	----------

•	David Silverman	Director
---	-----------------	----------

 Tim Kite 	Company Secretary
------------------------------	-------------------

•	Nick Groves	Senior Investment Manager
---	-------------	---------------------------

•	Russell Durling	Group Surveyor
---	-----------------	----------------

•	Gary	Preston	Financi	ial	Controller
---	------	---------	---------	-----	------------

Asim Rizwani Head of Property Management

Disclaimer

This presentation includes statements that are forward-looking in nature. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Derwent London plc to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Any information contained in this presentation on the price at which shares or other securities in Derwent London plc have been bought or sold in the past, or in the yield on such shares or other securities, should not be relied upon as a guide to future performance.