

19 July 2013

Derwent London sells its interest in 1-5 Grosvenor Place SW1 to Peninsula Hotels for £132.5 million

Further to the announcement made on 19 June 2013, Derwent London plc announces that it has now exchanged contracts for the sale of its 50% interest in 1-5 Grosvenor Place SW1 to The Hongkong & Shanghai Hotels, Limited, trading as Peninsula Hotels, for £132.5 million before costs. The transaction reflects a 70% premium to the December 2012 valuation of the Group's interest of £78 million.

The sale is due to complete on 25 July 2013, at which time Derwent London will have received proceeds of almost £200 million from 1-5 Grosvenor Place since the start of 2012.

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For further information please contact:

Derwent London 020 7659 3000

John Burns, Chief Executive Officer

Damian Wisniewski, Finance Director

Paul Williams, Executive Director

Louise Rich, Head of Investor Relations

Brunswick Group 020 7404 5959

Elizabeth Adams

Sheena Shah

Notes to editors

Derwent London

Derwent London plc owns a portfolio of commercial real estate predominantly in central London valued at £2.9bn as at 31 December 2012, making us the largest London-focused real estate investment trust (REIT).

Our experienced team has a proven record of value creation through development, refurbishment and asset management activities. We take a fresh approach to each building, adopting a design-led and tenant-led philosophy. We focus on buildings with reversionary mid-market rents, particularly those in improving locations around the West End and the City borders.

The business is grounded on a strong balance sheet with modest leverage, a robust income stream and flexible financing. Landmark schemes in our portfolio of 5.4 million sq ft (505,800m²) as at 31 December 2012 include Angel Building EC1, Buckley Building EC1, Qube W1, Horseferry House SW1 and Tea Building E1.

In 2013 to date Derwent London has won the 'West End Deal of the Year' for our letting to Burberry at 1 Page Street SW1 and 'City Development of the Year' for our 4 & 10 Pentonville Road N1 scheme at the OAS Development Awards as well as 'Developer of the Year' at the New Energy & Cleantech Awards.

Derwent London came seventh overall in the 2012 Management Today awards for 'Britain's Most Admired Companies', topping the real estate sector for the third year in a row. Earlier in 2012 the Group won the Estates Gazette 'Property Company of the Year – Offices' award. Last year the Tea Building also won a RIBA regional award and an AJ Retrofit award for the 'Green Tea' refurbishment to improve the environmental performance of the building.

For further information see www.derwentlondon.com or follow us on Twitter at @derwentlondon.