

11 September 2017

Derwent London plc (“Derwent London” / “the Group”) Derwent London secures further major pre-lets at 80 Charlotte Street

Derwent London is pleased to announce that it has pre-let most of the remaining office space at 80 Charlotte Street W1 to The Boston Consulting Group (“BCG”). BCG will take the top 5th to 8th floors comprising 123,500 sq ft on a fifteen-year lease with five-year rent reviews and an option to break after twelve years subject to a penalty. The initial rent is £10.6m per annum, slightly above ERV.



In addition, Arup Group (“Arup”) has now committed to take a further 19,800 sq ft on the 4th floor on the same terms as its other office space, a twenty-year lease at an initial rent of £1.5m per annum subject to annual increases of 2.25% for the first fifteen years. Arup has also relinquished its option to take the remaining space on that floor. Including the space Arup previously committed to occupy, we have now pre-let a minimum of 276,900 sq ft or 86% of the total office space in the project for a rent of £21.8m per annum.

BCG also has the right to take up to a further 43,000 sq ft comprising 20,100 sq ft on the 4th floor, which was previously under option to Arup, and 22,900 sq ft on the ground and lower ground floors. The rent free periods on the let space are in line with the earlier Arup letting. Should BCG take up all their additional space this significant Fitzrovia building would be 99% pre-let.

The 80 Charlotte Street development campus totals 380,000 sq ft in three buildings designed by Make Architects and construction is due for completion at the end of 2019. 80 Charlotte Street is the largest building at 323,000 sq ft. The two other buildings total 12,000 sq ft of offices and 45,000 sq ft of residential space. Following today's announcement a minimum 83% of the total commercial element is pre-let with BCG having the right to occupy another 13%.

John Burns, Chief Executive Officer of Derwent London, said:

"We are delighted to welcome The Boston Consulting Group to our portfolio. The fact that two of the world's leading professional consulting groups have committed to 80 Charlotte Street as their London headquarters so early in the construction process is proof of the quality of our product and its location. It also means that Derwent London has achieved over £35m of new lettings this year surpassing last year's record by over 13% and our commercial space for delivery in 2019 is now a minimum of 48% pre-let."

Andy Veitch, Partner and Managing Director of The Boston Consulting Group said:

"We are deeply excited to agree space for our future home at 80 Charlotte Street. Derwent and their design team have masterminded a truly spectacular scheme in this quiet and rapidly improving corner of Fitzrovia, close to the buzz of central London. This will be the perfect setting for our people to connect, develop and drive impact through our work. Derwent has led the market in providing us with flexibility and unique opportunities for our growth and our occupation strategy. We now look forward to creating our new home at 80 Charlotte Street, building on our workplace strategy, with the same innovative spirit as in New York, Los Angeles, Milan and our other offices."

CBRE, JLL, and Pilcher Hershman acted for Derwent London. Cushman & Wakefield acted for BCG. Strutt & Parker acted for Arup.

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Notes to editors

Derwent London

Derwent London plc owns 89 buildings in a commercial real estate portfolio predominantly in central London valued at £4.8 billion (including joint ventures) as at 30 June 2017, 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.

Landmark schemes in our 5.6 million sq ft portfolio include Angel Building EC1, The Buckley Building EC1, White Collar Factory EC1, 1-2 Stephen Street W1, Horseferry House SW1 and Tea Building E1.

In 2017 the Group won the Property Week Developer of the Year award, was listed 12th out of 4,000 in the Corporate Knights Global 100 of the world's most sustainable companies and achieved EPRA Gold for corporate and sustainability reporting. In 2016 the Group won Estates Gazette National Company of the Year and London awards as well as awards from Architects' Journal, British Council for Offices, Civic Trust and RIBA.

As part of its wider sustainability programme, in 2013 Derwent London launched a dedicated £250,000 voluntary Community Fund and, in 2016, made a further commitment of £300,000 for the next three years for Fitzrovia 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 or follow us on Twitter at @derwentlondon

The Boston Consulting Group

The Boston Consulting Group (BCG) is a global management consulting firm and the world's leading advisor on business strategy. We partner with clients from the private, public, and not-for-profit sectors in all regions to identify their highest-value opportunities, address their most critical challenges, and transform their enterprises. Our customized approach combines deep insight into the dynamics of companies and markets with close collaboration at all levels of the client organization. This ensures that our clients achieve sustainable competitive advantage, build more capable organizations, and secure lasting results. Founded in 1963, BCG is a private company with more than 90 offices in 50 countries.

For more information, please visit bcg.com.

Arup

Arup is the creative force at the heart of many of the world's most prominent projects in the built environment and across industry. From 92 offices in 40 countries our 12,000 planners, designers, engineers and consultants deliver innovative projects across the world with creativity and passion. www.arup.com

Arup press office contact: media@arup.com

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.