

16 January 2023

**Derwent London plc (“Derwent London” / “the Group”)
SALE OF 19 CHARTERHOUSE STREET EC1**

Derwent London announces that it has exchanged contracts to sell its 63,170 sq ft freehold interest in 19 Charterhouse Street EC1 for £54.0m before costs. The purchaser is a family office advised by Morgan Capital and BNF Capital Limited.

The building, which was purchased in November 2013 for £41.3m after costs, is occupied by the London College of Accountancy on a lease expiring in August 2025. The passing rent is £2.6m pa. The disposal price represents a 4.6% net initial yield to the purchaser, a capital value of £855 psf and reflects a marginal discount to June 2022 book value.

Paul Williams, Chief Executive of Derwent London, said:

“This sale forms part of our ongoing strategy of reducing our exposure to smaller buildings with less repositioning potential. As the flight to quality continues and occupiers become increasingly selective, proceeds will be recycled into our exciting development pipeline where we are currently on site with 435,000 sq ft of net zero carbon projects which we expect will deliver attractive returns.”

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Notes to editors

Derwent London plc

Derwent London plc owns 75 buildings in a commercial real estate portfolio predominantly in central London valued at £5.9 billion as at 30 June 2022, 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, Derwent London has committed to becoming a net zero carbon business by 2030, publishing its pathway to achieving this goal in July 2020. In 2019 the Group became the first UK REIT to sign a Revolving Credit Facility with a ‘green’ tranche. 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 buildings in our 5.6 million sq ft portfolio include 1 Soho Place W1, 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 January 2022 we were proud to announce that we had achieved the National Equality Standard – the UK's highest benchmark for equality, diversity and inclusion. In October 2022, 80 Charlotte Street won the BCO's Best National Commercial Workplace award 2022. In October 2021, the Group won EG's UK Company of the Year award and in January 2022 came top of the Property Sector and 38th position overall in Management Today's Britain's Most Admired Companies awards 2021. In 2013 the Company launched a voluntary Community Fund which has to date supported well 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 or follow us on Twitter at @derwentlondon

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.