

ABOUT US

Derwent London owns and manages a £5.2bn portfolio (31 Dec 2018) of commercial real estate located predominantly in central London. This makes us the largest London focused real estate investment trust.

We typically acquire properties off low capital values and modest rents in improving locations. We capitalise on the unique qualities of each of our properties – taking a fresh approach to the regeneration of every building through asset management and refurbishment.

2019 (to 9 MAY)

- New lettings totalling £17.2m, achieving 6.2% above Dec 2018 ERV
- Two lettings at Brunel Building W2 for £6.3m pa on 82,600 sq ft - Paymentsense and Splunk
- First office pre-let at Soho Place W1 for £9.7m pa on 102,600 sq ft - G-Research
- Over one million sq ft under construction with 64% pre-let:
 - Brunel Building W2: 243,200 sq ft - 98% pre-let, 2% under offer, completion H1 2019
 - 80 Charlotte Street W1: 380,000 sq ft - 80% of commercial space pre-let, completion H1 2020
 - Soho Place W1 – 42% of commercial space pre-let, completion H1 2022
 - The Featherstone Building EC1 – demolition under way, completion H1 2022
- A further 443,000 sq ft of other major planning consents at 19-35 Baker Street W1 and Holden House W1
- EPRA vacancy rate 1.7%, down from 1.8% in Dec 2018
- Sale contracts exchanged on Premier House SW1 and 9 Prescott Street E1 for a Group share of £76.9m, 6.9% above Dec 2018 book values after costs
- LTV ratio at 31 March 2019 was 17.5%
- Interest cover 460%
- Undrawn facilities and cash of £500m
- Net debt increased to £980.7m at 31 March 2019, up £23.8m in the quarter
- Paul Williams to become Chief Executive and John Burns to become Non-Executive Chairman on 17 May 2019

2018 SUMMARY

EPRA NAV per share	3,776p: (+1.6%) (3,716p Dec 2017)
EPRA earnings	£126.1m: +20.1% (£105.0m 2017)
EPRA EPS	113.1p: +20.0% (94.23p 2017)
Underlying EPS	99.08p: +5.1%
Interim and final dividend per share	65.85p: +10.2% (59.73p 2017)
Valuation	+2.2% underlying MSCI IPD* +1.8%
True equivalent yield	4.73% (4.73% Dec 2017)

* MSCI IPD Central London Offices Capital Growth Quarterly Index

MANAGEMENT

John Burns, Chief Executive

Damian Wisniewski, Finance Director

Paul Williams, Director

Simon Silver, Director

Nigel George, Director

David Silverman, Director

Quentin Freeman, Investor Relations

ON-SITE PROJECTS

Brunel Building, Paddington W2



- 243,200 sq ft canal-side offices - Offices entirely pre-let at £17.6m pa - Sony Pictures, Paymentsense, Splunk, Premier League, Hellman & Friedman, Coach and Alpha FX
- Striking external diagrid structure with 17,000 sq ft column-free floors and 3.5m floor to ceiling heights
- Two large roof terraces and a restaurant (under offer)
- Opposite Paddington station - Elizabeth line due to open 2020

80 Charlotte Street, Fitzrovia W1



- 380,000 sq ft office, retail and residential scheme:
 - 133,600 sq ft pre-let to Arup at £9.7m pa
 - 123,500 sq ft pre-let to The Boston Consulting Group at £10.6m pa
 - 11,000 sq ft pre-let to Elliott Wood at £0.6m pa
- 80% of the commercial element pre-let with BCG having an option on the remaining 52,900 sq ft of offices

MAJOR DEVELOPMENTS PIPELINE

Property	Area sq ft	Capex to complete £m ¹	Comment
On-site projects			
Brunel Building, 2 Canalside Walk W2	243,200	16	Offices and retail - 98% pre-let, 2% under offer
80 Charlotte Street W1	380,000	117	321,000 sq ft offices, 45,000 sq ft residential and 14,000 sq ft retail - 74% pre-let / pre-sold overall
Soho Place W1	285,000	283 ⁴	209,000 sq ft offices, 36,000 sq ft retail and 40,000 sq ft theatre - 42% commercial space pre-let ⁵
The Featherstone Building EC1	125,000	76	110,000 sq ft offices, 13,000 sq ft workspaces and 2,000 sq ft retail
	1,033,200	492	
Planning consents			
19-35 Baker Street W1 ²	293,000 ³		206,000 sq ft offices, 52,000 sq ft residential and 35,000 sq ft retail
Holden House W1	150,000		Retail flagship or retail/office scheme
	443,000		

¹ As at 31 Dec 2018 ² 'Resolution to grant' planning permission ³ Total area - Derwent London has a 55% share of the joint venture

⁴ Includes remaining site acquisition cost and profit share to Crossrail ⁵ In addition, 40,000 sq ft theatre pre-let

2019 STARTS (2022 COMPLETIONS)

Soho Place W1



- 285,000 sq ft of offices, retail and theatre above Tottenham Court Road station (includes the Elizabeth line)
- 102,600 sq ft pre-let to G-Research at £9.7m pa
- Main building contract signed and construction underway
- Capex to complete £283m¹, including site acquisition

The Featherstone Building EC1



- 125,000 sq ft scheme adjacent to White Collar Factory
- Replaces two tired properties totalling 69,000 sq ft
- Demolition commenced Jan 2019
- Capex to complete £76m¹

¹ As at 31 Dec 2018

PLANNING CONSENTS

19-35 Baker Street W1



- 293,000 sq ft mixed-use scheme
- Joint venture with The Portman Estate (DL share 55%)

Holden House W1



- 150,000 sq ft - single Oxford Street flagship store or a retail/office scheme