



Derwent London plc Results 2012

Presenters:

John Burns

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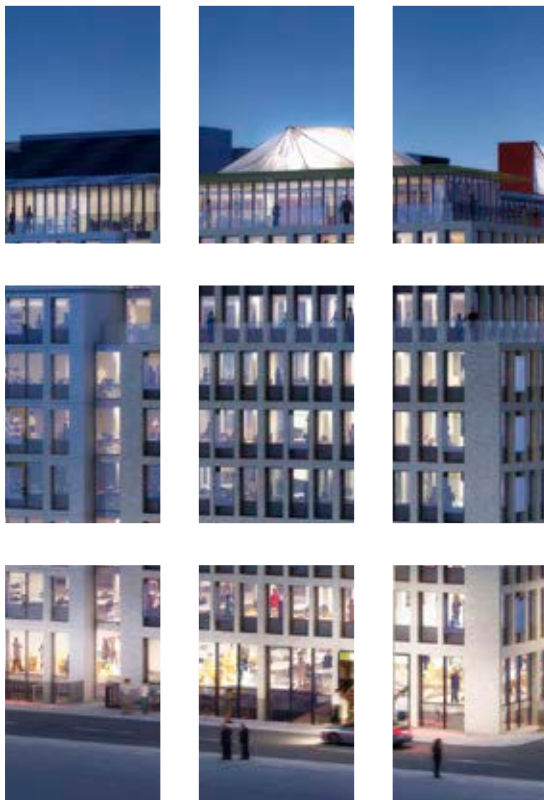
David Silverman

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Introduction

John Burns



- **Strong results**

- NAV growth +11% (Portfolio +7%)
- PBT maintained despite increased development
- DPS raised 7.5%

- **Operations**

- Vacancies remain at historically low levels (1.6%)
- Let 340,000 sq ft of space (7.6% above ERV)

- **Portfolio activity**

- Acquired £101m of Derwent style stock
- Completed and largely let Pentonville Road
- Started 170,000 sq ft of new developments
- Secured 655,000 sq ft of new planning consents

- **Finance**

- £83m 3.99% secured fixed rate loan
- Bank debt 50% of drawn debt
- LTV 30%

- **Outlook**

- Market view still positive
- Group has a good platform for growth

- **Vacancy rate remains low at 1.6%**
- **Asset management initiatives**
 - 1 Oliver's Yard & 8 Fitzroy Street - extended £9m of rent with minimum uplifts
- **New lettings exceed ERVs and annual market growth**
 - Burberry, largest pre-let in West End in 2012 (1 Page Street)
 - Ticketmaster 87% let at 4 & 10 Pentonville Road
- **Moving high quality tenants to Grade A buildings in new locations**
- **Benefiting from Tech Belt demand**

Update

- Unilever pre-let 21,100 sq ft at Buckley Building
Good interest in remaining space
- UCL pre-let entire 217,000 sq ft at 132-142 Hampstead Road

New lettings exceed ERV & IPD



Excellent progress on our developments

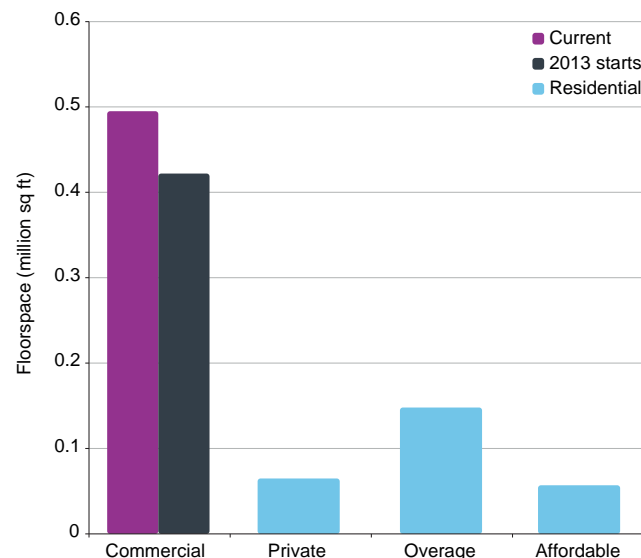
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- Completed 4 & 10 Pentonville Road achieving over 60% return on development cost
- Achieved 655,000 sq ft new planning consents, taking consented pipeline to 1.8m sq ft
- Started 170,000 sq ft during the year leading to 495,000 sq ft under construction at the year end
- **YTD 2013**
 - completed Morelands refurbishment (27,000 sq ft - 66% let)
 - started Bishop's Bridge Road (21,400 sq ft residential)
- **2013 starts expected to total 422,000 sq ft**
- **Derwent now has interests in 264,000 sq ft of residential development (c.19% affordable)**

Update

- White Collar Factory: looking to bring forward development start
- North Wharf Road: option agreement signed enabling the development of 240,000 sq ft offices

Derwent London's developments 2013



- **Five principal properties (247,500 sq ft) acquired for £90m**
 - 74% core West End, 26% City borders
 - Income producing average net initial yield 4.7%
 - Average cost £365 per sq ft
 - Also acquired new headlease at 1-5 Grosvenor Place for £8m

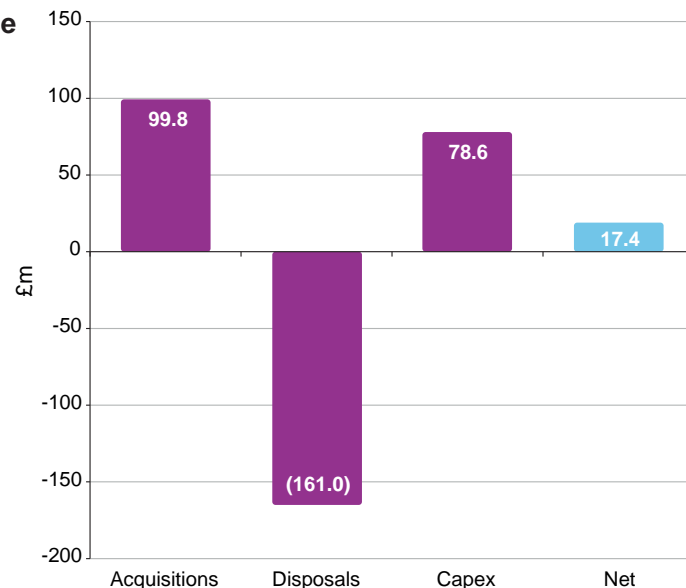
- **Sold three properties and a 50% share in Grosvenor Place**
 - 257,000 sq ft for £161m net of costs
 - Average disposal yield 2.9%
 - Average sales price 4.5% above Dec 2011

Update Sale of Commercial Road for £17m

- **Capex spend £79m in 2012**

Update 2013 & 2014 capex estimated at c.£250m

Net investment (cash)



Results and financial review

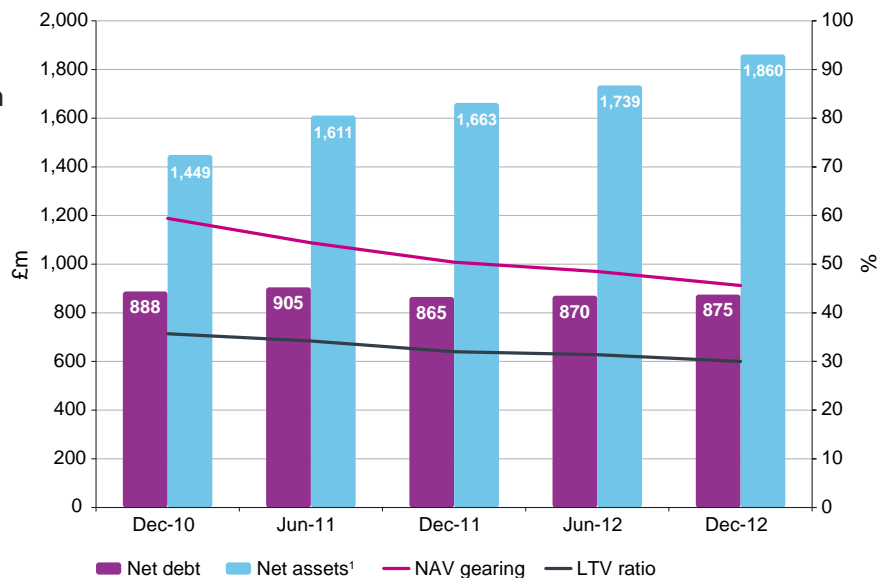
Damian Wisniewski

	Dec 2012	Dec 2011	% change
Total portfolio at fair value	£2,859.6m	£2,646.5m	8.1
EPRA net asset value per share ¹	1,886p	1,701p	10.9
Gross property income	£124.8m	£125.5m	(0.6)
EPRA profit before tax ²	£52.5m	£52.3m	0.4
EPRA earnings per share	50.36p	51.59p	(2.4)
Profit for the year	£232.7m	£234.3m	(0.7)
Total interim / final dividend per share	33.70p	31.35p	7.5
Recommended final dividend per share	23.75p	21.90p	8.4
Net debt	£874.8m	£864.5m	1.2
Weighted average maturity of borrowings	6.1 years	5.3 years	15.1
Loan-to-value (LTV) ratio	30.0%	32.0%	n/a
NAV gearing	45.6%	50.4%	n/a
Interest cover ratio	351%	307%	n/a

¹ On a diluted basis ² See Appendix 4 for reconciliation to IFRS profit before tax

- EPRA NAV per share up 10.9%
 - To 1,886p from 1,701p
 - Split 4.1%/6.8% in H1/H2
- Equity shareholders' funds increased to £1,860m
- Net debt increased slightly
 - To £874.8m from £864.5m
- LTV and NAV gearing ratios reduced again

Debt, net assets and gearing

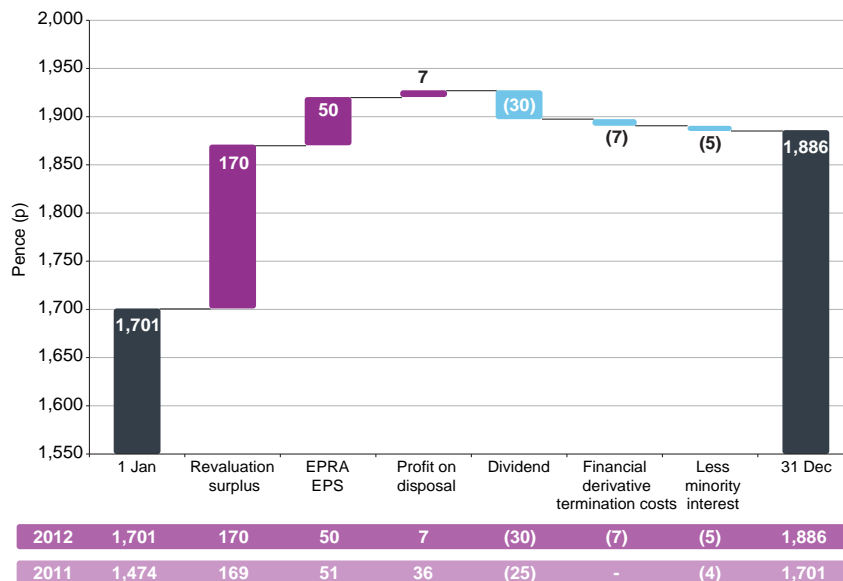


¹ Attributable to equity shareholders

- At £175.3m or 170p per share, the overall revaluation surplus was higher in 2012 than in 2011
- Revaluation surplus:
 - income statement £174.4m
 - comprehensive income¹ £0.9m

£175.3m
- EPRA earnings and EPS analysis in Appendix 4

EPRA NAV per share

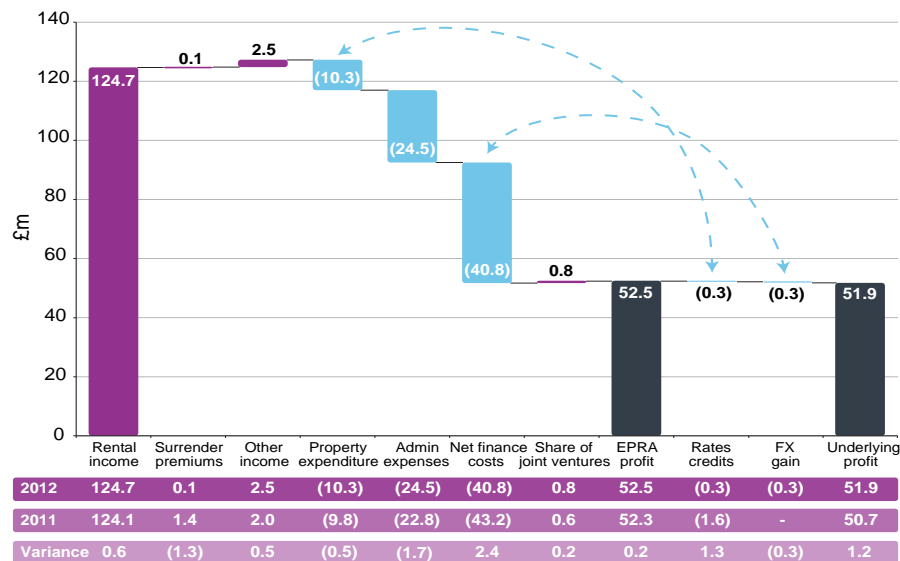


¹ Surplus from owner-occupied part of Savile Row

- Rental income increased to £124.7m
 - Strong rise in like-for-like income
- Surrender premiums fell from £1.4m in 2011 to £0.1m in 2012
- Admin costs up by 7% due largely to higher staff costs
- Breakdown of net finance costs:

	2012 £m	2011 £m
Interest	39.9	42.2
Capitalised interest	(4.9)	(2.2)
	35.0	40.0
Fees and costs	6.4	3.9
Other	(0.6)	(0.7)
Net finance costs	40.8	43.2

EPRA profit before tax



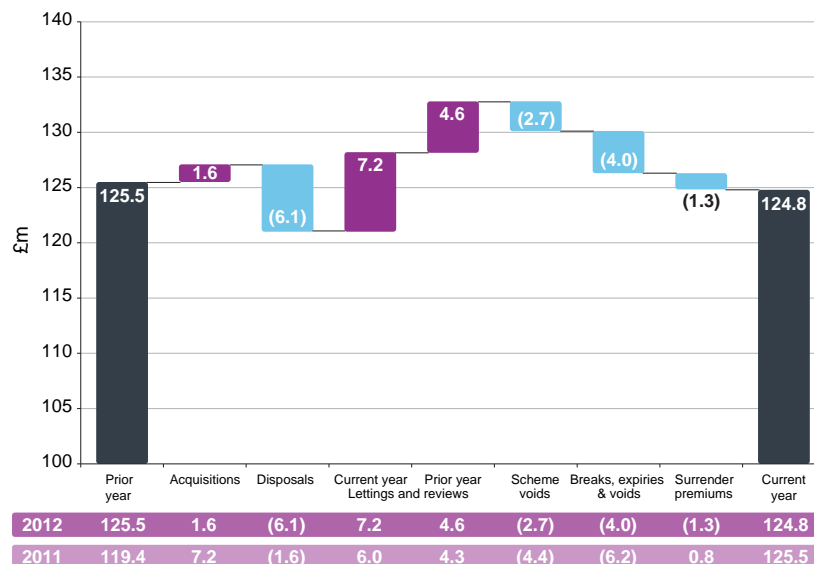
Gross property income

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	2012 £m	2011 £m	Increase £m
Rental income	116.5	115.3	1.2
Surrender premiums received ¹	0.1	1.4	(1.3)
SIC15 lease incentives	8.2	8.8	(0.6)
Gross property income	124.8	125.5	(0.7)

Gross property income movements in 2012

- Acquisitions include: Francis House £0.8m
Network Building £0.4m
- Disposals include: Grosvenor Place £2.6m
Covent Garden Estate £1.3m
- Lettings and reviews: Angel Building £2.2m
88 Rosebery Avenue £1.0m
Johnson Building £1.0m
- Breaks, expiries and voids include:
Hampstead Road £1.1m
1-2 Stephen Street £0.6m



¹ Net of write-off of lease incentive balances

Property outgoings and EPRA like-for-like rental income

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Recurring property outgoings decreased by £1.8m mainly due to void costs at Angel Building and Riverwalk House in 2011

Property outgoings at Hampstead Road were £0.6m in 2012

	2012 £m	2011 £m
Property outgoings	10.4	12.2
Ground rents	0.5	0.3
Surrender premiums paid	0.2	1.9
Dilapidation receipts	(0.5)	(3.0)
Rates credits	(0.3)	(1.6)
	10.3	9.8

EPRA like-for-like rental income¹

	Rental income		Net property income
	Gross	Net	
Compared to 2011	6.6%	8.2%	8.9%

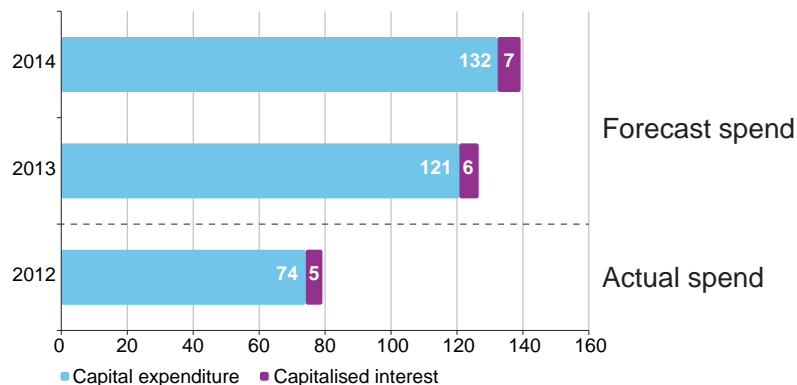
¹ See Appendix 5 for detailed reconciliation of like-for-like income

- Small increase in net debt
 - By £10.3m to £874.8m
- Disposals include Riverwalk House, Triangle Centre and 50% share in Grosvenor Place

Net cashflow movements

	2012 £m	2011 £m
Cash from operations	51.8	47.2
Acquisitions	(99.8)	(91.6)
Capex	(17.4)	(2.7)
Disposal proceeds	161.0	131.5
Dividends paid	(30.4)	(25.4)
Other	(14.3)	4.2
(Increase)/decrease in net debt	(10.3)	23.3

Forecast capital expenditure¹



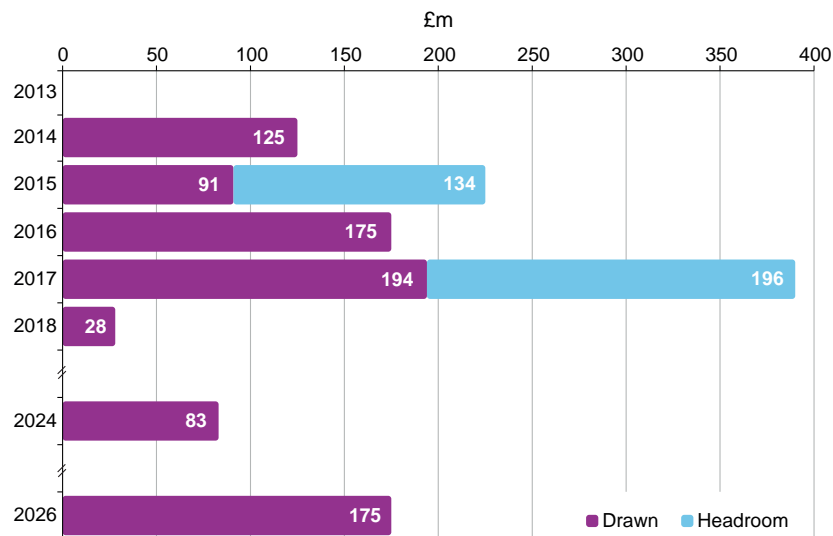
¹ Further details of forecast capital expenditure can be found in Appendix 25

	Dec 2012	Dec 2011
Net debt	£874.8m	£864.5m
Gearing		
LTV ratio	30.0%	32.0%
NAV	45.6%	50.4%
Interest cover ratio	351%	307%
Interest cover ratio - excluding capitalised interest	309%	291%
Total facilities	£1,204m	£1,335m
Unutilised committed facilities	£333m	£476m
Unutilised facilities drawable	£333m	£469m
Uncharged properties	£624m	£589m

- Gearing lower, interest cover higher
- Two bank facilities totalling £300m signed in December 2011 - effective in January 2012
- £83m 12¼-year facility signed in August 2012 fixed at 3.99% - diversifying sources of debt and extending maturities
- Substantial headroom under financial covenants
- Next loan maturity is in April 2014

- Weighted average maturity
 - Facilities - 5.4 years
 - Drawn amounts - 6.1 years
- Total facilities excluding overdraft: £1,201m
including overdraft: £1,204m
- Refinancing of £125m facility expiring April 2014 is underway

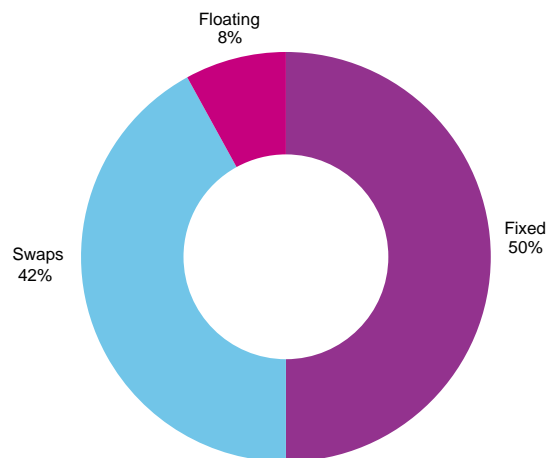
Maturity profile of loan facilities¹ - as at 31 Dec 2012



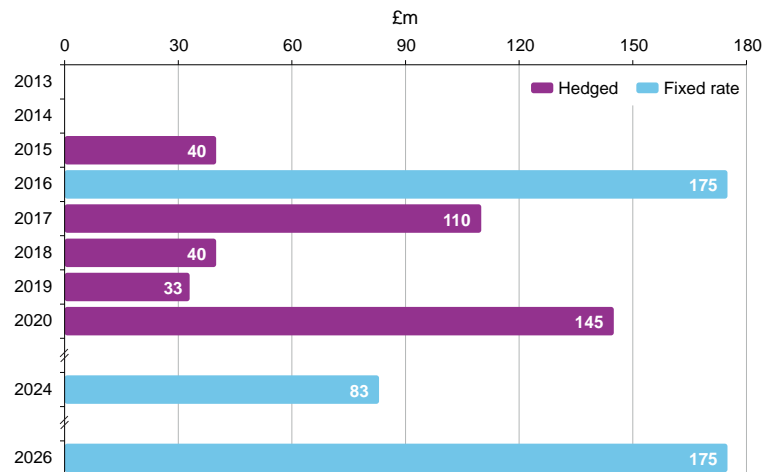
¹ Excludes £2.5m overdraft facility

	Dec 2012	Dec 2011
Proportion of drawn facilities at fixed rates or hedged	92%	98%
Weighted average length of swaps	5.8 years	5.0 years
Spot weighted average cost of drawn facilities ¹	4.63%	4.65%
Spot weighted average cost of drawn facilities ²	4.88%	4.91%
Mark-to-market cost of swaps	£54.3m	£51.9m

Hedging profile



Maturity profile of fixed and hedged debt³



¹ Convertible bonds at 2.75% ² Convertible bonds on IFRS basis ³ Excludes £70m forward start swap from March 2013 to April 2019

Valuation and portfolio analysis

Nigel George

- Strong capital growth throughout 2012
 - Underlying 7.3% (2011: 7.6%)
 - Central London portfolio 7.8% (City borders top performing 10.2%)
 - Continued strong growth fundamentals (average 'topped-up' office rent £31 psf / TEY 5.55%)
- Seven projects on site during 2012, valued at £387.6m
 - Developments¹ £185.3m - annual uplift 20.6%
 - Phased refurbishments² £202.3m - annual uplift 8.7%
- Three new projects starting in 2013
- On-site projects and 2013 starts represent 17% of portfolio value

	2012 Portfolio valuation £m	H1 2012 valuation movement %	H2 2012 valuation movement %	Full year valuation movement %
West End	2,094.6	3.1	4.0	7.2
City borders	579.9	4.6	5.6	10.2
Central London	2,674.5	3.4	4.3	7.8
Provincial	93.5	(2.3)	(3.1)	(5.3)
Underlying	2,768.0	3.2	4.1	7.3
Acquisitions	91.6 ³	(4.9)	1.4	(0.3)
Investment portfolio	2,859.6	3.1	4.0	7.0

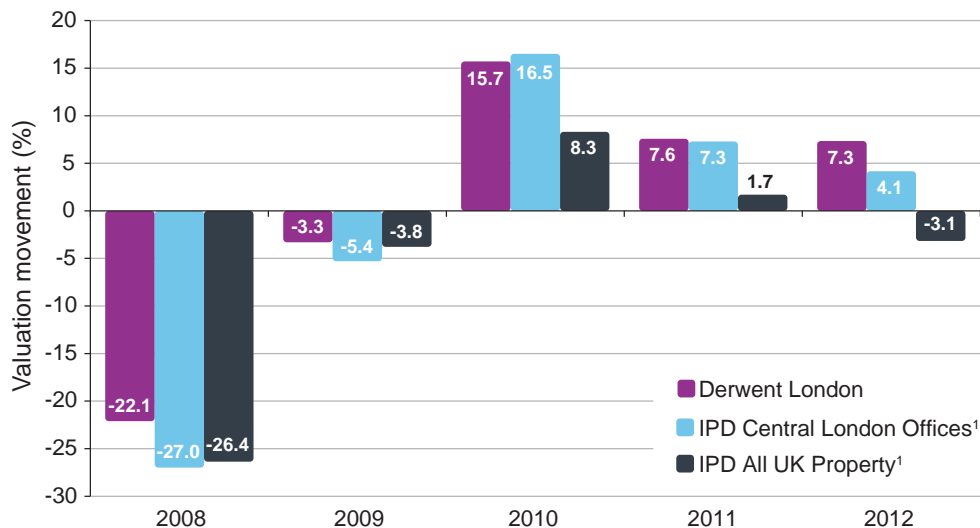
¹ 1 Page Street, Buckley Building, Turnmill, 40 Chancery Lane and 4 & 10 Pentonville Road (latter completed H2 2012)

² 1-2 Stephen Street and Morelands Buildings

³ Excludes cost of new 150-year headlease at Grosvenor Place

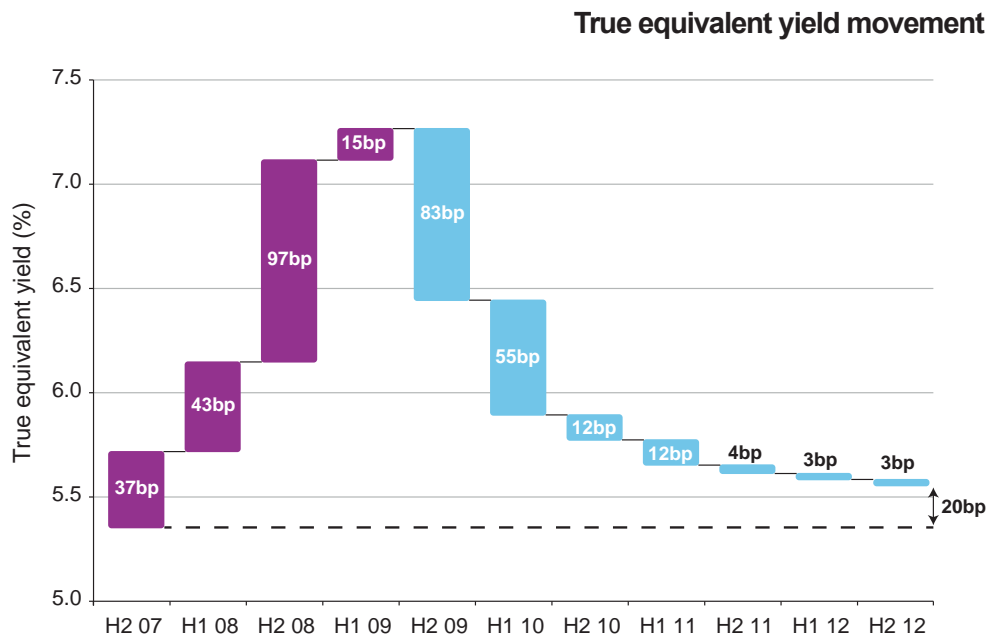
- Central London continues to perform strongly
- Our portfolio outperformed the IPD Central London Offices Index and the wider market
- Total 2012 property return of 11.6% (2011: 13.4%)
 - IPD Central London Offices¹ 8.8%
 - IPD All UK Property¹ 2.7%

Valuation performance



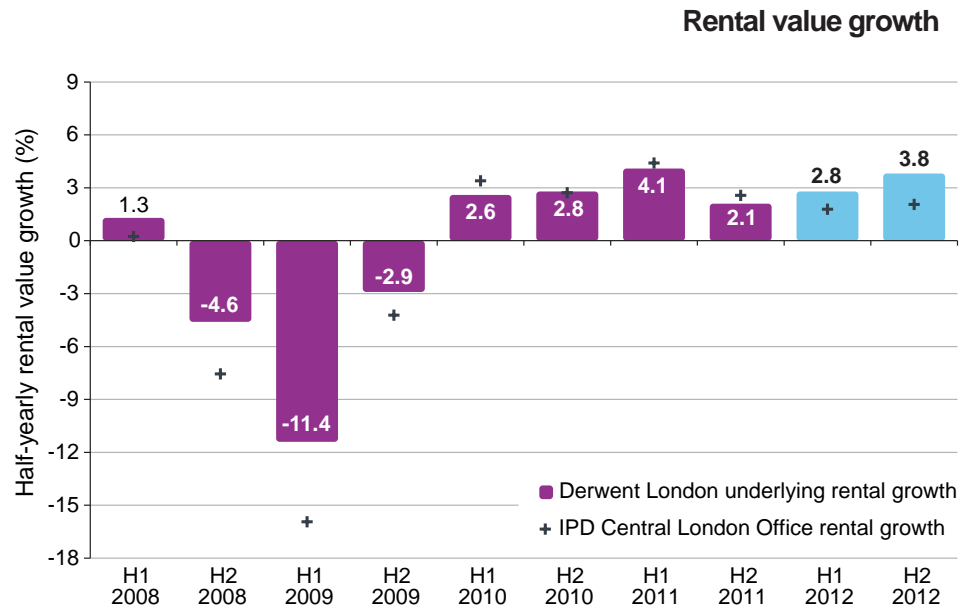
¹ Quarterly Index

- EPRA yields
 - Net initial 4.3% (Dec 2011: 4.4%)
 - 'Topped-up' net initial 4.8% (Dec 2011: 5.2%)
- True equivalent yield (TEY) 5.55%
 - Tightened by 6bp in 2012
 - Yields stable
- Net reversionary yield 5.7%
- Strong income reversion at £55.4m
 - £21.0m via contracted uplifts
 - Detailed in Appendix 11¹

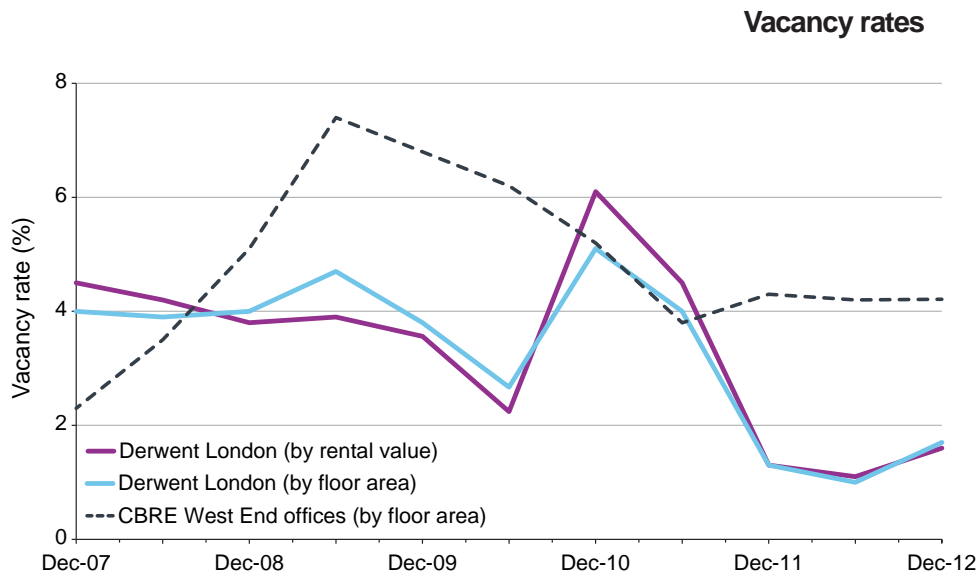


¹ See also Appendix 25 for capex on current projects

- 2012 rental value growth
 - Rental growth above our 4-5% expectations in March 2012
 - Underlying H1 2.8% and H2 3.8%
- City borders outperforming with growth at 11.4% in 2012
 - Examples of ERV movement;
 - Tea Building +17%
 - Oliver's Yard +13%
 - Morelands Buildings +12%
- Excellent tenant interest at mid-market rents
- Our locations improving and in demand
 - Crossrail
 - London's Tech Belt



- EPRA vacancy rate¹ by rental value 1.6% at Dec 2012
 - Slight increase from 1.3% at Dec 2011
 - Pentonville Road completed
- Available floorspace 66,000 sq ft with an ERV of £2.1m pa
 - 50% now let or under offer
- Projects on site total 495,000 sq ft
 - Net rental value c.£22m pa of which £7.5m pre-let
 - Assuming no other activity, completion would take the vacancy rate to 4% by the end of 2013
 - Rising to 11% in 2014
 - Stephen Street (2%)
 - Turnmill (2%)
 - Chancery Lane (3%)



¹ Immediately available space

- Continued strong tenant retention - highest over five years at 81%

- Active asset management

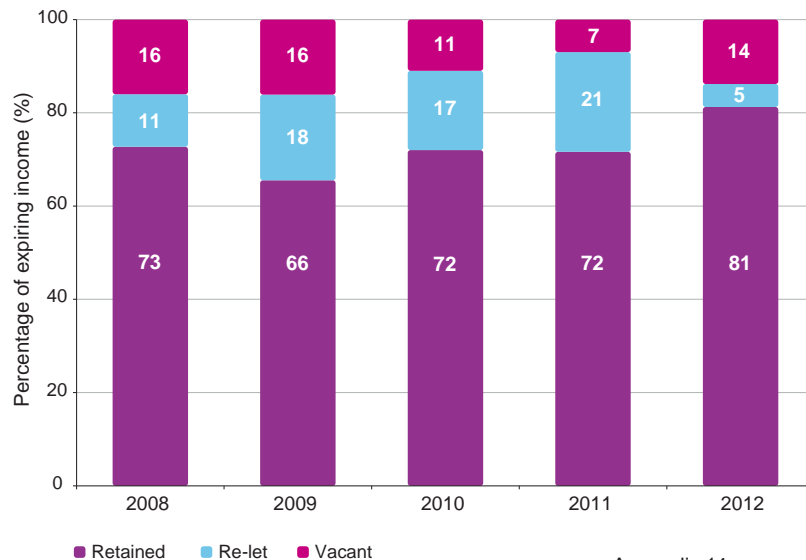
- 2013 expiries and breaks

- Equates to £20m pa or 17% of annual rent roll
- 25% relates to 80 Charlotte Street project

- Portfolio average lease length

- 7.4 years (Dec 2011: 7.2 years)
- 1 Oliver's Yard lease extensions
 - Telecity
 - Sage Publications

Lease expiry and break outcomes¹



¹ As at Dec 2012

Low average office rents

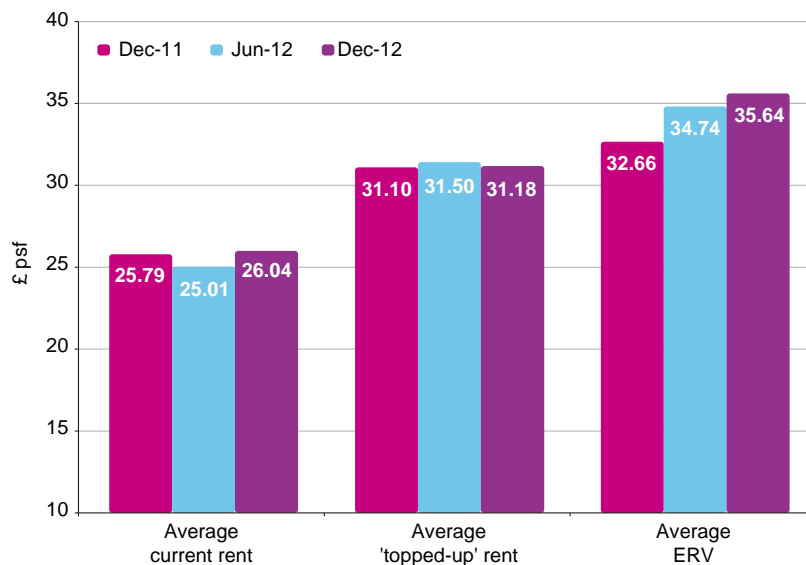
- Central London offices represents 86% of current income

	Income %
Central London offices	86
Retail/restaurant	7
Leisure/hotel	2
Other	2
	97
Scotland	3
Total	100

- Rents passing on a 'topped-up' basis

- < £30 psf 21%
- £30-£40 psf 30%
- £40-£50 psf 34%
- > £50 psf 15%

Central London office rent profile



Lettings and asset management

Paul Williams

4 & 10 Pentonville Road N1 (55,000 sq ft - 87% let)

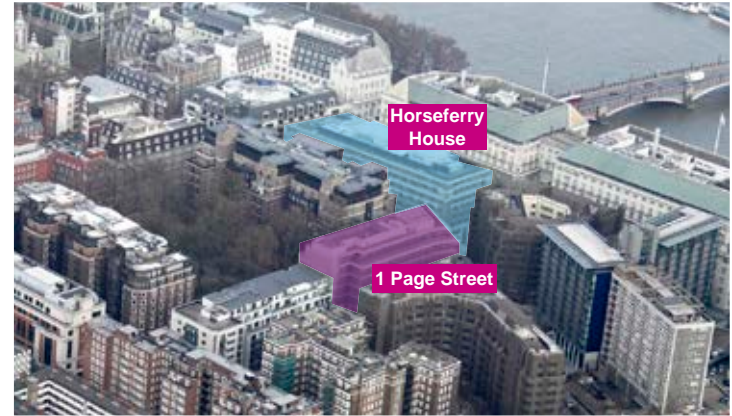
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- Let 47,700 sq ft to Ticketmaster for £1.9m pa (£42.50 psf on a typical floor)
- 12-year lease (30 months rent free), no breaks, minimum uplift to £2.0m pa in year five
- Good interest in the balance
- New letting raises average rental tone in the area
- Property is opposite the Angel Building (262,000 sq ft) refurbished in 2010

1 Page Street SW1 (127,000 sq ft)

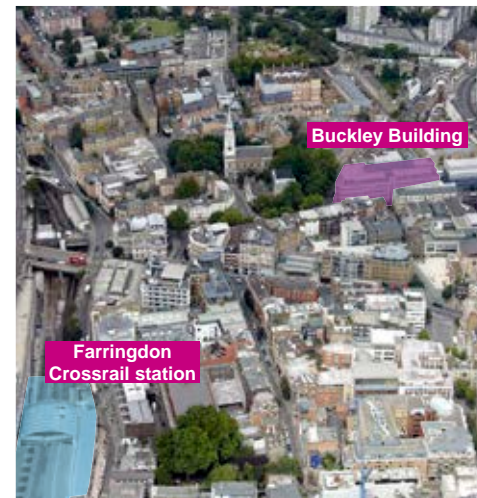
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- Pre-let to Burberry for £5.3m pa (£45 psf on a typical floor)
- Completion due in Q2 2013
- 127,000 sq ft - largest West End letting in 2012
- Minimum uplift in year five to £5.7m pa
- In 2008 the Group completed the Burberry headquarters at Horseferry House (163,000 sq ft)
- Horseferry House is let at an average rent of £32.50 psf

Buckley Building EC1 (85,000 sq ft)

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- Completion Q1 2013
- 81,000 sq ft offices, 4,000 sq ft restaurant/retail
- ERV c.£45 psf (offices)
- Currently receiving £2.45m pa from previous occupier

- Pre-let 21,100 sq ft to Unilever
- Rent £45 psf on ground and £40 psf on lower ground
- Rent £0.9m pa
- Minimum uplift at first review 3.5%
- 27% above June ERV for rents on these floors

- In the heart of Clerkenwell village
- Close to Farringdon station and will be a major beneficiary of Crossrail
- Formal launch April 2013

55-65 North Wharf Road W2 (240,000 sq ft)

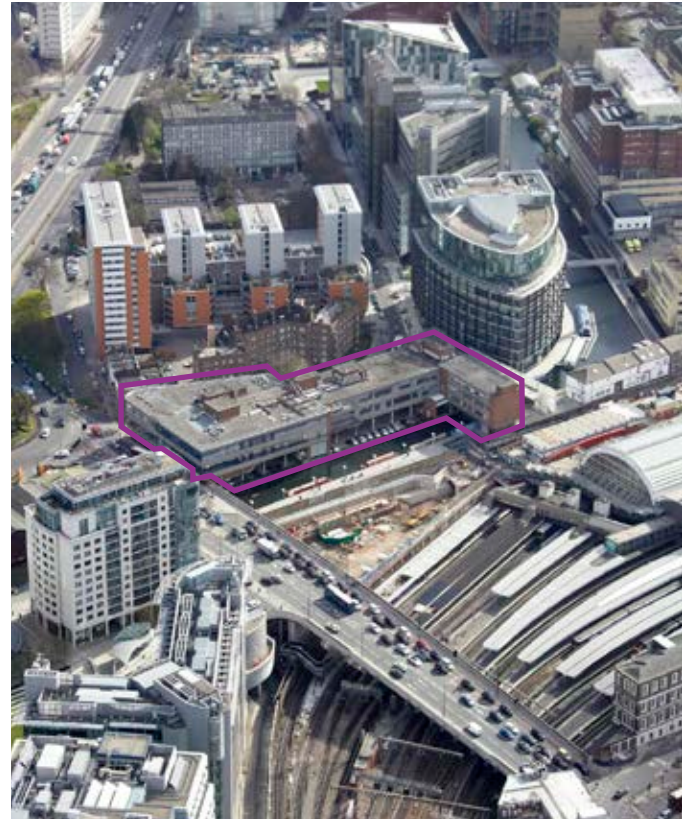
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Existing ownership structure

- Headlease: 83 years unexpired
- Ground rent: Review in 2013 and every 21 years to 15.5% of income
- Net income: £1.5m pa
- Building: 78,000 sq ft
Multi-let offices
Possession from 2014

Option agreement

- Headlease: 999 years
- Ground rent: 2.5% of income
- Option period: Expires 2016
- Scheme: Headlease allows for redevelopment thereby unlocking a 240,000 sq ft office scheme



55-65 North Wharf Road W2 (240,000 sq ft)

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Option agreement for 999-yr headlease
at 2.5% of income

Derwent London
Offices
240,000 sq ft

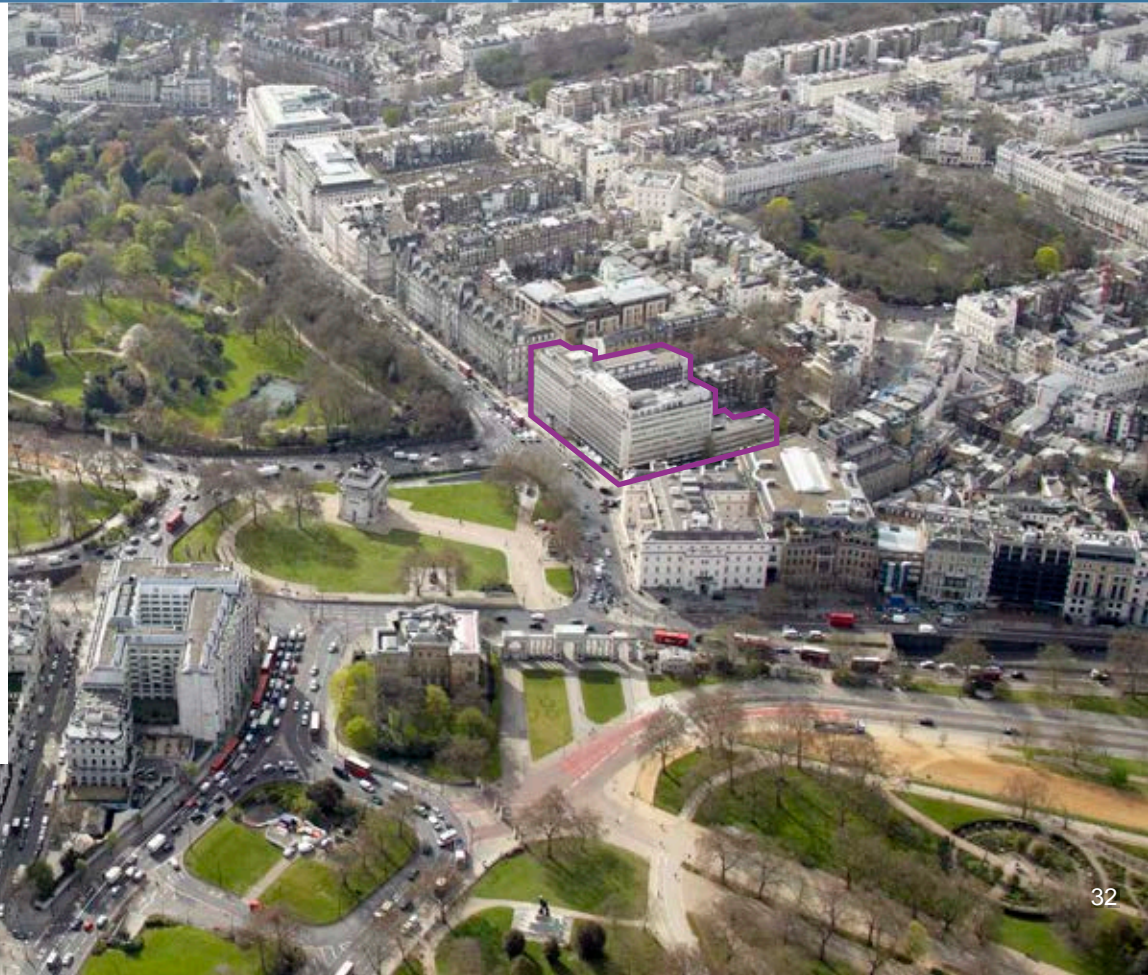
European Land
Residential
73,000 sq ft



1-5 Grosvenor Place SW1

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- 50% JV with Grosvenor completed in February 2012
- New 150-year headlease
- 1.5 acre prime site
- Potential >260,000 sq ft mixed use:
hotel, residential, offices
- Pre-planning discussions with partner, architects and potential hotel operators
- Current rent £3.1m (DL share)
- Vacant possession 2014/2016



132-142 Hampstead Road NW1 (217,000 sq ft)

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- Acquired September 2007 as major development opportunity
- Obtained planning in December 2010 for 233,000 sq ft offices (White Collar Factory) and 38 residential units
- Significant pre-letting interest
- Project put on hold due to potential HS2 impact
- Main leases expired in mid 2011
- New ten-year pre-let signed with University College London with breaks from 2018. Rent £1.55m pa with fixed uplifts in 2016 and 2018 (3% pa compounded)
- Lease completion subject to a planning use change

Acquisitions and disposals

David Silverman

Principal acquisitions

Property	Area sq ft	Cost ^{1,2} £m	Cost ¹ £ psf	Net yield %	Rent £ psf	ERV £ psf	Lease length ³ years
25 and 29 Berners Street W1	79,500	36.5	460	3.8%	18	37	1.5
9 and 16 Prescott Street E1	111,000	23.2	209	5.5%	11	15	2.4
Francis House, 11 Francis Street SW1	57,000	30.6	537	5.1%	37	40	7.1
Total	247,500	90.3	365	4.7%	18	27	3.9

- All three acquisitions meet Derwent criteria
 - Low passing rents/capital values per sq ft
 - Located in improving areas
 - Refurbishment/redevelopment potential
 - Income-producing while working up a property plan for each asset
 - Often located near existing Group assets
- Competitive market needs a disciplined approach

¹ Including acquisition costs ² Total acquisitions (£101m) include new lease at 1-5 Grosvenor Place SW1 (£8m) and small acquisitions in Fitzrovia and Shoreditch ³ Average unexpired lease length assuming tenants break at first opportunity

25 and 29 Berners Street W1 (79,500 sq ft)

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British Music House

25-27 Berners Street W1

- 35,200 sq ft offices

- Long leaseholds (2080). Ground rent £3,125 pa.
- Sale and leaseback from Performing Rights Society for three years (tenant's break from 18 months) for £1.4m pa (£17.60 psf)
- Net initial yield is 3.8%
- Good floor to ceiling heights, excellent natural light
- Refurbishment could see rents rise to £45 psf



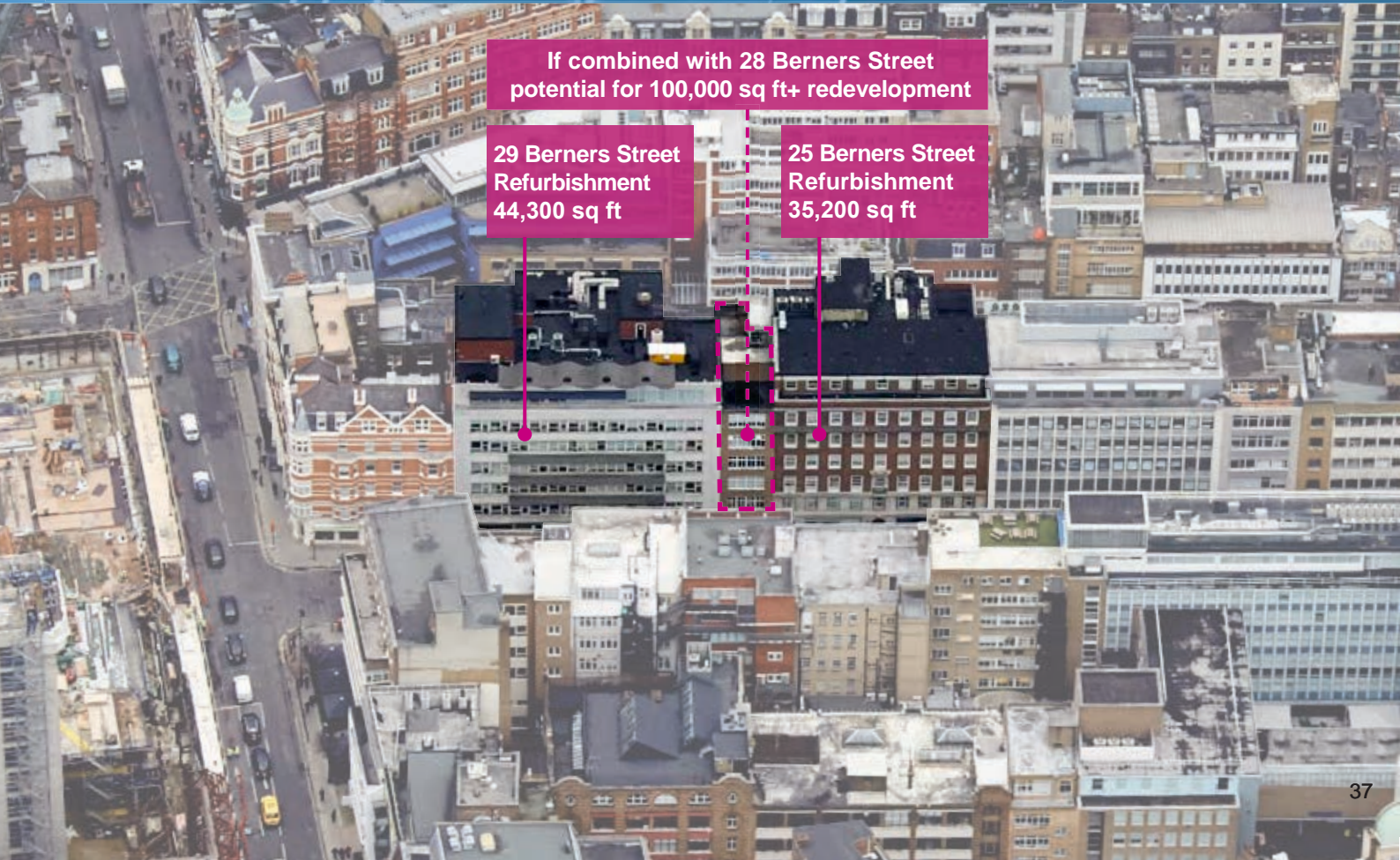
Copyright House

29-33 Berners Street W1

- 44,300 sq ft offices

25 and 29 Berners Street W1 - redevelopment potential

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If combined with 28 Berners Street
potential for 100,000 sq ft+ redevelopment

29 Berners Street
Refurbishment
44,300 sq ft

25 Berners Street
Refurbishment
35,200 sq ft

9 and 16 Prescott Street E1 (111,000 sq ft)

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- A new location for Derwent
- Located in an improving area of Whitechapel, offering asset management angles in the short-term whilst providing an interesting future refurbishment opportunity
- Initial rent £1.3m and net initial yield of 5.5%
- Both freehold
- 9 Prescott Street (102,700 sq ft) is let to Co-operative Bank plc until January 2015 - low passing rent of £11.50 psf
 - Many of the Tea Building's features of ten years ago
 - low rents
 - good volume and floor plates
 - in need of renovation
- 16 Prescott Street (8,300 sq ft) occupied by a restaurant - £9 psf

Francis House, 11 Francis Street SW1 (57,000 sq ft)

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- Former Victorian depositary benefiting from good floor to ceiling heights and original warehouse features
- Freehold 57,000 sq ft
- Channel 4 Television expiring 2020
- Offices let off a low average rent of £37 psf - £1.6m pa until February 2015 when fixed rent increases to £1.7m pa
- Property adjoins our Greencoat & Gordon House, and 6-8 Greencoat Place properties. Together these properties comprise 219,000 sq ft
- Increasing our presence in Victoria to over 570,000 sq ft



- Sold three properties and a 50% share of Grosvenor Place for £161m after costs on 2.9% disposal yield



Riverwalk House

- Together with 232 Vauxhall Bridge Road, sold for a major residential development. Overage interest retained.
- Sold for £77m
- 75% valuation uplift over last 3 years (before overage)



1-5 Grosvenor Place

- Creation of new 50/50 JV with Grosvenor enabling future development
- New 150-year headlease
- Sold for £67m



Triangle Centre, Scotland

- Non-core retail asset, part of the legacy Scottish portfolio
- Sold to tenant (Morrisons) for £17m
- Disposal yield 8.1%

Commercial Road E1 - crystallising planning uplift

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- Recycling capital post year end
- Existing buildings total 36,000 sq ft
- Planning achieved for 122,000 sq ft student accommodation in November 2010
- Vacant possession received in 2012
- Sold to a specialist provider for £17m
- Sale reflects 26% premium to pre-planning value (June 2010)



Projects

Simon Silver

- **Active projects**
 - Six projects (0.5m sq ft) in hand for completion 2013-14 (Morelands Buildings now completed)
 - Three projects (0.4m sq ft) to start 2013 for completion 2014-16
- **Three subsequent projects with planning (0.5m sq ft offices and 0.04m sq ft retail)**
 - White Collar Factory EC1 - government initiative to promote TMT focused 'Silicon Roundabout'
 - North Wharf Road W2 - option agreement enables development start (VP from 2014)
 - Planning secured on 18-30 Tottenham Court Road W1 (retail)
- **Significant potential pipeline for delivery by 2020 (2.7m sq ft)**
 - Two thirds consented
 - Of which half to be committed by end 2013

Turnmill EC1 (70,000 sq ft)

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- Acquired in 2004 for £9m
 - 41,000 sq ft offices
 - Prominent corner site
 - Planning received for new 70,000 sq ft building in 2011
- Part of our Clerkenwell village
 - Next to new entrance to the Crossrail station at Farrington

Turnmill EC1 (70,000 sq ft)

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- 58,000 sq ft offices
- 12,000 sq ft retail/restaurant
- Office ERV c.£47.50 psf
- Completion due Q3 2014

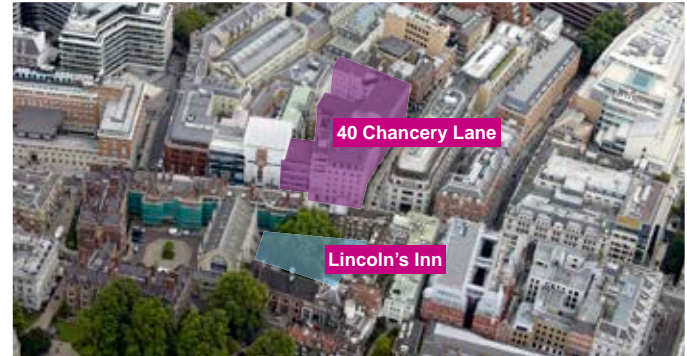
Turnmill EC1 (70,000 sq ft)

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40 Chancery Lane WC2 (100,000 sq ft)

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- Short leasehold & part freehold interest acquired in 1999
- Tenure restructured in 2012 onto a 128-year lease
- Ground rent is 18% with an option to reduce to 10%
- Freeholder (Colville Estate) will receive overage above target return
- 96,000 sq ft offices and 4,000 sq ft retail
- Office ERV c.£55 psf
- Completion Q4 2014
- Property is located in Midtown in the heart of the legal quarter
- Benefits from close proximity to Crossrail

40 Chancery Lane WC2 (100,000 sq ft)

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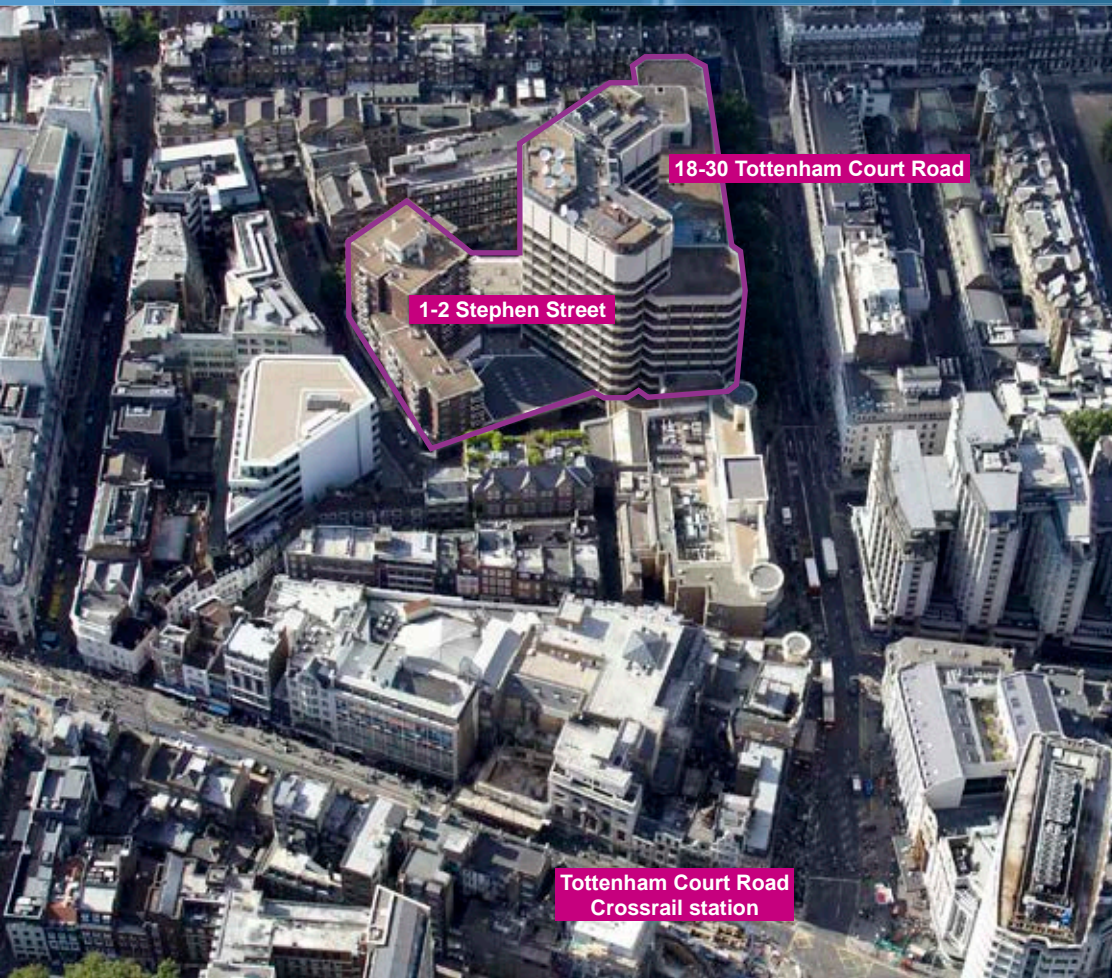
40 Chancery Lane WC2 (100,000 sq ft)

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1-2 Stephen Street W1 & 18-30 Tottenham Court Road W1

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- Central Cross W1 (251,000 sq ft) acquired for £146m in July 2010
- The property is subject to a rolling refurbishment
- Rebranding the property, and location
- Following completion of Phases 1-3, c.127,000 sq ft will have been modernised since acquisition

1-2 Stephen Street W1 (86,000 sq ft refurbishment)

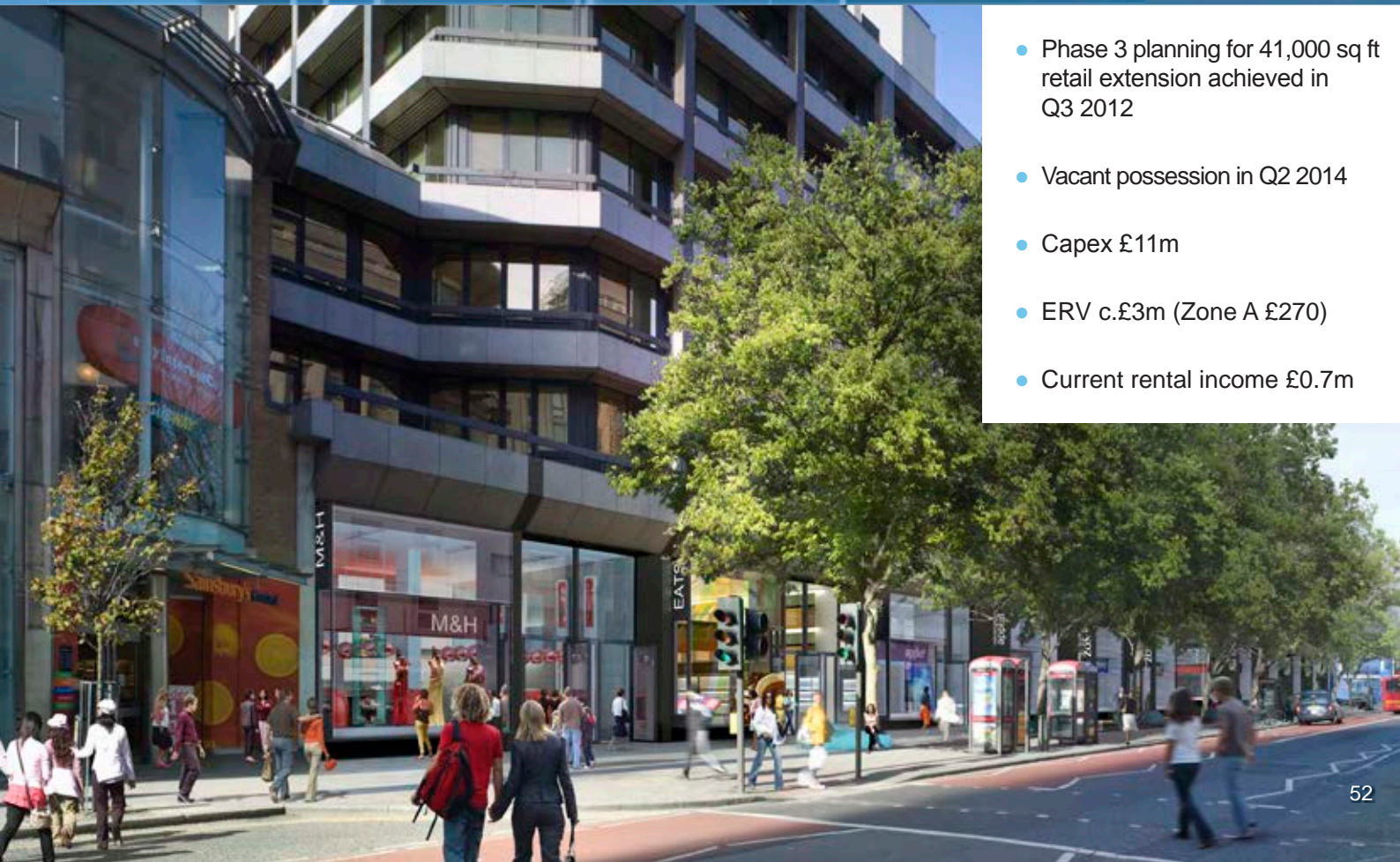
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- Phase 1 creation of new entrance on Stephen Street frontage, and 23,000 sq ft offices
- Phase 2 63,000 sq ft offices
- ERV of Phases 1 & 2 is c.£4.6m
- 18% pre-let to BrandOpus £0.65m (£52.50 psf)
- Completion 2013/2014



18-30 Tottenham Court Road W1 (41,000 sq ft refurbishment)

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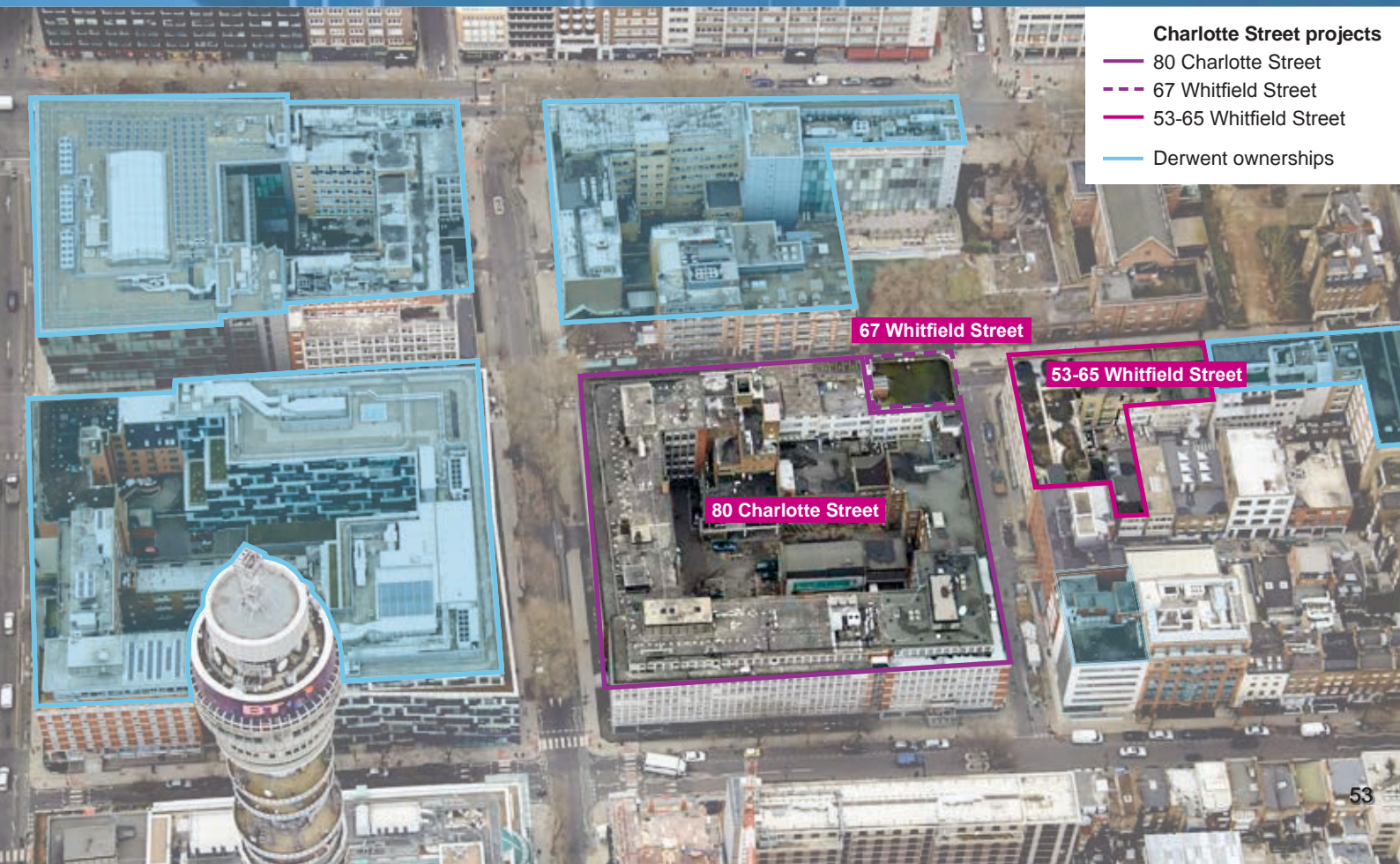
- Phase 3 planning for 41,000 sq ft retail extension achieved in Q3 2012
- Vacant possession in Q2 2014
- Capex £11m
- ERV c.£3m (Zone A £270)
- Current rental income £0.7m

2013 starts: 80 Charlotte Street W1

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Charlotte Street projects

- 80 Charlotte Street
- - - 67 Whitfield Street
- 53-65 Whitfield Street
- Derwent ownerships





- New pocket park in Fitzrovia

80 Charlotte Street W1

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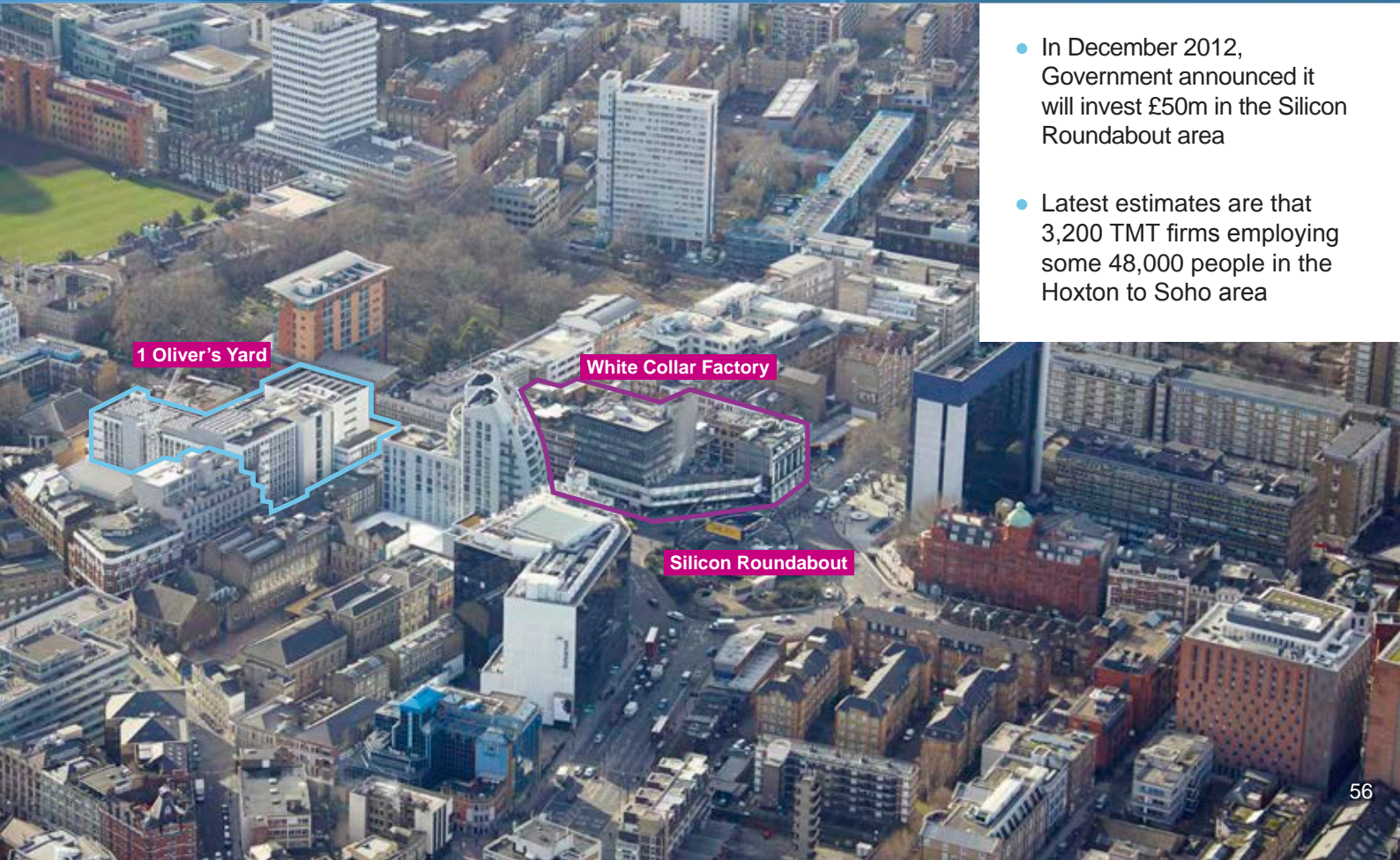
- Saatchi & Saatchi lease expires Q3 2013
- 300,000 sq ft new offices
- 20,000 sq ft retail/restaurant
- 65,000 sq ft related space (see Appendix 17)
- Commit in 2013



White Collar Factory EC1

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- In December 2012, Government announced it will invest £50m in the Silicon Roundabout area
- Latest estimates are that 3,200 TMT firms employing some 48,000 people in the Hoxton to Soho area





- Six existing properties (124,000 sq ft) form 1 acre site for the new development
- In 2011 planning secured for 289,000 sq ft new development:
 - 220,000 sq ft 16-storey office building
 - 62,000 sq ft office campus (4 buildings)
 - 7,000 sq ft residential

White Collar Factory EC1

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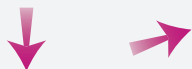
- Q1 2013 completion of 3,000 sq ft 'live suite' to finalise design
- Capex c.£100m
- ERV c.£11m
- ERV £40-45 psf

Outlook for central London property

John Burns

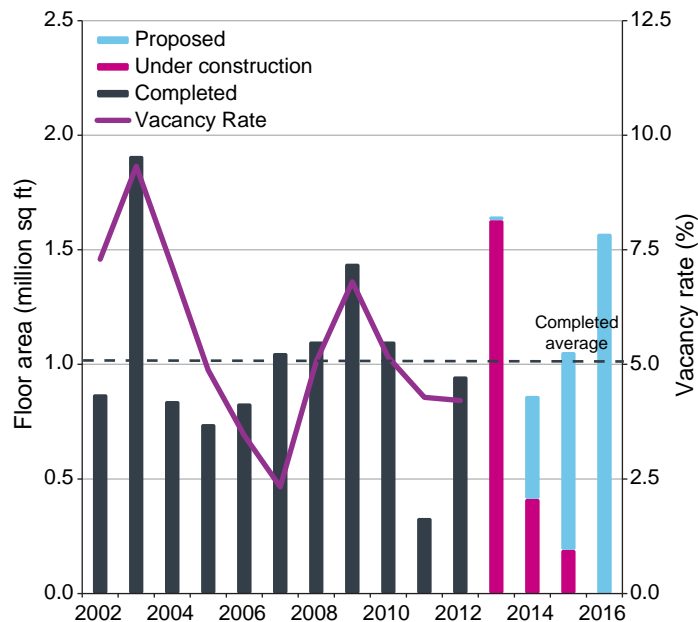
2012 Outlook

Vacancy rate

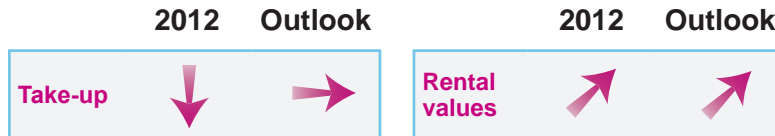


- Potential supply increasing
 - Vacancy rate fell from 4.3% to 4.2%
 - 10-year average 5.3%
 - Only 31% of current vacancy is new space
 - Significant supply (1.6m sq ft, 30% let or under offer) to be delivered 2013, if failed to let vacancy rises to c.5.5%
 - 2014 supply expected to fall to c.0.9m sq ft
 - 2015/2016 majority of schemes not yet committed
- Key notes for Derwent...
 - Still positive for rental growth
 - 80 Charlotte Street W1 (300,000 sq ft offices) due for delivery in 2016 is included in proposed pipeline

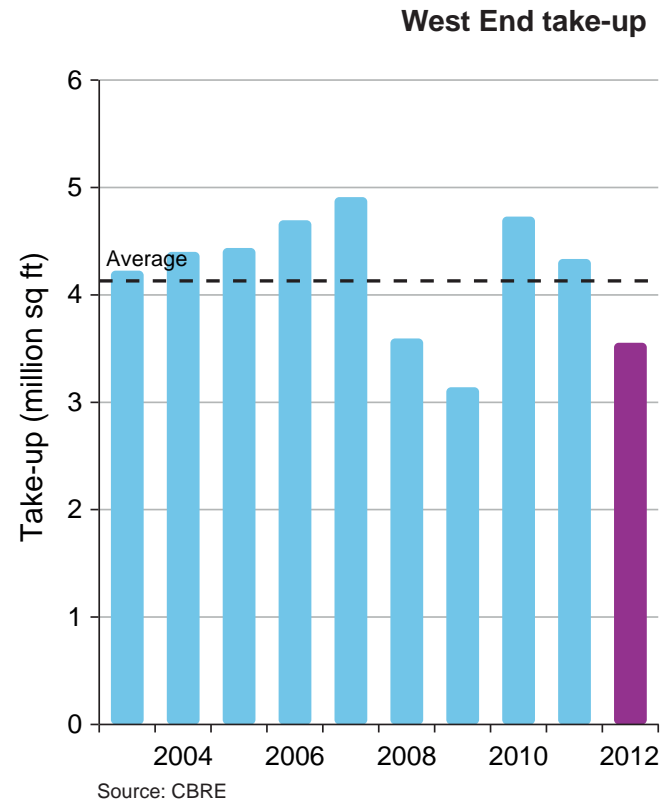
West End office development pipeline



Source: CBRE



- Take-up of 3.5m sq ft
- 16% below 10-year average
- Only one letting >100,000 sq ft
- TMT represented 23% of take-up
- Consumer & Leisure (19%) and Business Services (17%) also strong
- Prime rents (Mayfair & St James's) flat at £92.50 psf
- Some locations saw better growth (average 3.7%)
 - North of Oxford Street West £85 psf (+31%)
 - Soho £75 psf (+30%)
 - Paddington £57.50 psf (+5%)
- **Key notes for Derwent...**
 - Rental growth most likely where area/property is being upgraded
 - Strong demand remains at mid-market rental levels

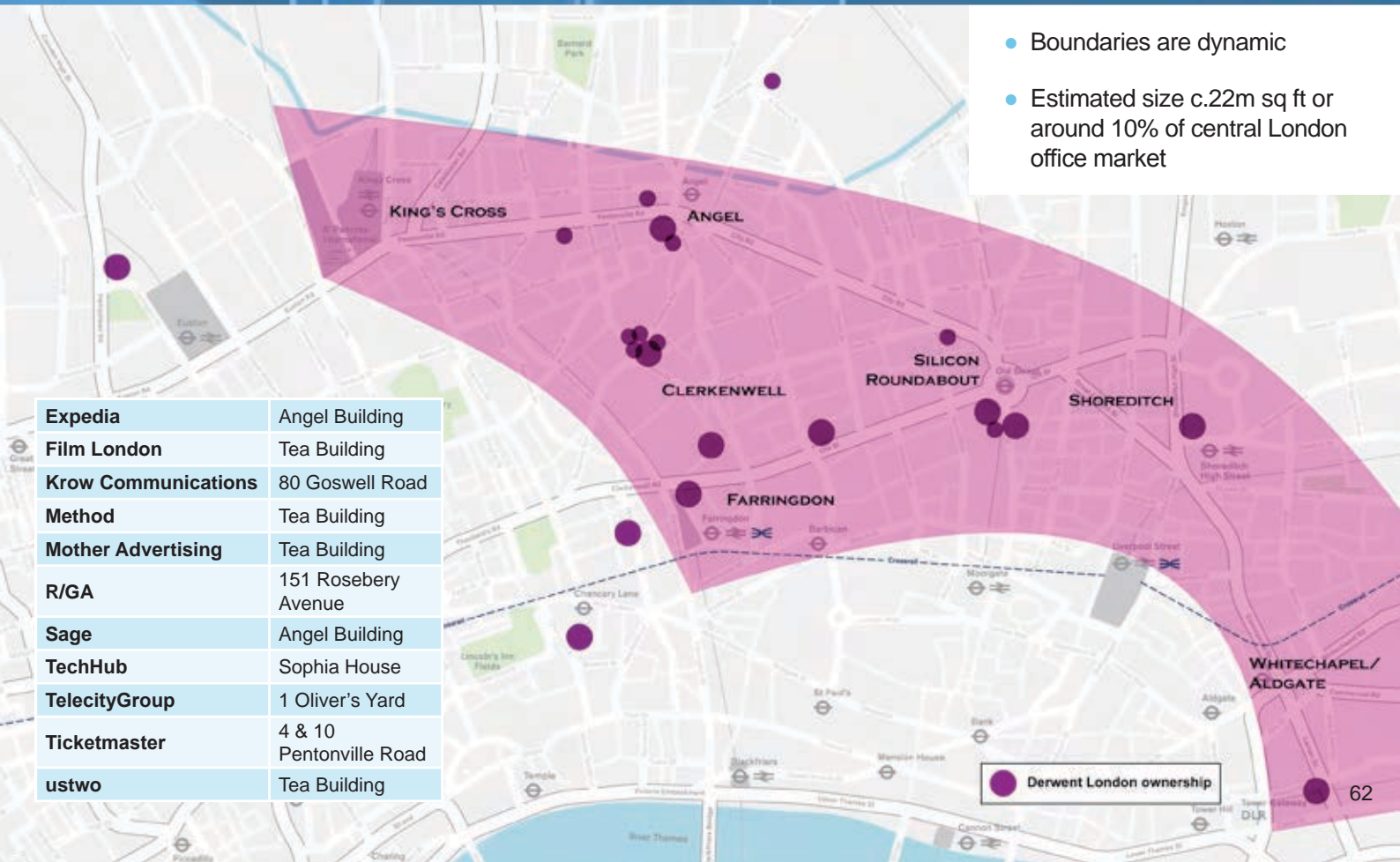


London's Tech Belt

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- Boundaries are dynamic
- Estimated size c.22m sq ft or around 10% of central London office market

Expedia	Angel Building
Film London	Tea Building
Krow Communications	80 Goswell Road
Method	Tea Building
Mother Advertising	Tea Building
R/GA	151 Rosebery Avenue
Sage	Angel Building
TechHub	Sophia House
TelecityGroup	1 Oliver's Yard
Ticketmaster	4 & 10 Pentonville Road
ustwo	Tea Building

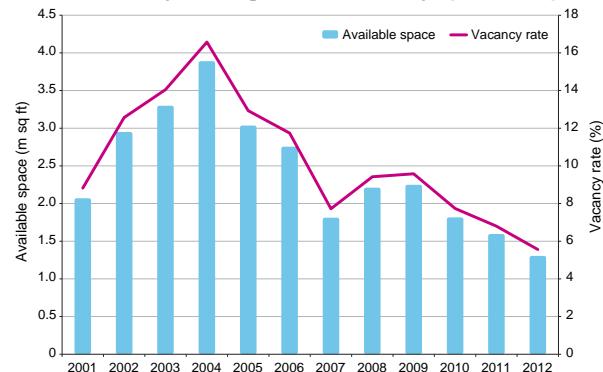


- Increasingly a focus of demand due to improving areas, transport, and rental pressures in the centre
- Wide range of office property sizes and quality. Lower density.
- Surroundings important to attract occupiers
- Government initiative to spend £50m at Silicon Roundabout
- Attracting second generation demand
- City Fringe (North) rents achieving £42.50 psf¹
- Key notes for Derwent...**
 - Portfolio comprises c.1.5m sq ft in this area (c.7%)
 - Derwent providing significant proportion of current and expected supply outside King's Cross and Aldgate
 - Derwent passing rents c.£27-35 psf

¹ Cushman & Wakefield (Autumn 2012)

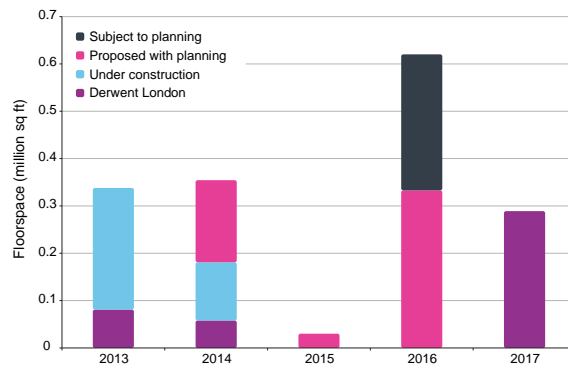
² Excludes BNP Paribas and Google developments and long-term King's Cross potential

City Fringe availability (ex SE1)



Source: Knight Frank

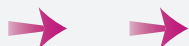
Tech Belt supply²



Source: CBRE, Deloitte, Hatton Real Estate, Companies

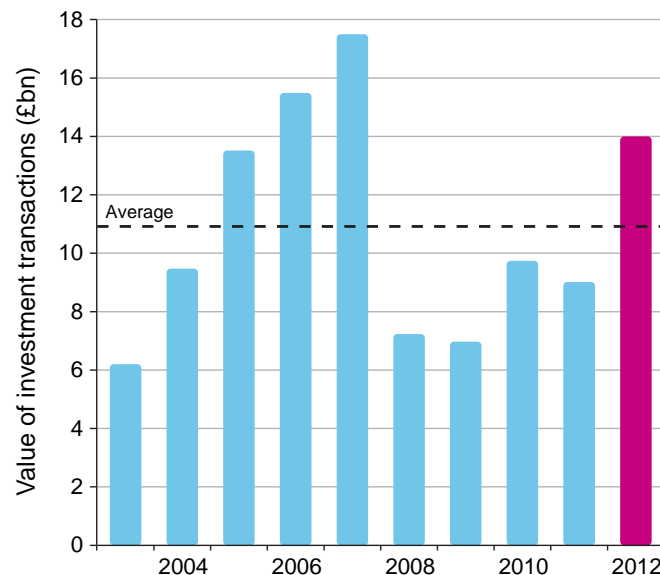
2012 Outlook

Yields



- One of the strongest in recent years
 - Transactions of £14bn in 2012
 - 28% above 10-year average
 - Overseas investors accounted for 67%
 - Overseas investors less in West End (56%)
 - Demand expected to be firm, may move to shorter leases
 - Increased interest in Tech Belt
 - Residential conversions underwriting values
 - Government initiatives to simplify residential planning
- Risks
 - Significant rise in interest rates/bond yields
 - Relative appeal diminishes
- Key notes for Derwent...
 - More competition for stock
 - Ability to recycle

Central London office investment



Source: CBRE

Outlook for Derwent London

John Burns

On-site development projects

DERWENT
LONDON



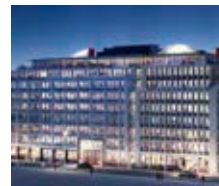
	Buckley Building	1 Page Street	Turnmill	Chancery Lane	Total
Anticipated completion date	Q1 2013	Q2 2013	Q3 2014	Q4 2014	
Floor area (sq ft)	85,000	127,000	70,000	100,000	382,000
Estimated capex to complete (£m)	3	15	19	34	71
Total cost (£m) ¹	43	90	39	60	232
ERV (c.£ psf)	45	45-50	47.50	55	
ERV / pre-let value (c.£m pa)	3.8	5.3	3.0	4.4 ²	16.5

Summary		£m
End value		295
Total cost		(232)
Project surplus		63
Booked		(20)
Surplus to come		43
Profit on cost		27%

Sensitivity - project surplus (£m) and profit on cost (%)			
	Yield		
	+0.25%	Base	-0.25%
Rent ³	39	52	66
-£2.50 psf	17%	23%	29%
Rent Base	50	63	78
	21%	27%	33%
Rent ³	60	74	89
+£2.50 psf	26%	32%	38%

¹ Comprising book value at commitment, capex, fees and notional interest ² As a long leasehold interest, ERV is net of the 18% ground rent

³ Rent sensitivity applies to non pre-let floor area



	Bishop's Bridge Road	73 Charlotte Street	80 Charlotte Street ²	Total
Start/anticipated completion	Q1 2013/Q4 2014	Q4 2013/Q2 2015	Q4 2013/Q2 2016	
Floor area (sq ft)	21,000	16,000	385,000 ¹	422,000
Current rent (£m)	-	0.2	5.1	5.3
Estimated capex to complete (£m)	12	9	147	168
Total cost (£m) ¹	24	17	305	346
ERV (c.£ psf)	-	-	57.50	
ERV (c.£m pa)	(Residential)	(Residential)	18.4	18.4

Summary	
	£m
End value	417
Total cost	(346)
Project surplus	71
Booked (following planning)	(14)
Surplus to come	57
Profit on cost	21%

Sensitivity - project surplus (£m) and profit on cost (%)			
	Yield		
	+0.25%	Base	-0.25%
Rent	42	56	70
-£2.50 psf	12%	16%	20%
Rent	57	71	86
Base	17%	21%	25%
Rent	72	86	102
+£2.50 psf	21%	25%	30%

¹ Comprising book value at commitment, capex, fees and notional interest

² Includes 65 Whitfield Street, 67 Whitfield Street and 1 Whitfield Place

Based on December 2012 rents

- Existing investment portfolio has potential to add £31m pa (44% contracted)
- Committed development programme has potential to add £35m (21% pre-let) after c.£225m future capex
- Positioned to start two major projects with potential to add £21m after c.£200m future capex

Potential rental uplift from development

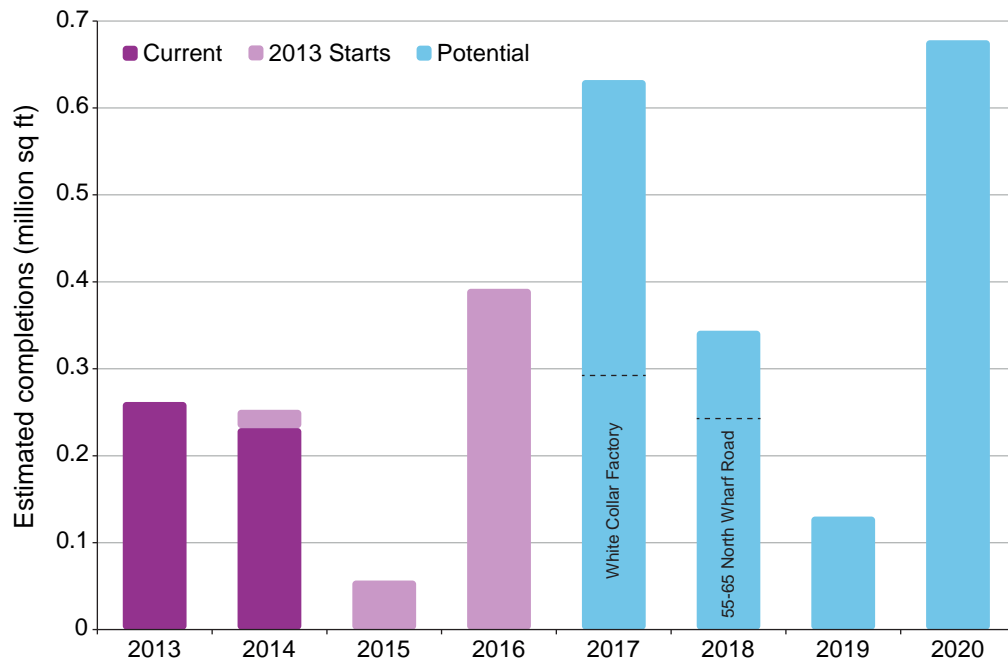
	Cash Rent £m pa	ERV £m pa	Uplift £m pa	Capex to complete ² £m
Investment portfolio (balance)	108.8	140 ³	31.2	42
Projects (Appendix 25)	8.5	43	34.5	225
White Collar & North Wharf Road	2.3	23	20.7	200
Total	119.6¹	206	86.4	467

¹ Contracted rental income (Appendix 11) ² Excludes residential projects (Appendix 25)

³ Excludes ERV uplift from projects included in Appendices 11 and 25, White Collar Factory and North Wharf Road

- c.2.7m sq ft probable deliveries by 2020 (average 0.3m sq ft pa)
- Two thirds consented
 - Of which half to be committed by end 2013

Potential development delivery by 2020¹



¹ Includes only Derwent London share of joint ventures

Our market

- Rental growth estimated at c.4-6%
- Yields expected to remain firm

Growth platform

- Property portfolio well positioned for
 - Market growth
 - Organic growth
- Right-sized financial base
 - Sound interest/dividend cover
 - LTV 30%
 - Undrawn facilities £333m at a marginal cost of 2.25% to 2.7% (unhedged)
 - Uncharged properties £624m

Management actions

- Progress, manage and let current opportunities in the portfolio
- Commit to 2013 development programme
- Accelerate Tech Belt opportunity
- Further acquisitions and disposals that meet our strict criteria, strategic priorities and preserve overall income profile

Appendices

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Appendix 1 - Group balance sheet

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	Dec 2012 £m	Dec 2011 £m
Investment property	2,772.6	2,444.9
Owner-occupied property	17.9	17.1
Other non-current assets	74.2	67.4
	2,864.7	2,529.4
Non-current assets held for sale	16.5	137.5
Other current assets and liabilities	(31.4)	(27.5)
Cash and cash equivalents	4.4	3.5
Bank overdraft	-	-
Financial liabilities - current	-	(32.5)
Corporation tax liability	(1.9)	(1.3)
	(28.9)	(57.8)
Financial liabilities - non-current	(879.2)	(835.5)
Other non-current liabilities	(55.1)	(59.1)
	(934.3)	(894.6)
Total net assets	1,918.0	1,714.5
Minority interests	(57.6)	(51.8)
Attributable to equity holders	1,860.4	1,662.7

Appendix 2 - Net asset value per share

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	Dec 2012			Dec 2011		
	£m	Basic p	Diluted p	£m	Basic p	Diluted p
Net assets attributable to equity shareholders	1,860.4	1,824	1,814	1,662.7	1,636	1,625
Fair value of secured bonds	(21.2)			(20.8)		
Fair value of unsecured bonds	(20.0)			2.4		
Fair value of fixed rate secured loan	1.0			-		
EPRA NNNNAV	1,820.2	1,784	1,775	1,644.3	1,618	1,607
Fair value of bonds	40.2			18.4		
Deferred tax on revaluation surplus	4.1			8.8		
Fair value of derivatives	54.3			51.9		
Fair value adjustment to secured bonds on acquisition less amortisation	17.8			18.6		
Minority interest in respect of the above	(2.7)			(2.2)		
EPRA NAV	1,933.9	1,896	1,886	1,739.8	1,712	1,701

Appendix 3 - Group income statement

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		Year ended Dec 2012 £m		Year ended Dec 2011 £m
Gross property income		124.8		125.5
Other income		2.5		2.0
Property outgoings	Property outgoings (10.6)			
	Rates credits 0.3	↔ (10.3)		
			(11.4) ↔ (9.8)	
Net property income		117.0		117.7
Total administrative expenses	Admin expenses (24.5)			
	Cash-settled options (0.6)	↔ (25.1)		
			(22.8) ↔ (22.7)	
Revaluation surplus	H1 71.3			
	H2 103.1	↔ 174.4		
			104.9 ↔ 170.1	
Profit on disposals ¹	Property 6.9			
	Investment 3.9	↔ 10.8		
			36.1 ↔ 36.1	
Net finance costs		(41.1)		(43.2)
Foreign exchange gain		0.3		-
Joint venture (JV) results	JV revaluation 0.3			
	Other JV profit 0.8	↔ 1.1		
			0.9 ↔ 1.5	
Derivatives fair value adjustment		(2.4)		(26.5)
Financial derivative termination costs		(6.9)		-
IFRS profit before tax²		228.1		233.0
Tax credit		4.6		1.3
IFRS profit for the year		232.7		234.3

¹ Realisation of exchange gain on disposal of foreign subsidiary and an equal and opposite amount passes through comprehensive income

² A reconciliation of the EPRA and underlying profit before tax to the IFRS profit before tax is shown in Appendix 4

Appendix 4 - Reconciliation of IFRS and EPRA profits

Reconciliation of IFRS profit before tax to EPRA and underlying profit before tax

	Year ended Dec 2012		Year ended Dec 2011
	EPS p	£m	£m
IFRS profit before tax	222.76	228.1	233.0
Revaluation surplus		(174.4)	(170.1)
Joint venture revaluation surplus		(0.3)	(0.9)
Profit on disposal of properties and investments		(10.8)	(36.1)
Fair value movement in derivatives		2.4	26.5
Financial derivative termination costs		6.9	-
Movement in cash-settled share options		0.6	(0.1)
EPRA profit before tax	50.36	52.5	52.3
Foreign exchange movement on intercompany loan		(0.3)	-
Rates credits		(0.3)	(1.6)
Underlying profit before tax	49.77	51.9	50.7

Appendix 5 - EPRA like-for-like rental income

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	Properties owned throughout the period £m	Acquisitions £m	Disposals £m	Development property £m	Total £m
2012					
Rental income	112.3	3.6	1.4	7.4	124.7
Property expenditure	(5.7)	(0.6)	(0.9)	(3.4)	(10.6)
Net rental income	106.6	3.0	0.5	4.0	114.1
Other ¹	2.6	-	0.1	0.2	2.9
Net property income	109.2	3.0	0.6	4.2	117.0
2011					
Rental income	105.3	1.7	7.3	9.8	124.1
Property expenditure	(6.8)	(0.4)	(1.6)	(2.1)	(10.9)
Net rental income	98.5	1.3	5.7	7.7	113.2
Other ¹	1.8	-	0.8	1.9	4.5
Net property income	100.3	1.3	6.5	9.6	117.7
Increase based on gross rental income	6.6%				0.5%
Increase based on net rental income	8.2%				0.8%
Increase based on net property income	8.9%				(0.6)%

¹ Includes surrender premiums paid or received, dilapidation receipts and other income

Appendix 6 - Debt facilities

	£m	Dec 2012 £m	Maturity
6.5% secured bonds		175	March 2026
3.99% secured loan		83	October 2024
2.75% unsecured convertible bonds		175	July 2016
Overdraft		2.5	On demand
Committed bank facilities			
Term	28		June 2018
Term/revolving credit	90		December 2017
Revolving credit	150		January 2017
Revolving credit	150		January 2017
Revolving credit	125		November 2015
Revolving credit	100		April 2015
Term/revolving credit	125		April 2014
		768	
Total debt facilities		1,203.5	

Appendix 7 - Net debt

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	Dec 2012		Dec 2011	
	£m	£m	£m	£m
Overdraft		-		-
Financial liabilities - due within 1 year		-		32.5
Financial liabilities - due after more than 1 year	879.2		835.5	
Acquired fair value of secured bonds less amortisation	(16.4)		(17.2)	
Unamortised loan arrangement costs	6.7		3.5	
Leasehold liabilities	(8.9)		(7.4)	
Unamortised issue costs on unsecured bonds	3.1		4.0	
Equity component of unsecured bonds	9.6		9.6	
Unwinding of discount of unsecured bonds	(2.8)		(1.0)	
		870.5		827.0
Facilities - drawn		870.5		859.5
Facilities - undrawn		333.0		476.0
Total debt facilities		1,203.5		1,335.5

	Dec 2012		Dec 2011	
	£m	£m	£m	£m
Financial liabilities - due after more than 1 year	879.2		835.5	
- due within 1 year	-		32.5	
Overdraft	-		-	
Cash and cash equivalents	(4.4)		(3.5)	
Net debt		874.8		864.5

Appendix 8 - Valuation performance by village

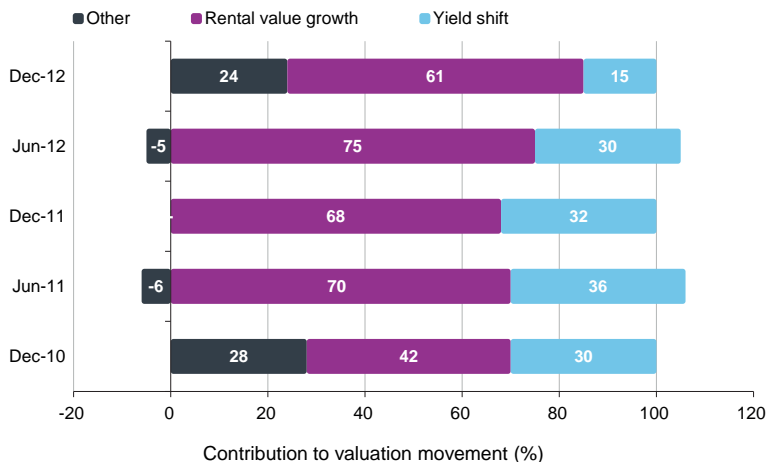
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	Valuation Dec 2012 £m	Weighting Dec 2012 %	Valuation movement 2012 ¹ %
West End: Central			
Fitzrovia ²	1,074.3	38	6.3
Victoria	370.5	13	5.2
Baker Street/Marylebone	140.4	5	8.6
Soho/Covent Garden	123.0	4	5.0
Belgravia	78.0	3	2.0
Mayfair	60.0	2	5.1
Paddington	46.4	1	28.9
	1,892.6	66	6.4
West End: Borders			
Islington/Camden	246.2	9	13.4
Other	23.4	1	5.2
	269.6	10	12.6
West End	2,162.2	76	7.2
City: Borders			
Clerkenwell	172.3	6	14.0
Old Street	149.1	5	12.4
Shoreditch/Whitechapel	140.4	5	8.1
Holborn	132.1	5	5.8
Southbank	9.6	-	0.3
Other	0.4	-	29.8
City Borders	603.9	21	10.2
Central London	2,766.1	97	7.8
Provincial	93.5	3	(5.3)
Investment portfolio	2,859.6	100	7.3

¹ Underlying - properties held throughout the period ² Includes Fitzrovia, Euston and North of Oxford Street

Appendix 9 - Valuation drivers & rental value growth

Drivers of valuation movement¹



Rental value growth

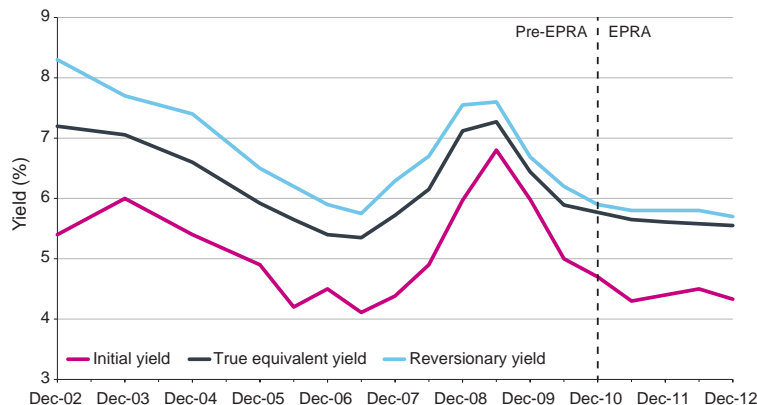
	2011 %	H1 2012 %	H2 2012 %	2012 %
West End	6.1	2.5	3.1	5.7
City Borders	6.8	4.3	6.8	11.4
Central London	6.3	2.9	3.9	6.9
Provincial	7.0	0.3	0.2	0.5
Underlying	6.3	2.8	3.8	6.7

¹ Six-month period

Appendix 10 - Valuation yields

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Yields



EPRA initial yields

	Net initial yield %	'Topped-up' initial yield %
West End	4.2	4.6
City Borders	4.7	5.3
Central London	4.3	4.8
Provincial	6.3	7.0
EPRA portfolio	4.3	4.8

True equivalent yields

	Dec 2011 %	H1 movement basis points	June 2012 %	H2 movement basis points	Dec 2012 %
West End	5.41	(5)	5.36	(7)	5.29
City Borders	6.19	(1)	6.18	14	6.32
Central London	5.57	(4)	5.53	(1)	5.52
Provincial	6.63	12	6.75	4	6.79
Underlying	5.61	(3)	5.58	(3)	5.55

Appendix 11 - Portfolio reversion

	Rental uplift pa £m		Rental pa £m
Contracted rental income, net of ground rents			119.6
Contractual rental uplifts			
1 Page Street SW1 (pre-let)	5.3		
Buckley Building EC1 (pre-let)	0.9		
1-2 Stephen Street W1 (pre-let)	0.7		
Morelands Buildings EC1 (pre-let)	0.6		
Other (stepped rents)	13.5	21.0	
Vacant space¹			
Available to occupy	2.1		
Undergoing general upgrades	4.6		
Six on-site projects ²	15.5		
Less ground rent	(1.1)	21.1	
Lease reversions			
Anticipated rent reviews and lease renewals		13.3	55.4
Estimated rental value of investment portfolio			175.0

¹ Detailed in Appendix 12 ² Capex to complete £91m - see Appendix 25

Appendix 12 - Vacant space - available and projects

	Vacant area '000 sq ft	Pre-let area '000 sq ft	Total area '000 sq ft	Vacant ERV £m pa	Pre-let ERV £m pa	Total gross ERV £m pa	Ground rent £m pa	Total net ERV £m pa	Comment
Available to occupy									
Tea Building E1	10	-	10	0.3	-	0.3	-	0.3	
Greencoat House SW1	6	-	6	0.3	-	0.3	-	0.3	
Johnson Building EC1	6	-	6	0.2	-	0.2	-	0.2	
Other	44	-	44	1.3	-	1.3	-	1.3	
	66	-	66	2.1	-	2.1	-	2.1	
General upgrades									
132-142 Hampstead Road NW1	217	-	217	1.5	-	1.5	-	1.5	Pre-let post year end to UCL @ £1.55m pa
Other	119	-	119	3.1	-	3.1	-	3.1	
	336	-	336	4.6	-	4.6	-	4.6	
On-site developments									
1 Page Street SW1	-	127	127	} 11.3	6.2	17.5	(1.0)	16.5	Pre-let to Burberry @ £5.3m pa 21,100 sq ft pre-let to Unilever @ £0.9m pa
Buckley Building EC1	64	21	85						
Turnmill EC1	70	-	70						
40 Chancery Lane WC2	100	-	100						
	234	148	382	11.3	6.2	17.5	(1.0)	16.5	
On-site phased schemes									
1-2 Stephen Street W1	71	15	86	} 4.2	1.3	5.5	(0.1)	5.4	15,400 sq ft pre-let to BrandOpus @ £0.65m pa 17,800 sq ft pre-let to AHMM @ £0.64m pa
Morelands Buildings EC1	9	18	27						
	80	33	113	4.2	1.3	5.5	(0.1)	5.4	
Total	716	181	897	22.2	7.5	29.7	(1.1)	28.6	
Ground rent				(1.1)					
Vacant ERV (net)				21.1					

Appendix 13 - Portfolio statistics by village

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	Valuation £m	Weighting %	Floor area sq ft '000	Vacant floor area sq ft '000	Net contracted rental income £m pa	Average rental income £ psf	Vacant space rental value £m pa	Rent review / lease renewal reversion £m pa	Total reversion £m pa	Estimated rental value £m pa
West End: Central										
Fitzrovia ¹	1,074.3	38	1,787	329	45.1	31.15	6.5	10.9	17.4	62.5
Victoria	370.5	13	570	6	13.8	24.42	0.3	8.3	8.6	22.4
Baker Street/Marylebone	140.4	5	214	10	6.0	30.00	0.5	1.3	1.8	7.8
Soho/Covent Garden	123.0	4	228	10	4.9	22.48	0.5	0.4	0.9	5.8
Belgravia	78.0	3	84	2	3.1	39.60	0.1	0.6	0.7	3.8
Mayfair	60.0	2	42	-	2.1	49.78 ²	-	1.0	1.0	3.1
Paddington	46.4	1	77	-	1.5	20.91	-	0.1	0.1	1.6
	1,892.6	66	3,002	357	76.5	29.17	7.9	22.6	30.5	107.0
West End: Borders										
Islington/Camden	246.2	9	487	12	9.8	20.55	0.2	5.4	5.6	15.4
Other	23.4	1	83	-	1.3	16.22	-	0.4	0.4	1.7
	269.6	10	570	12	11.1	19.91	0.2	5.8	6.0	17.1
West End	2,162.2	76	3,572	369	87.6	27.56	8.1	28.4	36.5	124.1
City: Borders										
Clerkenwell	172.3	6	419	153	7.8	30.12	6.5	(0.2)	6.3	14.1
Old Street	149.1	5	391	34	7.9	22.04	0.8	1.7	2.5	10.4
Shoreditch/Whitechapel	140.4	5	407	41	6.5	17.66	0.8	2.5	3.3	9.8
Holborn	132.1	5	291	108	5.3	29.43	4.7	1.3	6.0	11.3
Southbank	9.6	-	39	-	0.3	8.43	-	0.1	0.1	0.4
Other	0.4	-	1	1	-	-	-	-	-	-
City Borders	603.9	21	1,548	337	27.8	23.17	12.8	5.4	18.2	46.0
Central London	2,766.1	97	5,120	706	115.4	26.36	20.9	33.8	54.7	170.1
Provincial	93.5	3	325	10	4.2	13.36	0.2	0.5	0.7	4.9
Investment portfolio	2,859.6	100	5,445	716	119.6	25.49	21.1	34.3	55.4	175.0

¹ Includes Fitzrovia, Euston and North of Oxford Street

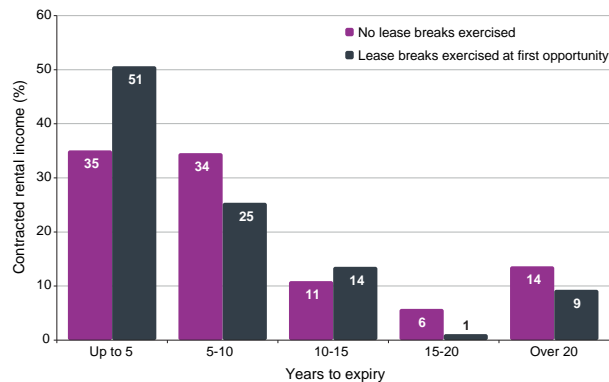
² If owner occupied area (part Savile Row W1) is excluded the average rental income is £71.37 psf

Appendix 14 - Lease expiry profile and lease length

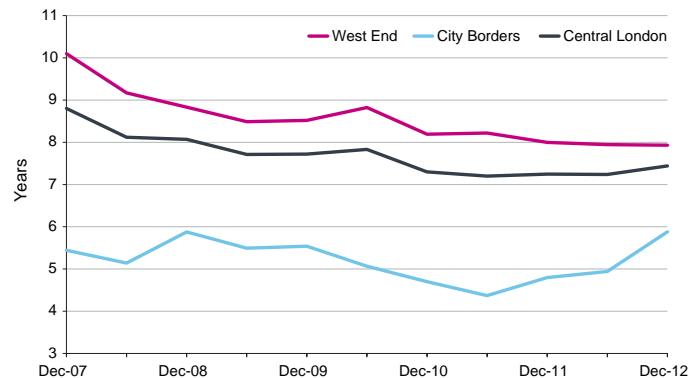
Expiries and breaks as percentage of portfolio income¹

	West End	City Borders	2013	2014	2015	2016	2017	Total
Expiries	8	2	10	4	6	4	2	26
Holding over	-	-	-	-	-	-	-	-
Rolling breaks	3	2	5	2	-	-	-	7
Single breaks	1	1	2	8	2	4	2	18
	12	5	17	14	8	8	4	51

Profile of rental income expiry¹



Average unexpired lease length²



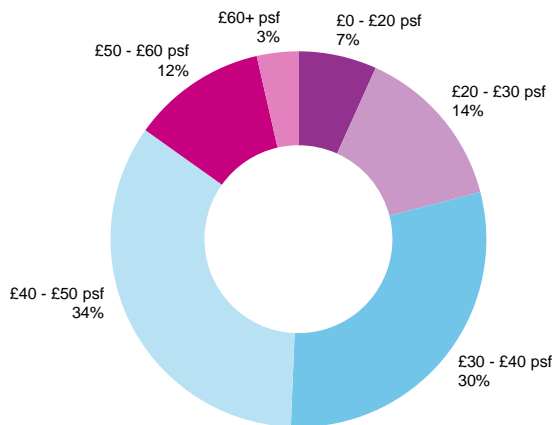
¹ Based upon annualised contracted rental income of £119.6m

² Lease length weighted by rental income and assuming tenants break at first opportunity

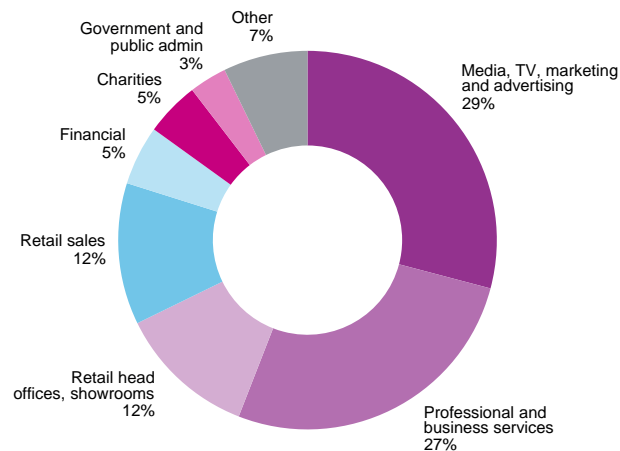
Appendix 15 - Rent banding and tenant profile

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Central London 'topped-up' office rent banding¹



Profile of tenants' business sector²



¹ Expressed as a percentage of annualised rental income after expiry of rent free periods and stepped rents

² Expressed as a percentage of annualised rental income

Appendix 16 - Lease extensions meeting tenants' requirements

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1 Oliver's Yard EC2 (185,000 sq ft)

- Sage - lease extensions on 40,300 sq ft from 2 to 7 years with stepped rents from £1.0m to £1.4m pa
- Telecity - extensions on 68,700 sq ft from 5 to 25 years with rent increases from £1.8m in 2012 to £2.3m pa in 2017, and 2.5% pa thereafter



8 Fitzroy Street W1 (148,000 sq ft)

- Arup - five-yearly upward only rent reviews on a long lease to 2033 replaced with annual stepped increases from £6.2m to £8.4m pa by 2021
- In 2021 there is an open market rent review followed by 2.5% annual increases thereafter
- Minimum rent by expiry in 2033 £11.0m pa



Charlotte Building W1

- Surrender and immediate re-letting of 6,800 sq ft to The BIO Agency
- New tenant relocated from our 75 Wells Street tripling its occupation
- New rent £0.4m pa is 15% higher than Dec 2011 ERV

Appendix 17 - Other Charlotte Street W1 projects (65,000 sq ft)

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67 Whitfield Street W1

- 13,700 sq ft private residential
- 3,900 sq ft retail
- Included as part of 80 Charlotte Street



53-65 Whitfield Street W1

- 11,700 sq ft offices
- 20,700 sq ft private residential
- 10,000 sq ft affordable housing
- Included as part of 80 Charlotte Street



Suffolk House, 1 Whitfield Place W1

- 12,700 sq ft affordable housing (13 units)
- 5,000 sq ft (6 units) of which included as part of 80 Charlotte Street

Appendix 18 - Queens, Bishop's Bridge Rd W2 (21,400 sq ft)

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- Cinema conversion
- 16 private flats (18,700 sq ft)
- 2,700 sq ft of retail
- Completion Q4 2014



Appendix 19 - 73 Charlotte Street W1 (15,500 sq ft)

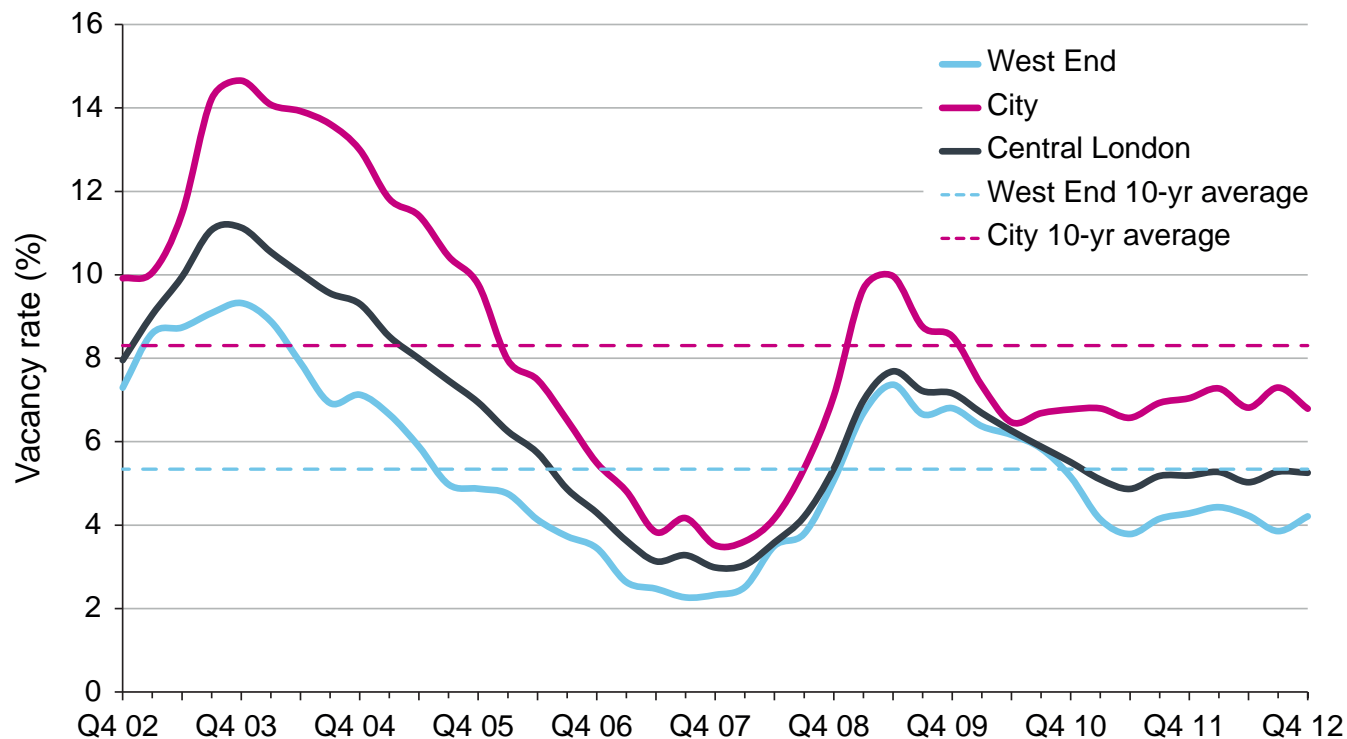
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- Planning achieved Q4 2012
- 11,700 sq ft private residential (9 units)
- 1,900 sq ft affordable (2 units)
- 1,900 sq ft offices

Appendix 20 - Central London office vacancy

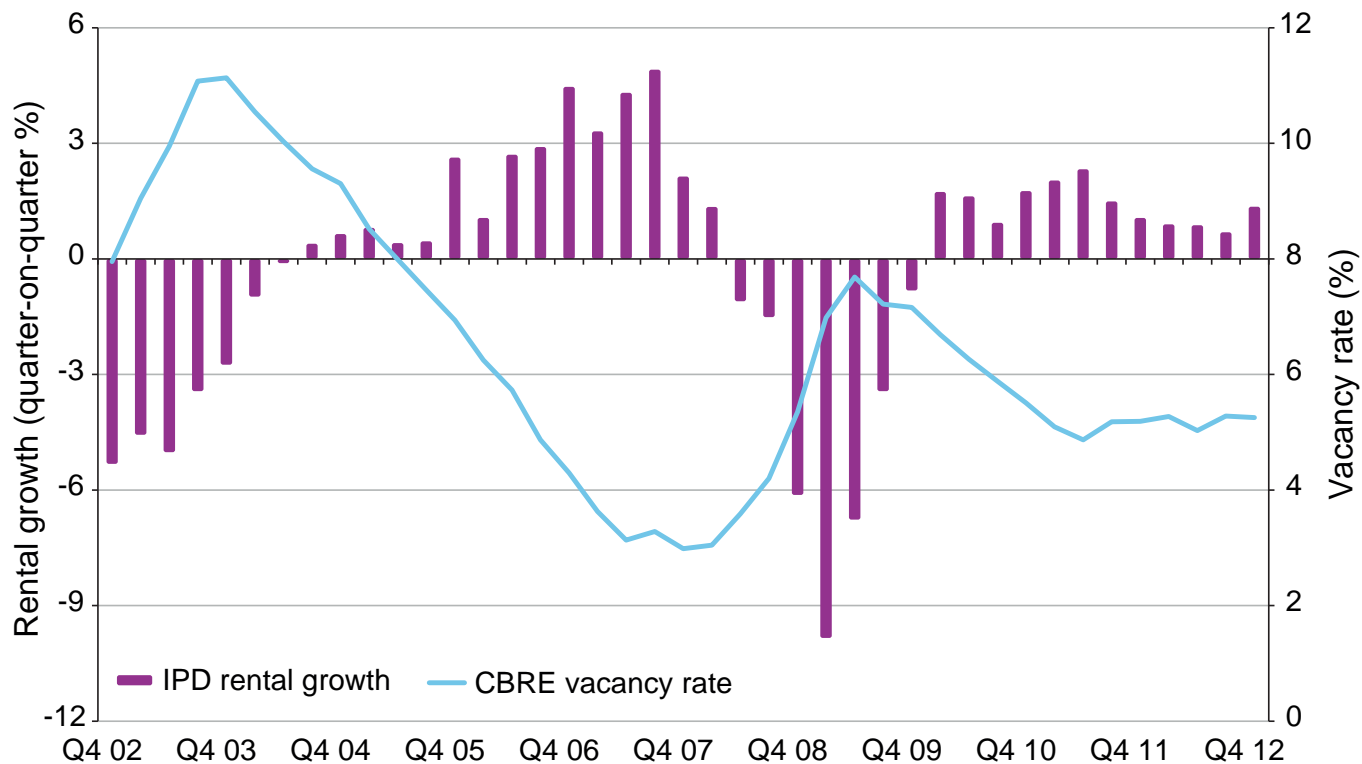
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Source: CBRE

Appendix 21 - Central London office vacancy v rental growth

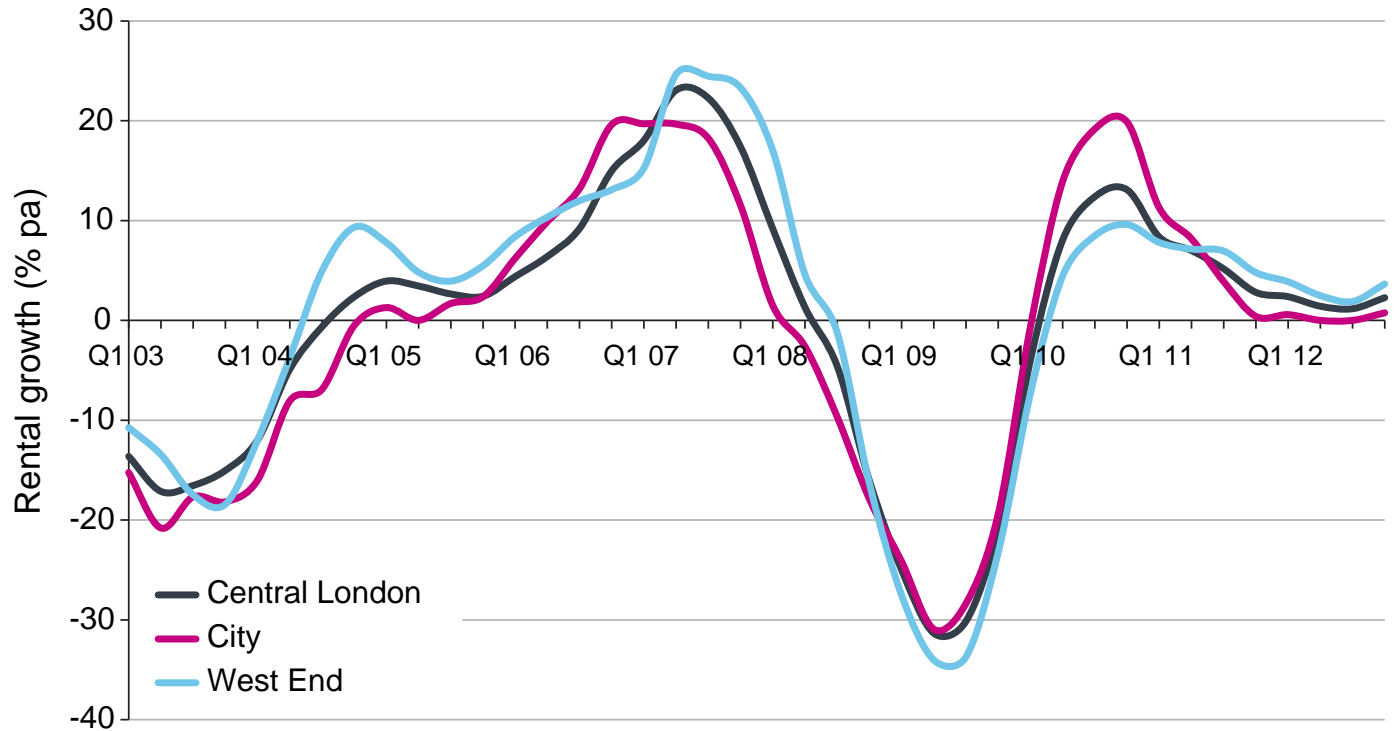
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Source: CBRE, IPD

Appendix 22 - Central London office rental growth

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Source: CBRE

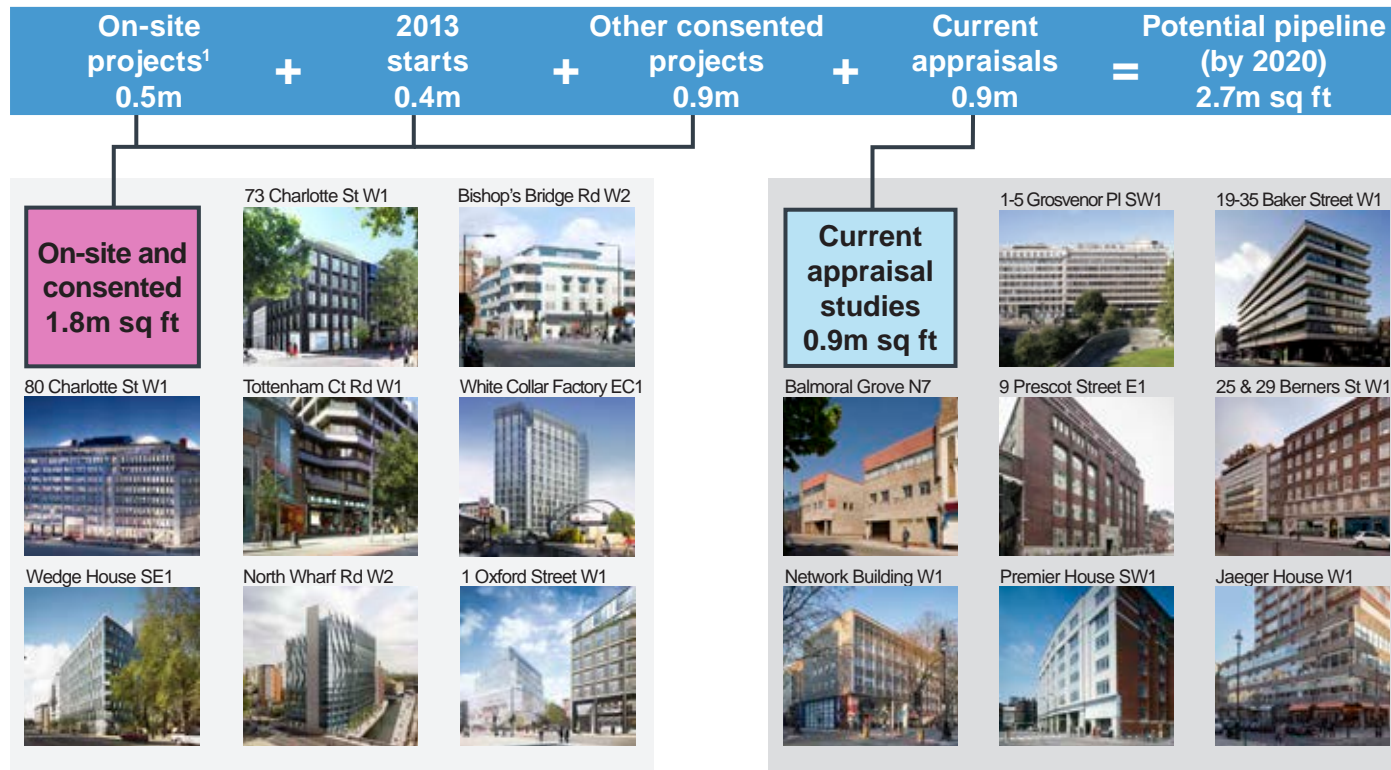
Appendix 23 - Current project programme map

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Appendix 24 - Project pipeline

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¹ Includes developments and major phased refurbishments

Appendix 25 - Projects summary 2013-14

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	Dec 2012 net income £m pa	Pre scheme area '000 sq ft	Proposed area '000 sq ft	2013 capex ¹ £m	2014 capex ¹ £m	2015+ capex ^{1,2} £m	Total capex ¹ £m	Delivery date	Current office ERV £psf
On site at Dec 2012									
Buckley Building EC1	2.5	75	85	3	-	-	3	Q1 2013	c.45
1 Page Street SW1	-	118	127	15	-	-	15	Q2 2013	45-50
Turnmill EC1	-	41	70	10	9	-	19	Q3 2014	c.47.50
40 Chancery Lane WC2	-	61	100	14	19	1	34	Q4 2014	c.55
Morelands Buildings EC1	-	17	27	2	-	-	2	Q1 2013	c.37.50
1-2 Stephen Street W1	-	83 ³	86	15	3	-	18	2013/14	c.55
	2.5	395	495	59	31	1	91		
2013									
96-98 Bishop's Bridge Road W2	-	-	21	6	6	-	12	Q4 2014	Residential
73 Charlotte Street W1	0.2	13	16	2	5	2	9	Q2 2015	Residential
80 Charlotte Street W1	5.1	242 ⁴	385	24	60	63	147	Q2 2016	57.50-60
	5.3	255	422	32	71	65	168		
2014									
18-30 Tottenham Court Road W1	0.7	24	41	1	6	4	11	Q2 2015	Retail
	0.7	24	41	1	6	4	11		
Planning and design	-	-	-	13	14	-	27		
Other	-	-	-	16	10	11	37		
Total capex	8.5	674	958	121	132	81	334		
Capitalised interest	-	-	-	6	7	7	20		
Total	8.5	674	958	127	139	88	354		

¹ Excluding finance ² Excluding projects that commence in 2015 and beyond (as at December 2012)

³ Part redundant storage space

⁴ Consists of 200,000 sq ft of existing buildings on the main island site plus 42,000 sq ft of associated buildings for part of the residential requirement

Appendix 26 - Projects summary 2015+

	Dec net income £m pa	Pre scheme area '000 sq ft	Proposed area '000 sq ft	Earliest possession year	Comment
White Collar Factory EC1	0.8	124	289	2013	Consented - offices, capex c.£100m
Jaeger House, Broadwick Street W1	0.8	25	c.30	2013	Appraisal studies
Wedge House, Blackfriars Road SE1	0.3	39	80	2013	Consented - offices
55-65 North Wharf Road W2	1.5	78	240	2014	Consented - offices, capex c.£100m
Balmoral Grove N7	0.6	67	c.200	2014	Appraisal studies
9 Prescott Street E1	1.2	103	c.113	2015	Appraisal studies
1-5 Grosvenor Place SW1	6.2	168	c.260	2014/2016	Appraisal studies - Grosvenor JV, capex c.£125m
25 and 29 Berners Street W1	1.4	79	c.100	2016	Appraisal studies
1 Oxford Street W1 ¹	-	-	275	c.2017	Consented - offices, retail & theatre
Network Building W1	2.1	64	c.100	2017	Appraisal studies
19-35 Baker Street W1	4.6	146	c.250	c.2018	Appraisal studies - Portman JV
Premier House SW1	1.9	62	c.80	2018	Appraisal studies
	21.4	955	2,017		
Adjustments for JVs	(5.2)	(150)	(242)		Grosvenor Place and Baker Street
	16.2	805	1,775		
Current programme (Appendix 25)	8.5	674	958		
Total pipeline	24.7	1,479	2,733		

¹ Crossrail option site

Appendix 27 - Management structure - executive team

John Burns	Chief Executive Officer
Damian Wisniewski	Finance Director
Simon Silver	Property Director
Nigel George	Property Director
Paul Williams	Property Director
David Silverman	Property Director
Tim Kite	Company Secretary
Richard Baldwin	Head of Development
Louise Rich	Head of Investor Relations
Asim Rizwani	Head of Property Management
Simon Taylor	Head of Asset Management
Celine Thompson	Head of Leasing
David Westgate	Head of Tax
Gary Preston	Group Financial Controller
Quentin Freeman	Investment Analyst

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