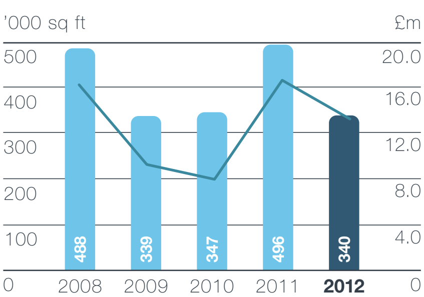
CONSISTENT DELIVERY

Throughout the economic turbulence of the past five years our business model has proved to be resilient, we have adhered to our strategy and consistently delivered against it. This is demonstrated in our performance when compared to our peers and a variety of industry measures.

Lettings



Since 2008 we have let over 2.0m sq ft producing annual income of £64m. This represents more than a third of the current portfolio and more than half of the current year's income. This activity has driven the EPRA vacancy rate down to 1.6% by the end of 2012 with an average vacancy rate of 3.1% over the period.

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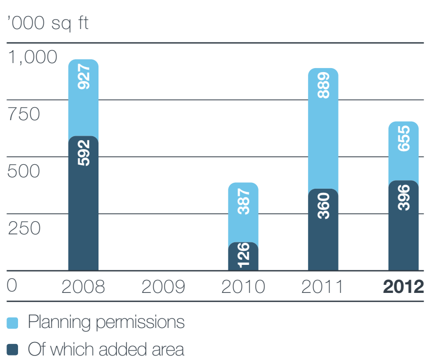
Planning permissions



Planning permissions totalling 2.9m sq ft have been granted in the past five years. To put this in context, the current portfolio is 5.4m sq ft. 495,000 sq ft of major projects were underway at the end of 2012 and 2.2m sq ft is yet to be commenced.

The largest of these unbuilt permissions is 80 Charlotte Street which will commence towards the end of 2013 creating 385,000 sq ft of modern space in our Fitzrovia village.

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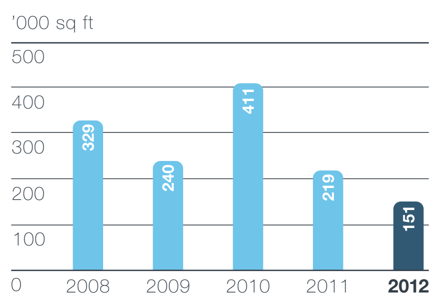
Projects completed



From the Johnson Building to the Charlotte Building to the Angel Building and into the future with 80 Charlotte Street we are continually learning from past experience in terms of innovation, design, sustainability and tenant requirements.

Over £330m of capital expenditure was incurred from 2008 to 2012 and we plan to invest around £350m over the next three years.

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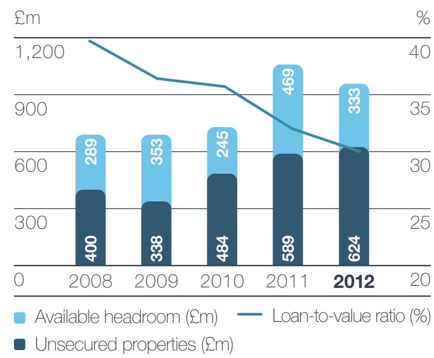
66.4%

five-year total shareholder return compared to our benchmark of (18.4)%

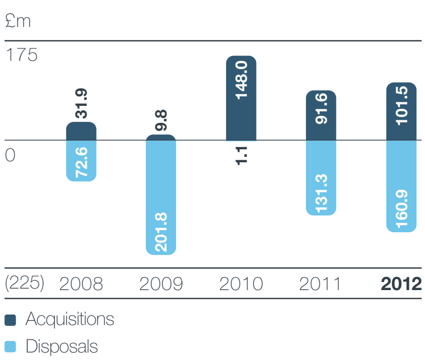
“As a result of our financial resilience during the past five years we have been able to progress and accelerate our development programme. Significant planning permissions have been obtained and we have delivered a pipeline of value-enhancing projects.”

John Burns
Chief Executive Officer

Financing



Investment activity



Following the merger with London Merchant Securities in 2007 the Group undertook a number of significant disposals. Since then, in addition to the investment in the enlarged development programme, we have been active in the recycling of mature and non-core properties in our portfolio and re-investing the proceeds in capital expenditure and acquisitions.

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Performance

	Five-year figures
Total return	**15.5%**
Benchmark	(55.2)%
Total property return	**26.6%**
IPD Central London Offices Index	16.2%
IPD All UK Property Index	2.7%
Total shareholder return	**66.4%**
FTSE All-Share Real Estate Investment Trust Index	(18.4)%

With consistently strong results over the past five years we have exceeded all of our KPI return measures.

Throughout the financial downturn we have maintained a low LTV ratio in absolute terms and relative to our peers. Consequently we avoided the deeply discounted rights issues to which many listed property companies had to resort during this period.

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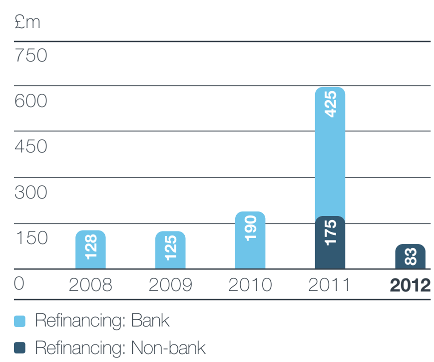

This period has been notable for a lack of generally available finance for many companies. For a small number of chosen borrowers, of which Derwent London is one, funds have been accessible on reasonably attractive terms while, for others, the facilities are either unavailable or are priced at a significant premium.

£1.1bn of debt has been refinanced since 2008 with £258m financed with non-bank sources.

We have maintained a significant level of available headroom under our financing facilities so that we are able to act quickly and decisively when opportunities arise. In order to retain flexibility we have also preserved a significant level of uncharged property.

We maintain a close dialogue with our existing relationship banks as well as the wider investor and lender community.

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2.9m SQ FT
of planning permissions since 2008