



DERWENT LONDON

Interim Results 2024

Contents

Presenters

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Introduction and overview

Paul Williams

Performance overview

Continued strong leasing momentum

- £10.8m of new lettings YTD; +9.0% vs ERV¹
 - £8.8m in H1; +10.3% vs ERV¹
- £3.4m currently under offer
- 'Furnished + Flexible' (£3.0m; +12.4% vs ERV)
- Our EPRA vacancy rate low at 3.2%

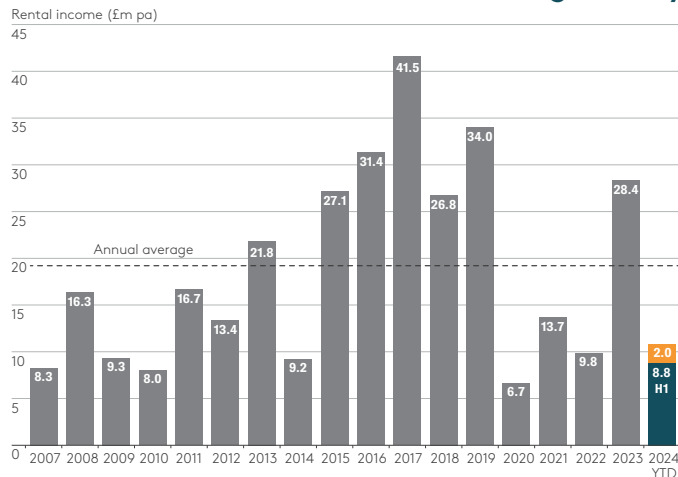
Delivery into a constrained market

- 0.4m sq ft on site; development yield now 6.0%
 - 25 Baker Street W1 84% pre-let
 - Network W1 speculative; good interest
- Next phase of projects 0.5m sq ft

H1 valuation movement

- Yield shift: +18bp to 5.73%
- Rental growth: +2.0%
 - Strongest half-year since 2016

Derwent London leasing activity



Upgrading guidance

- ERVs to grow 3% to 6% in 2024
 - Better buildings continue to outperform
- Yields now stable

¹ Excludes short-term development lettings
Derwent London plc – Interim Results 2024

A more positive London market

Valuations at turning point

- Recovery expected after difficult few years
- Yields now stabilised having increased 169bp¹
- Attractive to range of investors

Supply constrained market

- Rental growth accelerating
- Vacancy levelled off; low Grade A availability
- Limited market development pipeline

Improving UK economic backdrop

- Inflation at Bank of England's 2% target
- First base rate cut in August
 - More cuts to come

80 Goswell Road EC1



¹ Based on MSCI Central London Office Quarterly Index between Jun 2022 and Jun 2024

Delivering attractive total returns



Resilient earnings

- Long portfolio WAULT
- Low vacancy rate
- Mid-market average rent
- Effective cost control
- 98% of debt fixed or hedged

Rental growth & other

- H1 ERV growth: 2.0%
- 2024 ERV guidance: 3% to 6%
- Asset management activity

Value creation

- 0.9m sq ft of West End developments
- Attractive profit at on-site projects
- Pre-lets agreed 15% above appraisal ERV
- Further upside from beating ERV on speculative space



Results and financial review

Damian Wisniewski

25 Baker Street W1

Financial highlights

EPRA NTA per share^{1, 2}

3,044p

Dec 2023: 3,129p

-2.7%

EPRA earnings per share²

52.7p

H1 2023: 49.5p

+6.5%

Cash and undrawn facilities³

£566m

Jun 2023: £562m

Dec 2023: £480m

Gross rental income

£107.5m

H1 2023: £105.9m

+1.5%

Net rental income

£95.0m

H1 2023: £90.9m

+4.5%

Interest cover ratio (ICR)⁴

4.0x

Jun 2023: 4.1x

Dec 2023: 4.1x

Total return

-1.0%

Jun 2023: -3.7%

Dec 2023: -11.7%

Interim dividend per share

25.0p

Jun 2023: 24.5p

+2.0%

EPRA loan-to-value (LTV) ratio

29.0%

Jun 2023: 25.0%

Dec 2023: 27.9%

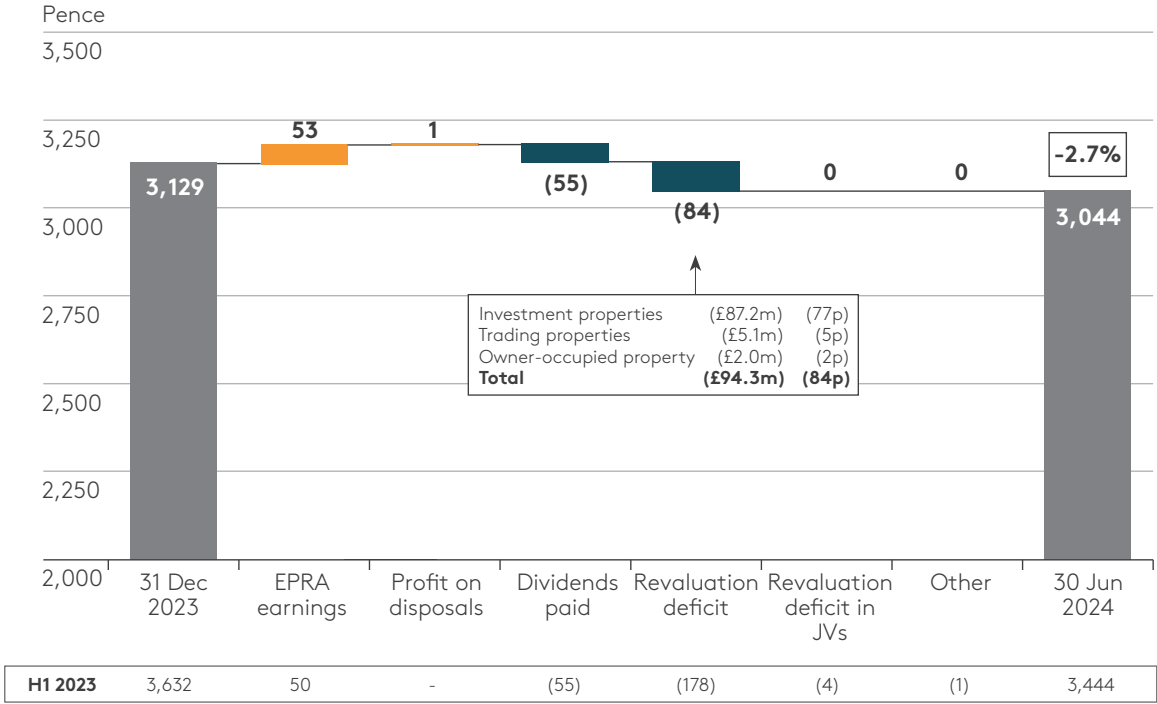
¹ EPRA Net Tangible Assets per share on a diluted basis

² Reconciliation to IFRS figures in Appendices 3 and 6

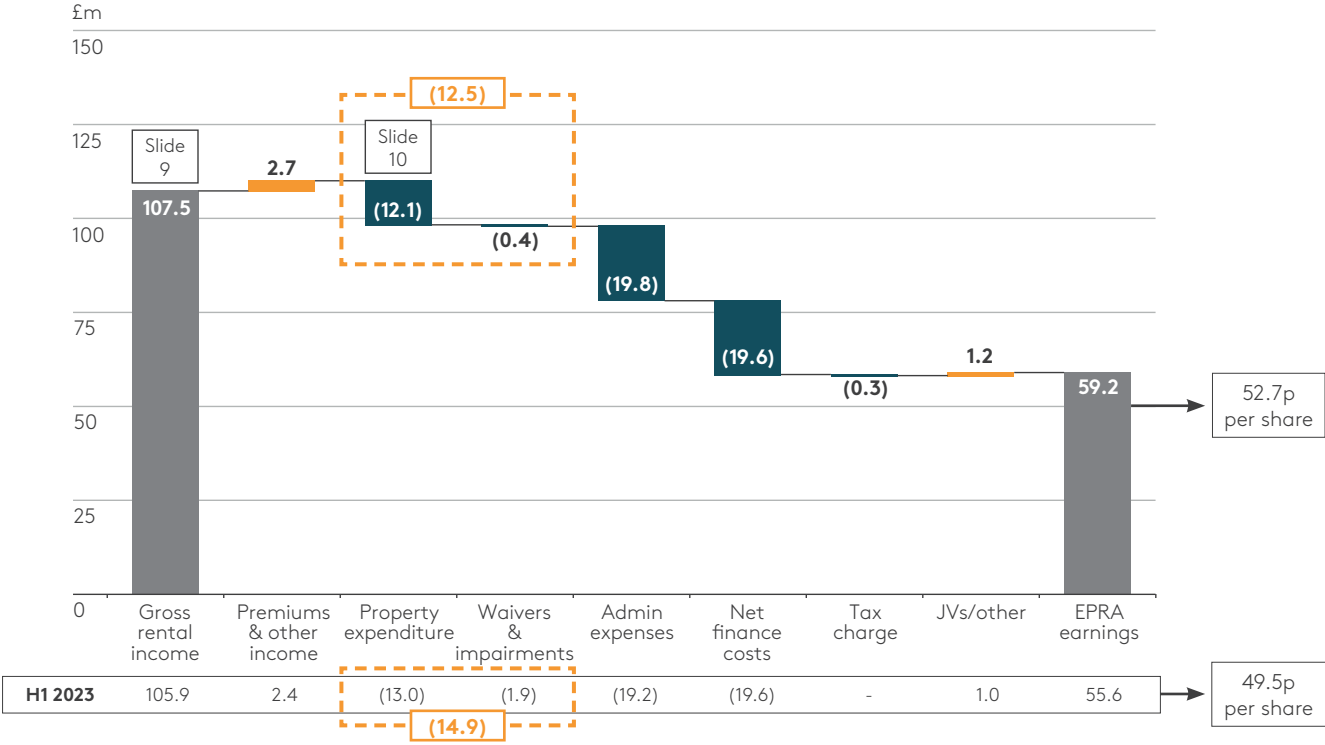
³ Excludes restricted cash

⁴ Includes share of joint ventures

EPRA NTA movement

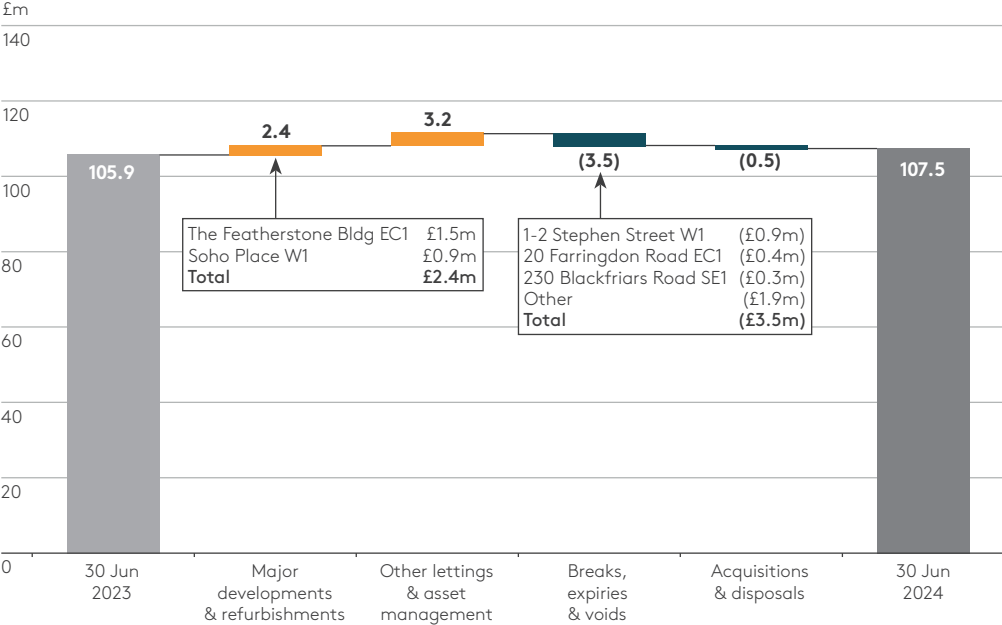


EPRA earnings



- An explanation of EPRA adjustments is provided in Appendix 6

Gross rental income



Like-for-like vs H1 2023

Gross rental income
+1.7%

Net rental income
+3.4%

Net property and other income
+3.6%

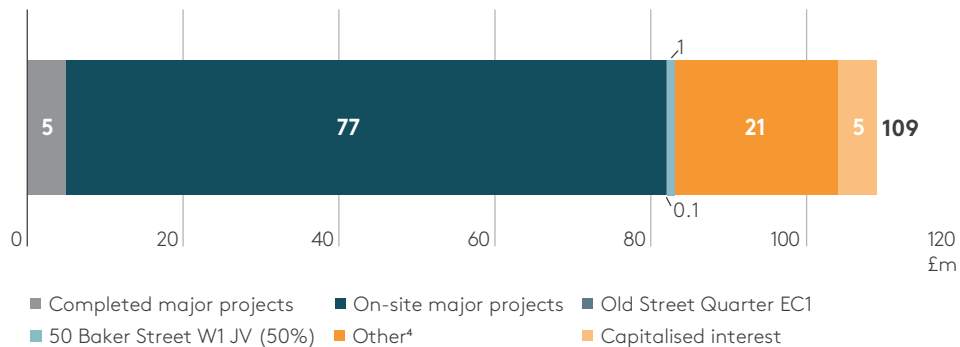
Property expenditure

	H1 2023 £m	H2 2023 £m	H1 2024 £m
Irrecoverable service charges			
Voids	2.1	1.8	1.5
Inclusive leases	0.3	0.2	0.5
Caps	1.0	0.1	0.5
Balancing charges/other	1.1	-	0.3
	4.5	2.1	2.8
Property costs			
Legal and letting	2.2	2.4	2.1
Rates	1.1	1.7	2.0
Ground rent	1.2	1.1	1.0
Marketing	1.0	0.7	0.4
Repairs	0.7	0.4	0.6
Other	2.1	1.4	2.0
	8.3	7.7	8.1
Total	12.8	9.8	10.9
Lounges & customer service	0.3	1.1	1.2
Property expenditure	13.1	10.9	12.1



H1 2024 project expenditure

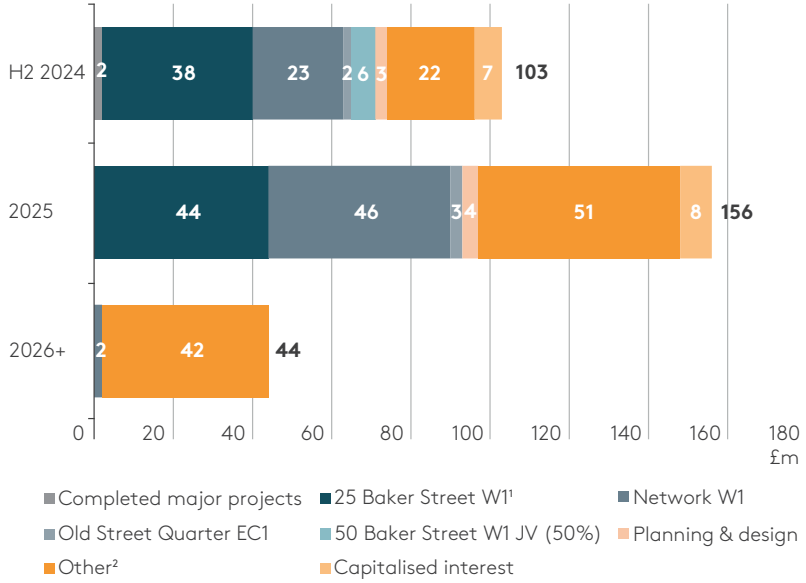
	Investment property	Trading property ¹	Trading stock ²	Investments	Other	Total
25 Baker Street W1	34.2	25.1	3.9	-	-	63.2
Network W1	13.4	-	-	-	-	13.4
On-site major projects	47.6	25.1	3.9	-	-	76.6
Completed major projects	5.0	-	-	-	-	5.0
Old Street Quarter EC1 ³	-	-	-	-	0.1	0.1
50 Baker Street W1 JV (50%)	-	-	-	0.8	-	0.8
Planning & design	1.5	-	-	-	-	1.5
Refurbishments & other	19.6	-	-	-	-	19.6
Total	73.7	25.1	3.9	0.8	0.1	103.6
Capitalised interest	4.0	0.8	0.2	-	-	5.0
Total expenditure	77.7	25.9	4.1	0.8	0.1	108.6



¹ Relates to residential element of scheme ² Relates to retail for The Portman Estate ³ Net of £0.1m impairment

⁴ Other includes 'Planning & design' and 'Refurbishments & other'

Estimated future capex



EPC upgrades

- £91m estimated cost to upgrade to EPC 'B' by 2030
- £44m specifically provided for in the Jun 2024 external valuation, plus further allowance for general upgrades
- Portfolio by ERV 70.0% 2030 compliant, up from 61.0% at Dec 2021

¹ 25 Baker Street W1 includes expenditure on trading property/stock ² Other includes EPC upgrades and Lochfaulds solar park

Proforma impact of major projects and disposals

- Assumes no further lettings, acquisitions or disposals other than those already contracted
- Shows impact of estimated remaining capex on major projects, both completed and on-site
- Excludes design fees and smaller refurbishment projects

		Proforma impact of major projects and disposals				
	Jun 2024	Contracted Capex ¹	Contracted disposals ²	Contracted income	Void costs ³	Proforma
Gross rental income	£215m	-	-	£16m	-	£231m
Net property income (adjusted) ⁴	£192m	-	-	£16m	(£5m)	£203m
Interest cost ⁴	£48m	£9m ⁵	(£6m) ⁵	-	-	£51m
Net interest cover ratio⁴	4.0x					4.0x
Portfolio fair value ⁴	£4,814m	£155m	(£94m)	-	-	£4,875m
Drawn debt net of cash	£1,395m	£155m	(£94m)	-	-	£1,456m
EPRA loan-to-value ratio	29.0%					29.9%

¹ See Appendix 41 for capex. Includes profit share payments in relation to 25 Baker Street W1 ² Includes receipt from The Portman Estate for retail units and pre-sold residential units at 25 Baker Street W1 ³ Void costs upon completion of project ⁴ Including share of joint ventures ⁵ Assuming an average interest rate of 6.0%

Strong balance sheet

Cash and undrawn facilities¹

£566m

Jun 2023: £562m
Dec 2023: £480m

Weighted average maturity of borrowings

4.5 years

Jun 2023: 5.6 years
Dec 2023: 5.0 years

EPRA loan-to-value (LTV) ratio

29.0%

Jun 2023: 25.0%
Dec 2023: 27.9%

Interest cover ratio (ICR)²

4.0x

Jun 2023: 4.1x
Dec 2023: 4.1x

Weighted average interest rate³

3.15%

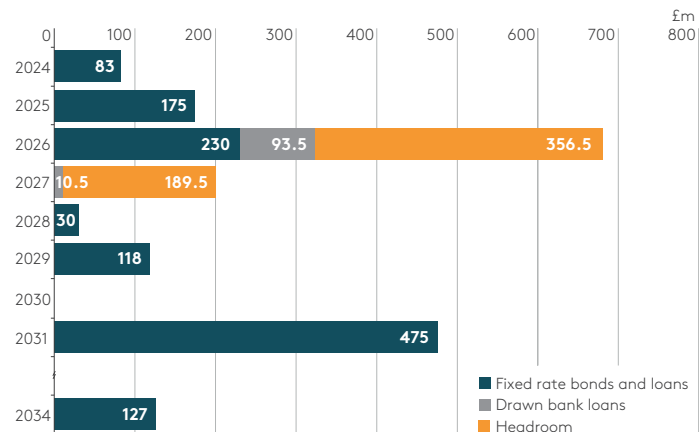
Jun 2023: 3.19%
Dec 2023: 3.17%

Net debt/EBITDA

8.4x

Jun 2023: 8.4x
Dec 2023: 8.8x

Maturity profile of debt facilities



- New £100m unsecured term loan signed with a three-year maturity plus two one-year extension options
- 98% of drawn borrowings at fixed rates/hedged
- £4.2bn of uncharged properties

¹ Excludes restricted cash ² Includes share of joint ventures ³ On a cash basis



Valuation and investment

Nigel George

Valuation – performance and themes

Investment portfolio valued at £4.8bn

- Underlying valuation -1.7% (H2 2023: -7.2%)
 - West End -1.5% (H2 2023: -6.5%)
 - City Borders -2.7% (H2 2023: -9.4%)
- MSCI Central London Offices¹ -2.1%

Two on-site developments in H1 2024

- Valued at £0.5bn, uplift of 4.3%
 - 25 Baker Street W1 – 84% pre-let
 - Network W1
- Excluding developments, valuation down 2.4%

Total property return in H1 2024

- Derwent London +0.3%
- MSCI Central London Offices¹ -0.1%
- MSCI UK All Property¹ +1.9%

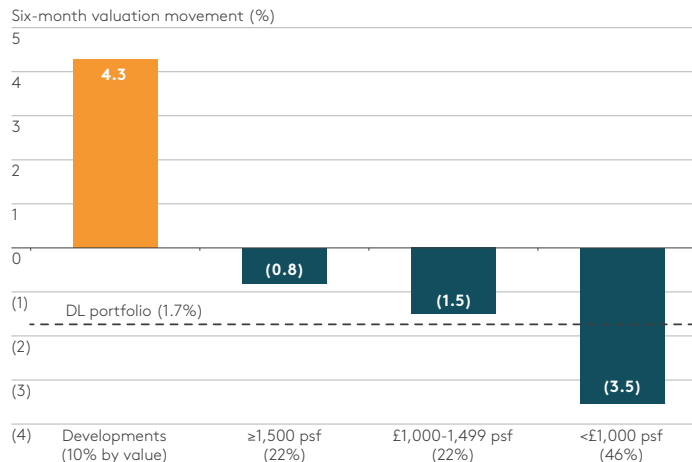
	Portfolio valuation £m	Joint venture valuation ² £m	Total £m	H1 2024 valuation movement %
West End	3,525.1	34.7	3,559.8	(1.5)
City Borders	1,174.5	-	1,174.5	(2.7)
Central London	4,699.6	34.7	4,734.3	(1.8)
Provincial	79.7	-	79.7	3.6
Investment portfolio	4,779.3	34.7	4,814.0	(1.7)

¹ Quarterly index ² 50% share of 50 Baker Street W1 JV

Valuation – performance and themes

- Developments – continued positive returns
- Rents – strong growth for best in class
 - Location and product important
- Yields – stabilised
 - Larger lot sizes – some outward movement
 - Best performance from:
 - High quality amenity rich assets
 - West End – 74% of our portfolio
- Capital expenditure – ESG, EPC¹ and refurbishments
 - £109m spent in H1 – mainly on-site developments
 - £44m EPC works within the valuation
 - Phased over a number of years

Valuation movement by capital value



Market trends

	ERV	Yields	Values
Offices – high quality	↑	↔	↔
Offices – other	↔	↑	↓
Retail and hospitality ²	↑	↔	↔

¹ See Appendices 27 and 28 ² 7% of portfolio by income

Rental value and yields

Rental values

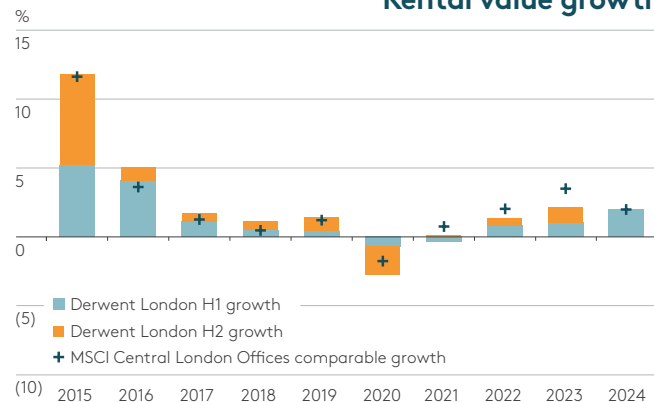
- Rental values increased 2.0% in H1 2024
 - Offices: 93% of portfolio¹ +1.9%
 - Retail: 7% of portfolio¹ +3.1%
- Average office passing rent £49.32 psf²
(Dec 2023: £50.46 psf)
 - Average 'topped-up' office rent £63.20 psf²
(Dec 2023: £62.79 psf)

EPRA yields

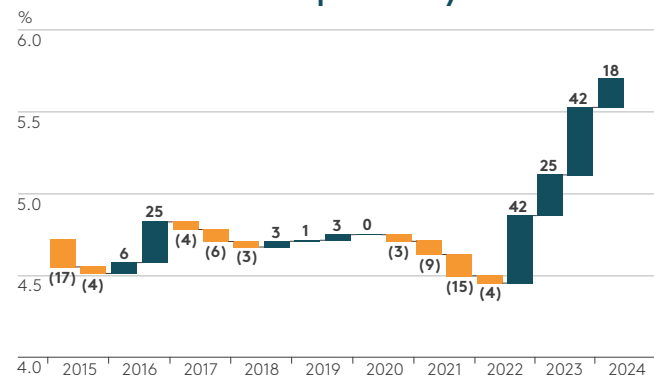
	Dec 2023 %	Jun 2024 %	Change bp
Net initial yield	4.3	4.3	-
'Topped-up' net initial yield	5.2	5.4	20
True equivalent yield	5.55	5.73	18
Net reversionary yield	5.9	6.1	20

¹ By income ² Tenanted office area

Rental value growth



True equivalent yield movement



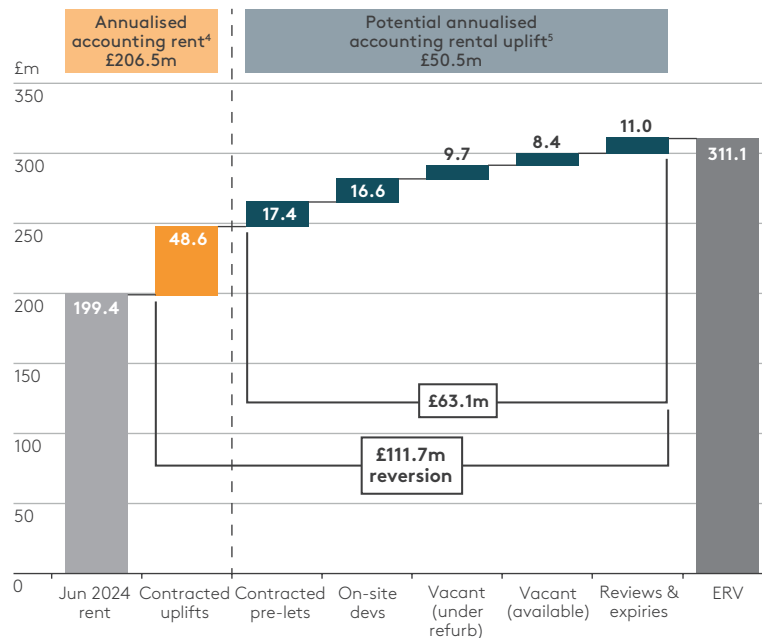
Build-up of portfolio ERV

- Contracted rent of £199.4m
- Portfolio reversion of £111.7m¹
 - £48.6m contracted, including
 - 80 Charlotte Street W1 £11.4m
 - Soho Place W1 £11.1m
 - £63.1m of further reversion
 - £34.0m from two on-site schemes

Developments	Let £m	Vacant £m	ERV £m
25 Baker Street W1 ²	17.4	3.5	20.9
Network W1	-	13.1	13.1
Total	17.4	16.6	34.0

- £9.7m from other refurbishments
- £8.4m available to let
- £11.0m from lease reversions

Build-up of ERV³



Dec 2023	206.5	44.6	15.6	17.4	7.5	10.9	7.1	309.6
Change £m	(7.1)	4.0	1.8	(0.8)	2.2	(2.5)	3.9	1.5

¹ Requires additional capex as set out in Appendix 41 ² Net of ground rent ³ Before lease incentives ⁴ Net of ground rents but before irrecoverable property costs
⁵ Assuming 20% leasing incentives

Investment market

H1 2024

Themes

- Constrained liquidity
 - £1.9bn in H1; below 10-year H1 average
 - Average lot size £29m
- Restrictive cost and availability of debt
 - Limited lender risk appetite
- West End yields more robust than City

Outlook

Themes

- Yields stabilised; possible recovery
- Cost and availability of debt improving
 - 25bp UK base rate cut; more to come
 - 5-year swap now 3.6%
- Rental growth supports valuation recovery
- Increasing number of opportunities emerging

Derwent London disposals in H1 2024

Property	Date	Area sq ft	Total after costs £m	Net yield %	Net rental income £m pa
Turnmill EC1	Q2	70,300	76.6	4.9	4.0
Other	Q1	8,500	4.1	-	0.3
Total		78,800	80.7	5.0	4.3



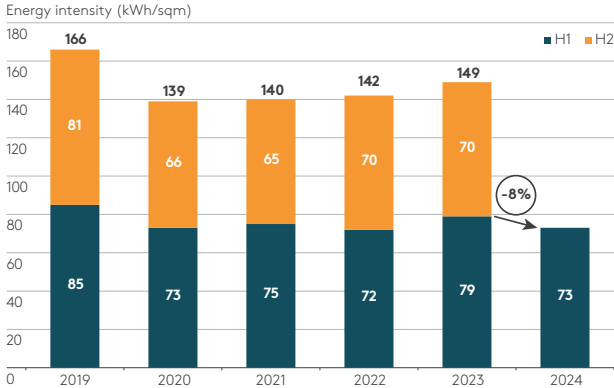
Sustainability

Nigel George

Making progress on our journey to net zero

Energy intensity

- Total energy usage down 8% compared to H1 2023
 - Installation of first phase of air source heat pumps at 1-2 Stephen Street W1
 - Ongoing occupier engagement
- Energy intensity 73 kWh/sqm



Scottish solar park

- Consent for 100-acre 18.4MW solar park
- >40% of London managed portfolio electricity needs
- On site preparatory works commenced
- Tendered panel procurement
- Independent connections provider appointed
- Completion due 2026





Leasing and asset management

Emily Prideaux

Occupational market themes

Quality & sustainability

- Good design and innovation
- Strong building fundamentals
- Positive environmental credentials

Growing demand in London

- Rising number of jobs
- Demand well spread by sector
- Resilience of London

Location & connectivity

- Preferred locations
- Public transport
- Amenities & services

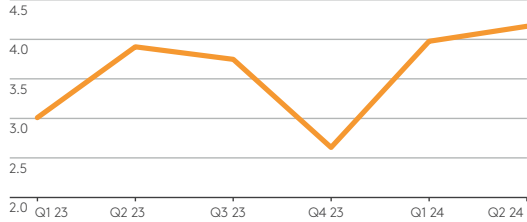
Constrained supply

- Limited Grade A supply (<2% vacancy)
- Tight planning backdrop
- Restricted development pipeline

Positive market fundamentals

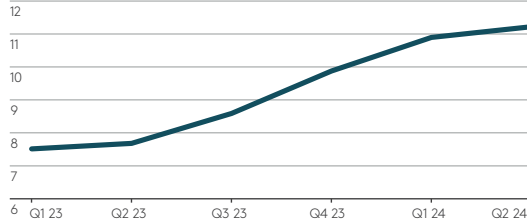
Under Offer

Floorspace (million sq ft)



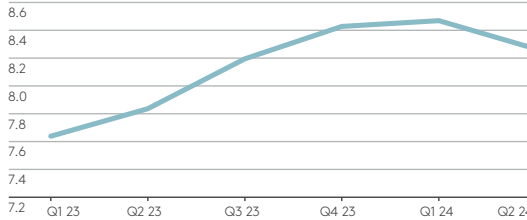
Active demand

Floorspace (million sq ft)



Vacancy rate

%



80 Goswell Road EC1



Strong occupier demand

Take-up

- H1 2024: 4.4m sq ft
- 10-year average: 6.0m sq ft
- On upward trajectory



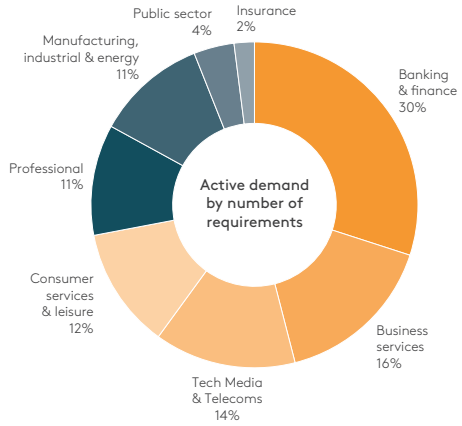
Under offer¹

- H1 2024: 4.2m sq ft
- 10-year average: 3.4m sq ft
- Well above long-term average



Active demand

- H1 2024: 11.2m sq ft
- 5-year average: 7.2m sq ft
- Broad-based; requirements launching earlier



Source: CBRE

¹ BDO & Monday.com completed in Q3 2024
Derwent London plc – Interim Results 2024

Prime space in short supply

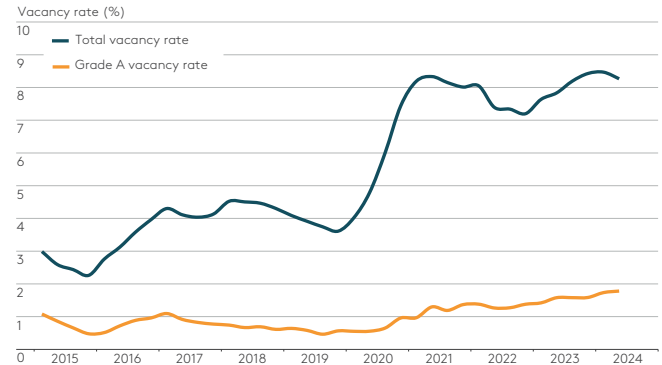
Vacancy

- Central London office vacancy 8.3% (Dec 2023: 8.4%)
 - Grade A vacancy rate only 1.8%
 - West End 1.2% < City 2.1%
- Secondhand 68% of total

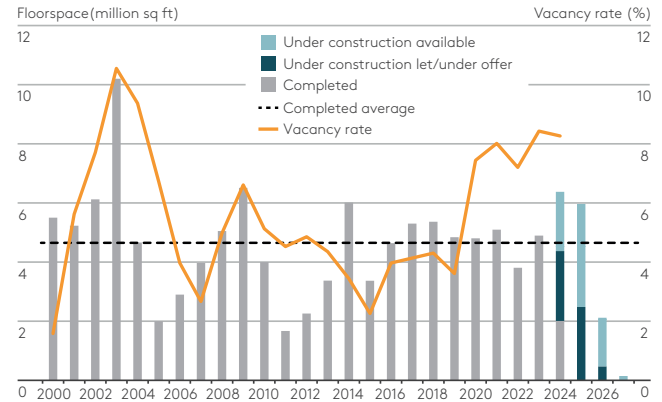
Development pipeline

- 12.6m sq ft to complete by end 2027
 - 7.3m sq ft speculative
 - 42% pre-let; 54% for H2 2024 completions

Central London vacancy rate by quality



Central London development pipeline and vacancy



Source: CBRE

Derwent London leasing activity

Good letting activity year to date

- £10.8m new rent YTD; 9.0% above Dec 2023 ERV¹
 - £8.8m in H1, 10.3% above ERV¹
 - 'Furnished + Flexible': £3.0m, 12.4% above ERV
- Activity well spread across portfolio
- £3.4m currently under offer

On-site project ERVs up 3.0% in H1



25 BAKER ST. W1

+2.5% to £20.9m



NETWORK

+4.0% to £13.1m

Key letting activity



25 BAKER ST. W1



THE
WHITE CHAPEL
BUILDING

BREAST
CANCER
NOW

the research &
support charity



PLP/ARCHITECTURE

¹ Excludes development linked short-term lettings

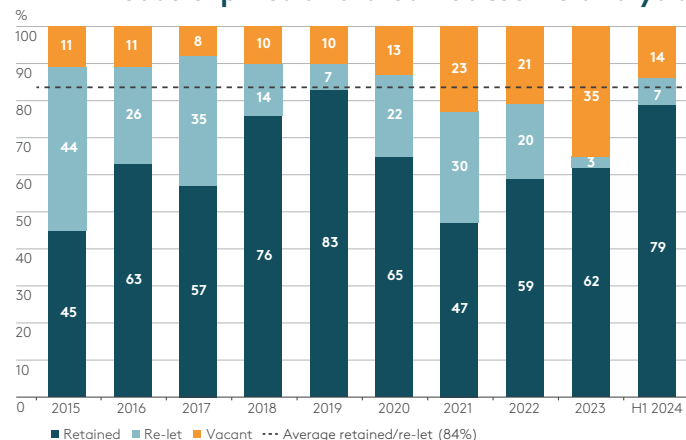
Derwent London asset management activity

Asset management activity H1 2024

	Area '000 sq ft	Previous rent £m pa	New rent £m pa	Uplift %	New rent vs Dec 2023 ERV %
Rent reviews	22.1	1.3	1.4	3.9	6.5
Lease renewals	53.0	2.1	2.0	(4.7)	(7.9)
Lease regears	40.8	2.6	2.6	1.4	5.4
	115.9	6.0	6.0	(0.2)	0.8

- £6.0m of asset management activity
 - 0.8% ahead of Dec 2023 ERV
 - Renewals includes deals at 50 Baker Street W1 ahead of redevelopment
- EPRA vacancy rate down 80bp to 3.2%
- 'Topped-up WAULT' 7.1 years (FY 2023: 7.4 years)
- 86% of breaks/expiries retained or re-let¹
- Rent and service charge collection c.100% for December and March quarters

Lease expiries and break outcome analysis



¹ Excluding space taken back for projects and disposals



The Derwent London offer

Emily Prideaux

Our differentiated product and offering

Design & Sustainability

Net Zero
Intelligent Buildings
Innovative architecture and engineering

Traditional HQ

- All sizes (>10,000 sq ft)
- Longer leases (5-20 years)
- Delivered to Cat A

Furnished + Flexible

- Typically <10,000 sq ft units
- Available on shorter leases (<5 years)
- Fully fitted and ready to occupy



DL / MEMBERS

DL / Lounges
DL / App
DL / Experience
DL / Service

Design & innovation

Innovative design

- 'Long-life, low carbon, intelligent' buildings
- The right product to meet London's varied demand
- Relationship & community focused
- Quality & Sustainability
- Best in class service and amenity
- DL/Members
- 'Furnished + Flexible'
 - c.170,000 sq ft operational or under construction
 - c.130,000 sq ft under review

DL/Members



DL/28 in Old Street EC1

'Furnished + Flexible'



43 Whitfield Street W1

Adaptable Cat A HQ spaces



80 Charlotte Street W1



80 Charlotte Street W1
Boston Consulting Group



Regeneration pipeline

Paul Williams

Our development pipeline

1 25 Baker Street
On site



2 Network
On site



3 Holden House
Start: H2 2025



4 50 Baker Street
Start: H1 2026



5 Greencoat &
Gordon Refurb
Start: H1 2026



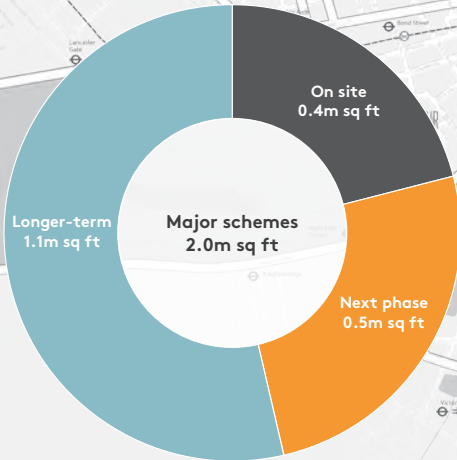
6 20 Farringdon Rd
Refurbishment
Start: 2027



7 Old St Quarter
Start: 2028+



8 230 Blackfriars Rd
Start: 2030+



Attractive development returns

On-site projects



25 BAKER ST. W1

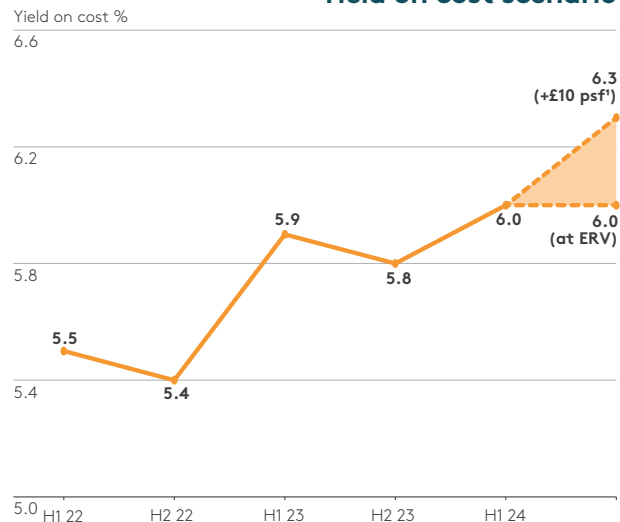
- 298,000 sq ft
- PC: H1 2025
- Main office block (206,000 sq ft)
 - 172,600 sq ft pre-let (84%)
 - £103.20 psf, 15% above appraisal ERV
- 13 private resi units exchanged (£68m)
 - £3,770 psf average capital value



NETWORK

- 139,000 sq ft
- PC: H2 2025
- Launched in H1 2024
- Pre-let discussions ongoing

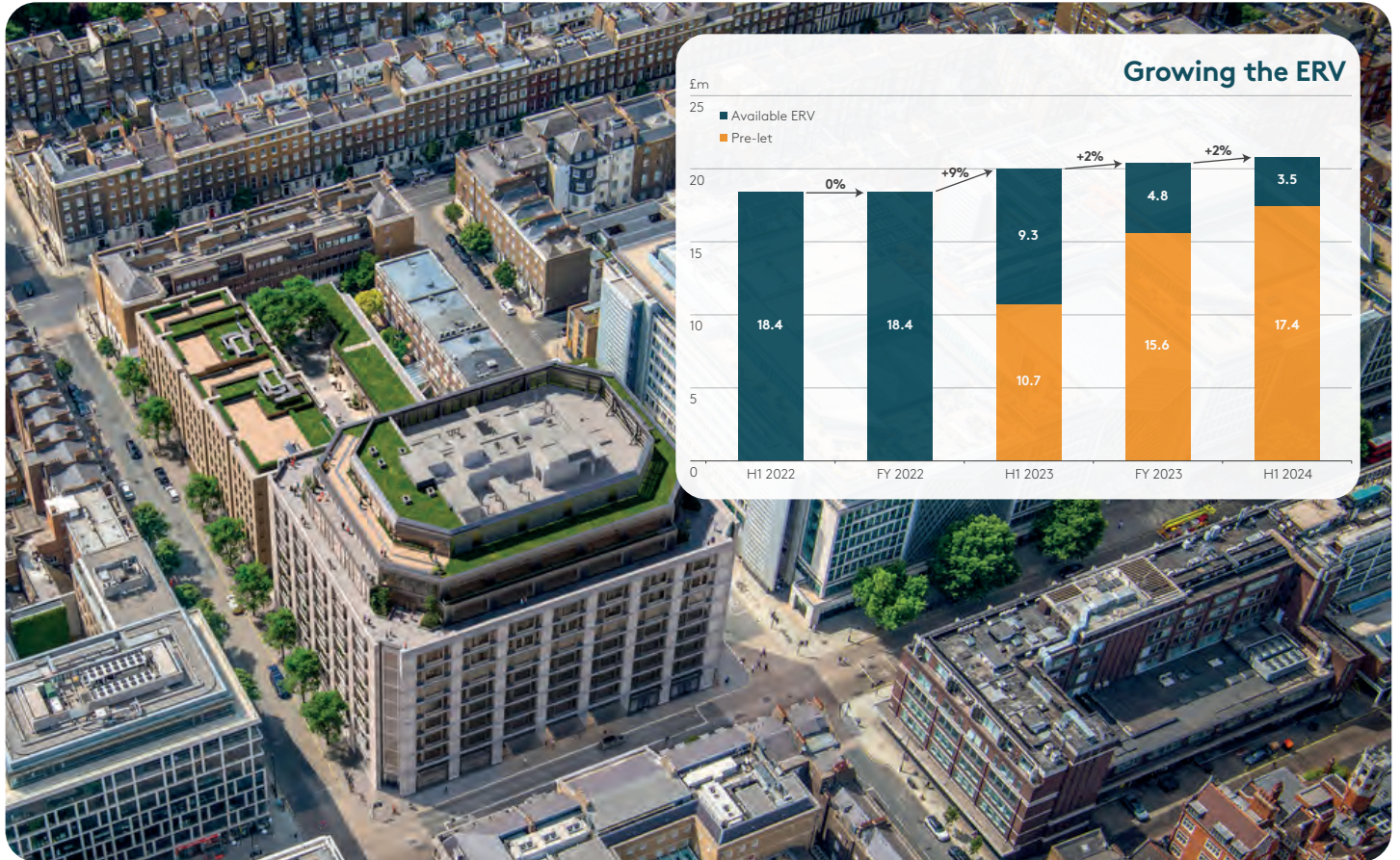
Yield on cost scenario



Development returns

- 14% or £107m profit on cost
- 6.0% yield on cost (ERV £34.0m)
- Consistently beating ERV

¹ Sensitivity applied to ERV of vacant space



25 Baker Street W1



Q1 2023

PIMCO

£103.40 psf average
(106,100 sq ft - 5th to 9th floors)

£111.35 psf on upper two terraced floors

Q3 2023

MOELIS

£101.25 psf
(49,400 sq ft - 3rd & 4th floor)

Q2 2024

 **CUSHMAN & WAKEFIELD**

£107.50 psf
(17,100 sq ft - Part 1st floor)

Network W1

NET ZERO

- ERV £13.1m
- Office ERV £95 psf
- Capex to complete £71m
- Circular economy principles
- Embodied carbon intensity c.530 kgCO₂e/sqm



Next phase of regeneration projects (0.5m sq ft)



Holden House W1

Redevelopment behind façade
Start date: H2 2025

Proposed: c.150,000 sq ft
Uplift: 66%

Planning: Consented
Existing: 90,600 sq ft



50 Baker Street W1 (50:50 JV)

Redevelopment
Start date: H1 2026

Proposed: c.240,000 sq ft
Uplift: 96%

Planning: Committee Q3 2024
Existing: 122,300 sq ft



Greencoat & Gordon House SW1

Comprehensive refurbishment
Start date: H1 2026

Current: 138,300 sq ft

Passing rent¹: £54 psf
Scheme ERV²: £70+ psf

¹ 'Topped-up' office rent ² Office ERV after capex

Longer-term pipeline (1.1m sq ft)



20 Farringdon Road EC1
Comprehensive refurbishment
Start date: 2027

Current: 166,300 sq ft

Passing rent¹: £53 psf
Scheme ERV²: £80+ psf



Old Street Quarter EC1
Mixed-use campus redevelopment
Start date: 2028+

Target: 750,000+ sq ft
Uplift: >80%

Existing: c.400,000 sq ft



230 Blackfriars Road SE1
Redevelopment
Start date: 2030+

Target: 200,000+ sq ft
Uplift: >200%

Existing: 60,100 sq ft

¹ 'Topped-up' office rent ² Office ERV after capex



Summary

Paul Williams

Summary

Derwent well placed for growth

- Rental growth accelerating
 - H1 strongest half-year ERV growth since 2016
- **ERV guidance upgraded to 3% to 6%**
- **Attractive yields**
- London a dynamic and growing global city
- Strong balance sheet and ambition to invest
 - Attractive returns from development pipeline
 - Rising number of value-add acquisitions emerging



Appendices



Appendices

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A photograph of a modern building's interior. On the left, there is a glass revolving door with a curved top. The walls are a warm, orange-brown color. In the background, there is a large wall with a horizontal, textured pattern. The floor is covered with a dark, striped carpet.

Financials

Appendices

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Appendix 1 – Headline numbers

	Jun 2024	% change	Dec 2023	Jun 2023
Net asset value (NAV)	£3,419.5m	(2.5)*	£3,508.8m	£3,869.2m
EPRA net tangible assets per share ^{1,2}	3,044p	(2.7)*	3,129p	3,444p
EPRA net disposal value per share ^{1,2}	3,164p	(2.4)*	3,243p	3,609p
Total return	-1.0%	n/a	-11.7%	-3.7%
Gross rental income	£107.5m	1.5	£212.8m	£105.9m
Net rental income	£95.0m	4.5	£186.2m	£90.9m
EPRA earnings per share ²	52.7p	6.5	102.0p	49.5p
IFRS loss for the period	(£27.5m)	80.8	(£476.4m)	(£143.2m)
Interim dividend per share	25.00p	2.0	24.50p	24.50p
Net debt	£1,370.8m	1.0*	£1,356.8m	£1,274.0m
EPRA loan-to-value (LTV) ratio	29.0%	n/a	27.9%	25.0%
NAV gearing	40.1%	n/a	38.7%	32.9%
Net interest cover ratio ³	4.0x	n/a	4.1x	4.1x
Net debt/EBITDA	8.4x	n/a	8.8x	8.4x

* Compared to Dec 2023

¹ On a diluted basis ² Reconciliations to IFRS figures in Appendices 3 and 6 ³ Includes share of joint ventures

Appendix 2 – Group balance sheet

	Jun 2024 £m	Dec 2023 £m	Jun 2023 £m
Investment property	4,471.1	4,551.4	4,852.1
Owner-occupied property	44.1	46.1	47.4
Investment in joint ventures	36.9	35.8	39.2
Other non-current assets	205.1	209.7	207.1
	4,757.2	4,843.0	5,145.8
Other current assets and liabilities	(124.8)	(105.0)	(112.4)
Trading property and stock	95.3	68.9	50.7
Cash and cash equivalents	83.2	73.0	98.4
Leasehold liabilities – current	(0.4)	(0.4)	(0.4)
Borrowings – current	(276.1)	(102.9)	(20.0)
	(222.8)	(66.4)	16.3
Borrowings – non-current	(1,080.6)	(1,233.2)	(1,258.3)
Leasehold liabilities – non-current	(34.0)	(34.2)	(34.4)
Other non-current liabilities	(0.3)	(0.4)	(0.2)
	(1,114.9)	(1,267.8)	(1,292.9)
Net assets attributable to equity shareholders	3,419.5	3,508.8	3,869.2

Appendix 3 – EPRA net asset value metrics

	Jun 2024			Dec 2023		
	EPRA NTA ¹ £m	EPRA NDV ² £m	EPRA NRV ³ £m	EPRA NTA ¹ £m	EPRA NDV ² £m	EPRA NRV ³ £m
Net assets attributable to equity shareholders	3,419.5	3,419.5	3,419.5	3,508.8	3,508.8	3,508.8
Revaluation of trading properties	4.7	4.7	4.7	9.8	9.8	9.8
Deferred tax on revaluation surplus	1.2	-	2.3	1.4	-	2.8
Fair value of derivative financial instruments	(2.0)	-	(2.0)	(2.9)	-	(2.9)
Fair value adjustment to secured bonds	4.3	4.3	4.3	5.0	5.0	5.0
Mark-to-market of fixed rate debt	-	141.9	-	-	133.4	-
Unamortised issue and arrangement costs	-	(7.0)	-	-	(7.4)	-
Purchasers' costs ⁴	-	-	325.0	-	-	329.4
Adjusted net assets	3,427.7	3,563.4	3,753.8	3,522.1	3,649.6	3,852.9
Number of shares (m) – diluted	112.6	112.6	112.6	112.5	112.5	112.5
Per share measure (p) – diluted	3,044	3,164	3,333	3,129	3,243	3,423

¹ Net Tangible Assets ² Net Disposal Value ³ Net Reinstatement Value ⁴ Includes Stamp Duty Land Tax. Total costs assumed to be 6.8% of the portfolio's fair value

Appendix 4 – Group income statement

	Half year ended Jun 2024 £m	Year ended Dec 2023 £m	Half year ended Jun 2023 £m
Gross property income	107.8	212.9	105.9
Write-down of trading property	-	(0.4)	(0.1)
Other income	2.4	4.5	2.4
Waivers and impairment	(0.4)	(2.6)	(1.9)
Other property outgoings	(12.1)	(23.9)	(13.0)
Net property and other income	97.7	190.5	93.3
Administrative expenses	(19.8)	(39.1)	(19.2)
Revaluation deficit	(87.2)	(581.5)	(196.7)
Profit on disposal	1.5	1.2	1.2
Net finance costs	(19.6)	(39.5)	(19.6)
Share of results of joint venture	1.1	(7.2)	(3.8)
Derivatives fair value movement	(0.9)	(2.1)	0.7
Financial derivative termination income	-	1.8	1.0
IFRS loss before tax	(27.2)	(475.9)	(143.1)
Tax charge	(0.3)	(0.5)	(0.1)
IFRS loss for the period¹	(27.5)	(476.4)	(143.2)

¹ A reconciliation of the IFRS loss attributable to shareholders to the EPRA earnings is shown in Appendix 5

Appendix 5 – IFRS loss and EPRA earnings

	Half year ended Jun 2024 £m	Year ended Dec 2023 £m	Half year ended Jun 2023 £m
IFRS loss for the period attributable to shareholders	(27.5)	(476.4)	(143.2)
Revaluation deficit	87.2	581.5	196.7
Joint venture revaluation deficit	-	9.2	4.8
Profit on disposal of investment property	(1.5)	(1.2)	(1.2)
Impairment of other interests	0.1	0.6	-
Write-down of trading property	-	0.4	0.1
Derivatives fair value adjustment	0.9	2.1	(0.7)
Financial derivative termination costs	-	(1.8)	(1.0)
Tax adjustment	-	0.1	0.1
EPRA earnings	59.2	114.5	55.6

Appendix 6 – Explanation of EPRA adjustments

	H1 2024 IFRS £m	Adjustments			H1 2024 EPRA basis £m	H1 2023 EPRA basis £m
		A £m	B £m	C £m		
Net property and other income	97.7	-	0.1	-	97.8	93.4
Administrative expenses	(19.8)	-	-	-	(19.8)	(19.2)
Revaluation deficit	(87.2)	-	87.2	-	-	-
Profit on disposal	1.5	(1.5)	-	-	-	-
Net finance costs	(19.6)	-	-	-	(19.6)	(19.6)
Derivatives fair value movement	(0.9)	-	-	0.9	-	-
Share of results of joint ventures	1.1	-	-	-	1.1	1.0
Loss before tax	(27.2)	(1.5)	87.3	0.9	59.5	55.6
Tax charge	(0.3)	-	-	-	(0.3)	-
(Loss)/earnings attributable to equity shareholders	(27.5)	(1.5)	87.3	0.9	59.2	55.6
(Loss)/earnings per share	(24.5p)				52.7p	49.5p

A – Disposal of investment and trading property

B – Revaluation movement on investment property and other interests

C – Fair value movement relating to derivative financial instruments

Appendix 7 – Group cash flow

	Half year ended Jun 2024 £m	Year ended Dec 2023 £m	Half year ended Jun 2023 £m
Cash generated from operations	58.7	135.3	59.7 ¹
Interest received	0.2	0.8	0.7 ¹
Interest and other finance costs paid	(15.5)	(38.1)	(15.7) ¹
Distributions from joint ventures	-	0.3	0.4 ¹
Tax paid in respect of operating activities	-	(1.3)	(1.3) ¹
Net cash from operating activities	43.4	97.0	43.8
Acquisitions and capex	(67.5)	(155.3)	(52.8)
Disposals	73.0	65.4	65.2
Repayment of joint venture loans	-	0.6	0.7
Other cash from/(used in) investing activities	1.5	(8.7)	(5.0)
Net cash from/(used in) investing activities	7.0	(98.0)	8.1
Movement in debt	19.3	84.3	27.8
Dividends paid	(59.5)	(88.7)	(58.9)
Other cash from financing activities	-	1.8	1.0
Net cash used in financing activities	(40.2)	(2.6)	(30.1)
Increase/(decrease) in cash and cash equivalents during the period	10.2	(3.6)	21.8
Cash and cash equivalents at the beginning of the period	73.0	76.6	76.6
Cash and cash equivalents at the end of the period	83.2	73.0	98.4

¹ Figures have been restated for change in accounting policy

Appendix 8 – Like-for-like income reconciliation

	Like-for-like movement to H1 2024	Like-for-like portfolio £m	Development property £m	Acquisitions & disposals £m	Total £m
H1 2024					
Gross rental income		105.4	0.4	1.7	107.5
Other property expenditure		(11.6)	(0.4)	(0.1)	(12.1)
Write-off/impairment of receivables		(0.4)	-	0.1	(0.3)
Impairment included in prepayments		-	-	(0.1)	(0.1)
Net rental income		93.4	-	1.6	95.0
Other		2.7	-	-	2.7
Net property and other income		96.1	-	1.6	97.7
H1 2023					
Gross rental income	1.7%	103.6	-	2.3	105.9
Other property expenditure		(11.9)	(1.0)	(0.2)	(13.1)
Write-off/impairment of receivables		(1.4)	(0.5)	-	(1.9)
Net rental income	3.4%	90.3	(1.5)	2.1	90.9
Other		2.5	(0.1)	-	2.4
Net property and other income	3.6%	92.8	(1.6)	2.1	93.3
H2 2023					
Gross rental income	0.3%	105.1	-	1.8	106.9
Other property expenditure		(10.3)	(0.5)	(0.1)	(10.9)
Write-off/impairment of receivables		(0.1)	-	-	(0.1)
Impairment included in prepayments		-	-	(0.6)	(0.6)
Net rental income	-1.4%	94.7	(0.5)	1.1	95.3
Other		2.2	(0.3)	-	1.9
Net property and other income	-0.8%	96.9	(0.8)	1.1	97.2

Appendix 9 – Green debt facilities and expenditure

Green debt facilities

- £300m green tranche within £450m revolving credit facilities
- £350m green bond
- Proceeds used to fund qualifying green expenditure in accordance with the Green Finance Framework

Eligible green projects (EGP)

- Completed
 - 80 Charlotte Street W1, The Featherstone Building EC1 and Soho Place W1
- On site
 - 25 Baker Street W1 and Network W1

At 30 June 2024

• H1 2024 qualifying green expenditure	£75.8m
• Cumulative qualifying green expenditure	£829.9m
• Drawn green borrowings	£443.5m
• Available green headroom on facilities	£206.5m

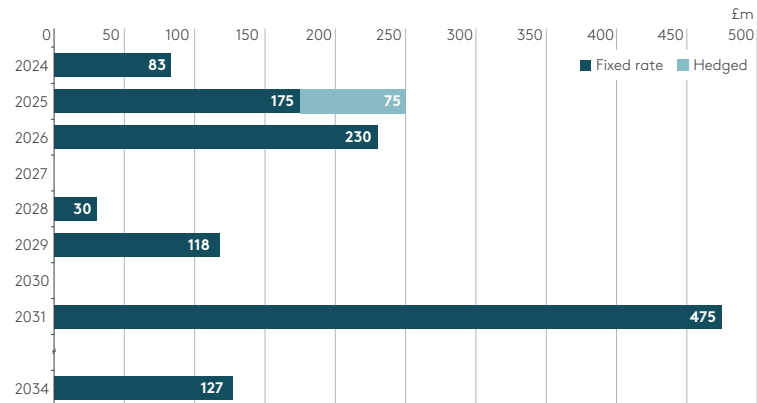
Green borrowings and qualifying expenditure



Appendix 10 – Debt summary

	Jun 2024	Dec 2023
Bank facilities drawn	£104m	£84m
Fixed rates borrowings	£1,238m	£1,238m
Drawn facilities	£1,342m	£1,322m
Unutilised facilities and cash ¹	£566m	£480m
Average spot interest rate (cash basis)	3.15%	3.17%
Average spot interest rate (IFRS basis)	3.27%	3.29%
Average maturity of borrowings	4.5 years	5.0 years
EPRA loan-to-value	29.0%	27.9%
NAV gearing	40.1%	38.7%
Net interest cover ratio ²	4.0x	4.1x
Net debt/EBITDA	8.4x	8.8x

Maturity profile of fixed rates and hedging



	Jun 2024	Dec 2023
Proportion of drawn facilities at fixed rates/hedged	98%	98%
Weighted average duration of fixed rate borrowings	4.7 years	5.2 years
Weighted average duration of swaps	0.8 years	1.3 years
Mark-to-market of swaps	£2.0m	£2.9m

¹ Excludes restricted cash ² Includes share of joint ventures

Appendix 11 – Debt facilities

	Drawn £m	Undrawn £m	Total £m	Maturity
1.5% unsecured convertible bonds	175.0	-	175.0	June 2025
6.5% secured bonds	175.0	-	175.0	March 2026
1.875% unsecured green bonds	350.0	-	350.0	November 2031
2.68% unsecured private placement notes	55.0	-	55.0	January 2026
3.46% unsecured private placement notes	30.0	-	30.0	May 2028
4.41% unsecured private placement notes	25.0	-	25.0	January 2029
2.87% unsecured private placement notes	93.0	-	93.0	January 2029
2.97% unsecured private placement notes	50.0	-	50.0	January 2031
3.57% unsecured private placement notes	75.0	-	75.0	May 2031
3.09% unsecured private placement notes	52.0	-	52.0	January 2034
4.68% unsecured private placement notes	75.0	-	75.0	January 2034
3.99% secured loan	83.0	-	83.0	October 2024
Other loans ¹	20.0	-	20.0	n/a
Non-bank loans	1,258.0	-	1,258.0	
Club revolving credit – unsecured	93.5	356.5	450.0	October 2026
Bilateral revolving credit – unsecured	10.5	89.5	100.0	November 2027
Bilateral term loan – unsecured	-	100.0	100.0	June 2027
Committed bank facilities	104.0	546.0	650.0	
At 30 Jun 2024	1,362.0	546.0	1,908.0	

¹ No fixed repayment date

Appendix 12 – Net debt

	Jun 2024 £m	Dec 2023 £m
Borrowings – current	276.1	102.9
Borrowings – non-current	1,080.6	1,233.2
Acquired fair value of secured bonds less amortisation	(4.3)	(5.0)
Unamortised discount on unsecured green bonds	1.4	1.5
Equity component of convertible bonds	7.7	7.7
Unwinding of discount of convertible bonds	(6.5)	(5.7)
Unamortised issue and arrangement costs	7.0	7.4
Facilities – drawn	1,362.0	1,342.0
Facilities – undrawn	546.0	466.0
Total debt facilities	1,908.0	1,808.0

	Jun 2024 £m	Dec 2023 £m
Borrowings	1,356.7	1,336.1
Leasehold liabilities	34.4	34.6
Cash at bank excluding restricted cash	(20.3)	(13.9)
Net debt	1,370.8	1,356.8



Valuation

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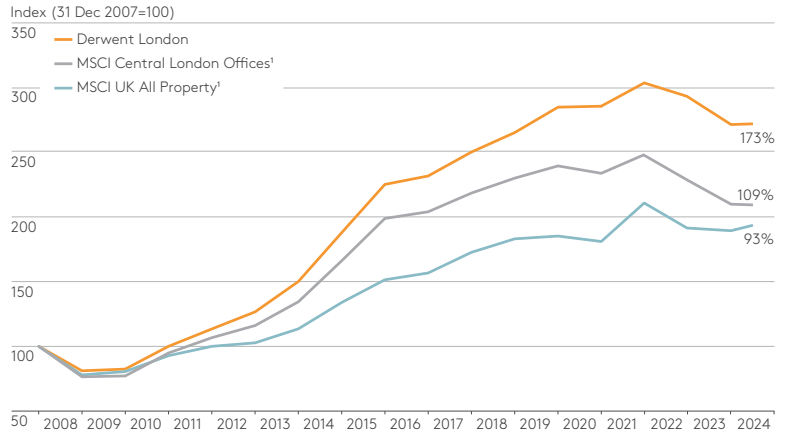
Appendix 13 – Property return

- Derwent London total property return +0.3%
 - Since 2007 cumulative total property return +173%
- MSCI Central London Offices¹ -0.1%
 - Cumulative total property return +109%

Total property return



Cumulative total property return



¹ Quarterly Index

Appendix 14 – Valuation performance by village

	Valuation Jun 2024 £m	Weighting Jun 2024 %	Valuation movement H1 2024 ¹ %
West End Central			
Fitzrovia	1,655.8	35	(1.5)
Marylebone	404.7	8	2.3
Victoria	404.1	8	(4.4)
Soho/Covent Garden	359.5	8	(2.0)
Paddington	325.8	7	(1.6)
Mayfair	102.9	2	4.8
	3,252.8	68	(1.3)
West End Borders & Other			
Islington/Camden	281.8	6	(3.9)
Brixton	25.2	0	0.0
	307.0	6	(3.6)
West End	3,559.8	74	(1.5)
City Borders			
Old Street	568.0	11	(1.5)
Shoreditch/Whitechapel	326.8	7	(2.7)
Clerkenwell	234.3	5	(6.1)
Southbank	45.4	1	(0.6)
City Borders	1,174.5	24	(2.7)
Central London	4,734.3	98	(1.8)
Provincial	79.7	2	3.6
Investment portfolio	4,814.0	100	(1.7)

¹ Underlying – properties held throughout the year

Appendix 15 – Rental value growth and average rents

Rental value growth¹

	H1 2023 %	H2 2023 %	2023 %	H1 2024 %
West End	1.0	0.9	1.9	1.9
City Borders	1.0	1.7	2.7	1.9
Central London	1.0	1.1	2.1	1.9
Provincial	0.0	2.7	2.7	5.7
Underlying	0.9	1.2	2.1	2.0

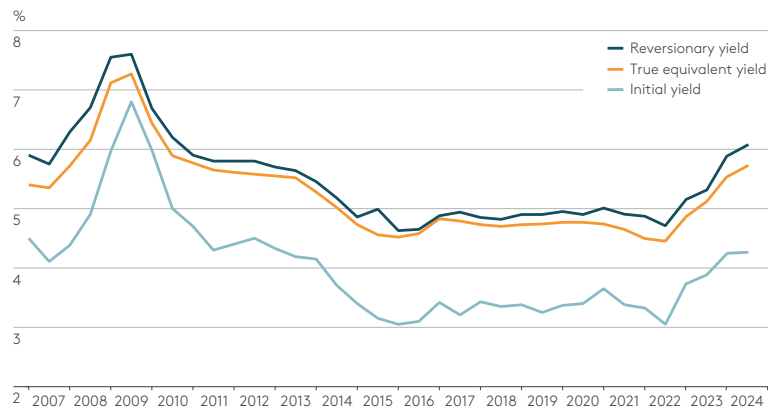
Average rents - Central London offices

	Portfolio % ²	Passing rent £ psf ³	'Topped-up' rent £ psf ³	ERV £ psf ⁴
Core income	54	52.54	68.55	70.30
Potential projects	38	43.86	49.15	52.88
	92	49.32	61.34	63.44
On-site developments	8	-	103.20	95.67
Total	100	-	63.20	66.05

¹ On EPRA portfolio ² Portfolio area ³ Tenanted office area ⁴ Total office area

Appendix 16 – Valuation yields

Yield profile¹



Initial yields²

	Net initial yield %	'Topped-up' initial yield %
West End	4.0	5.1
City Borders	4.9	5.9
Central London	4.3	5.3
Provincial	7.7	8.2
EPRA portfolio	4.3	5.4

True equivalent yields²

	Dec 2023 %	H1 2024 movement basis points	Jun 2024 %
West End	5.27	18	5.45
City Borders	6.08	22	6.30
Central London	5.51	18	5.69
Provincial	10.46	(15)	10.31
Underlying	5.55	18	5.73

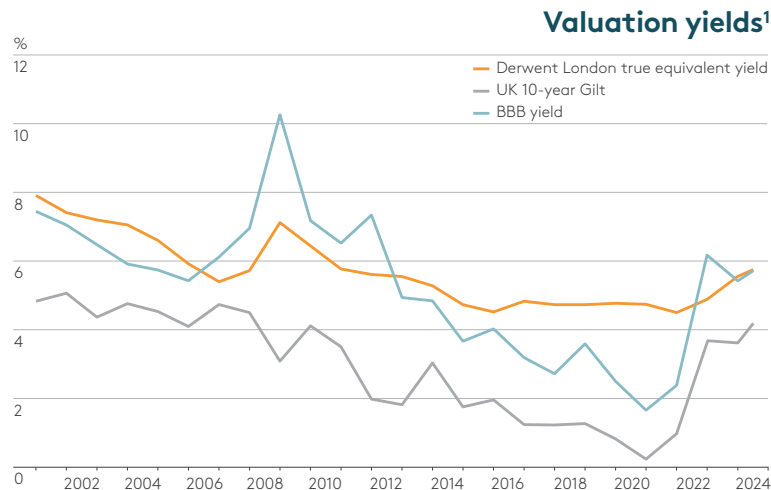
¹ Six-monthly data ² On EPRA portfolio

Appendix 17 – Context to yield movement

- As at 30 June 2024
 - Derwent London true equivalent yield 5.73% (+18bp in H1 2024)
 - BBB yield 5.72% (+31bp in H1)
 - UK 10-year Gilt yield 4.17% (+57bp in H1)
- Capital values²
 - Central London £932 psf
 - West End £1,028 psf
 - City Borders £749 psf

• Portfolio breakdown

Valuation	Number of properties	Weighting %
> £300m	4	32
£200m – £300m	4	20
£100m – £200m	9	23
£50m – £100m	9	13
< £50m	37	12
	63	100



¹ Post H2 2010 portfolio on an EPRA basis ² Excludes 0.44m sq ft of on-site developments – Appendix 41

Appendix 18 – Portfolio statistics by village

	Valuation £m	Weighting %	Floor area ¹ '000 sq ft	Vacant floor area '000 sq ft	Net contracted rental income £m pa	Average rental income £ psf	Vacant space rental value £m pa	Lease reversion ² £m pa	Total reversion £m pa	Estimated rental value £m pa
West End Central										
Fitzrovia	1,655.8	35	1,608	225	64.7	47.18	18.8	21.1	39.9	104.6
Marylebone	404.7	8	358	69	2.4	8.48 ³	3.5	18.2	21.7	24.1
Victoria	404.1	8	513	3	22.6	44.40	0.2	4.4	4.6	27.2
Soho/Covent Garden	359.5	8	226	6	8.1	40.97 ⁴	0.8	11.4	12.2	20.3
Paddington	325.8	7	243	0	13.2	55.44 ⁵	0	4.4	4.4	17.6
Mayfair	102.9	2	43	0	1.5	35.52 ⁶	0	3.2	3.2	4.7
	3,252.8	68	2,991	303	112.5	42.55	23.3	62.7	86.0	198.5
West End Borders & Other										
Islington/Camden	281.8	6	383	75	17.5	57.24	3.7	(0.2)	3.5	21.0
Brixton	25.2	0	53	8	0.7	15.16	0.2	0.3	0.5	1.2
	307.0	6	436	83	18.2	51.86	3.9	0.1	4.0	22.2
West End	3,559.8	74	3,427	386	130.7	43.63	27.2	62.8	90.0	220.7
City Borders										
Old Street	568.0	11	604	39	30.8	54.55	2.3	6.0	8.3	39.1
Shoreditch/Whitechapel	326.8	7	545	114	18.4	42.66	2.3	4.5	6.8	25.2
Clerkenwell	234.3	5	359	45	13.4	46.10	1.8	3.0	4.8	18.2
Southbank	45.4	1	60	24	1.6	43.71	0.9	0.2	1.1	2.7
City Borders	1,174.5	24	1,568	222	64.2	48.49	7.3	13.7	21.0	85.2
Central London	4,734.3	98	4,995	608	194.9	45.12	34.5	76.5	111.0	305.9
Provincial	79.7	2	325	17	4.5	14.49	0.2	0.5	0.7	5.2
Investment portfolio	4,814.0	100	5,320	625	199.4	43.10	34.7	77.0	111.7	311.1


¹ Includes 0.44 m sq ft of on-site developments

² Contractual uplifts, rent review/lease renewal, reversion and pre-lets ³ Contracted rent of £87.02 psf including pre-lets

⁴ Contracted rent of £93.27 psf after incentives

⁵ Contracted rent of £73.07 psf after incentives

⁶ Contracted rent of £106.04 psf after excluding owner-occupied space



Portfolio income profile

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Appendix 19 – Build-up of portfolio ERV

	£m	Rent uplift pa £m	Rent pa £m
Contracted rental income, net of ground rents			199.4
Contractual rental uplifts			
80 Charlotte Street W1	11.4		
Soho Place W1	11.1		
Brunel Building W2	4.3		
The Featherstone Building EC1	3.2		
The White Chapel Building E1	2.7		
White Collar Factory EC1	1.9		
Tea Building E1	1.7		
Other	12.3	48.6	
Vacant space¹			
Available to occupy	8.4		
Under refurbishment	9.7	18.1	
Lease reversions			
Anticipated rent reviews and lease renewals	11.0	11.0	77.7
			277.1
On-site developments (non-EPRA)^{1,2}			
Pre-let element	17.4		
Available	16.6		34.0
Estimated rental value			311.1

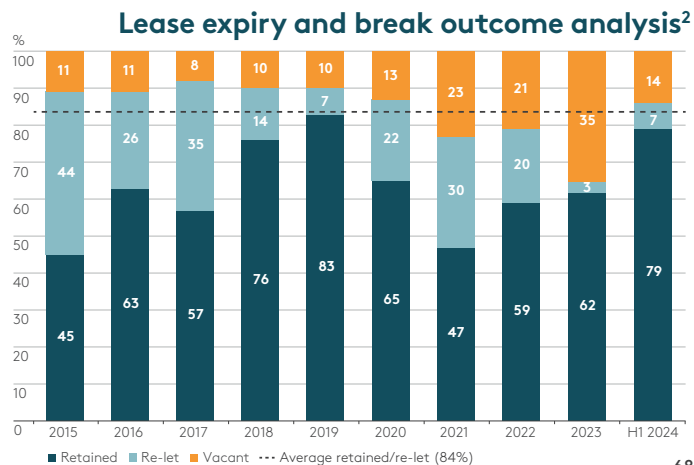
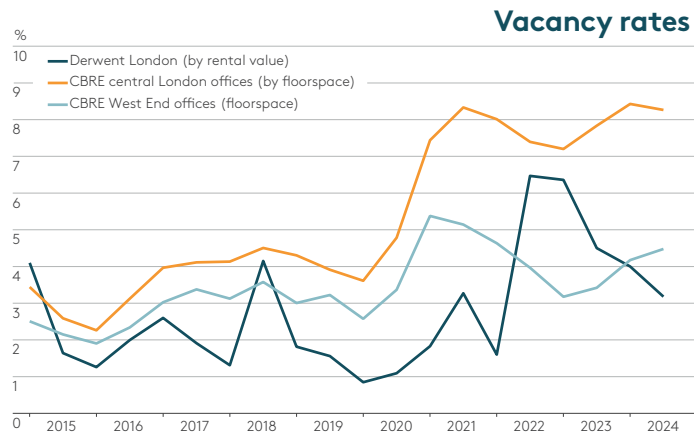
¹ Detailed in Appendix 20 ² Capex to complete £155m excluding capitalised interest – Appendix 41

Appendix 20 – Available space and projects

	Vacant area '000 sq ft	Pre-let/sold area '000 sq ft	Total area '000 sq ft	Gross vacant ERV £m pa	Ground rent £m pa	Net vacant ERV £m pa	Pre-let net rent ERV £m pa	Total net ERV £m pa	Comment
Available to occupy									
The White Chapel Building E1	114	-	114	2.3	-	2.3	-	2.3	79,400 sq ft under offer at £1.3m
The Featherstone Building EC1	15	-	15	1.2	-	1.2	-	1.2	5,800 sq ft let in Q3 at £0.5m
230 Blackfriars Road SE1	24	-	24	0.9	-	0.9	-	0.9	7,300 sq ft let in Q3 at £0.3m
Soho Place W1	6	-	6	0.9	-	0.9	-	0.9	5,600 sq ft under offer at £1.0m
Other	88	-	88	3.2	0.1	3.1	-	3.1	
	247	-	247	8.5	0.1	8.4	-	8.4	
Refurbishments									
4 & 10 Pentonville Road N1	53	-	53	3.2	-	3.2	-	3.2	
1-2 Stephen Street W1	40	-	40	2.8	-	2.8	-	2.8	
20 Farringdon Road EC1	38	-	38	1.5	0.2	1.3	-	1.3	
1-5 Maple Place W1	11	-	11	0.6	-	0.6	-	0.6	
Other	28	-	28	1.8	-	1.8	-	1.8	
	170	-	170	9.9	0.2	9.7	-	9.7	
On-site developments									
25 Baker Street W1	69	229	298	3.6	0.1	3.5	17.4	20.9	
Network W1	139	-	139	13.1	-	13.1	-	13.1	
	208	229	437	16.7	0.1	16.6	17.4	34.0	
Total	625	229	854	35.1	0.4	34.7	17.4	52.1	

Appendix 21 – Vacancy rate and lease expiry analysis

- Derwent London EPRA vacancy rate¹ 3.2% at Jun 2024
 - 4.0% in Dec 2023; 4.5% in Jun 2023
- CBRE central London office vacancy rate of 8.3%
 - 8.4% in Dec 2023; 7.8% in Jun 2023
 - 5.5% LTA (long-term average)
- By CBRE sub-area
 - West End 4.5% (4.2% in Dec 2023, 4.1% LTA)
 - City 10.8% (11.8% in Dec 2023, 7.0% LTA)
- £5.7m of income exposed to breaks/expiries in H1 2024 (excluding space taken back for major projects)
 - 86% of income retained or re-let



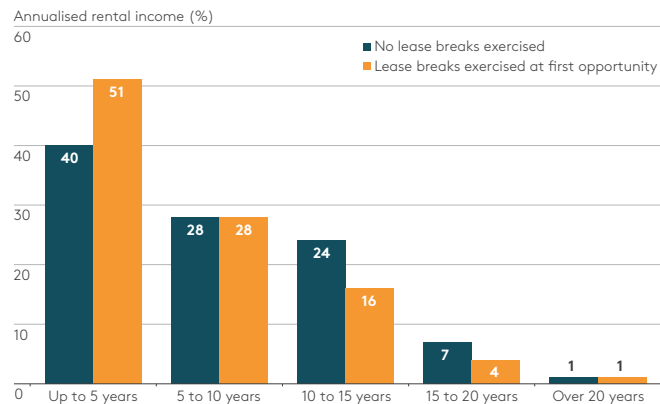
¹ Calculated as space immediately available to occupy ² As at end of period

Appendix 22 – Lease expiry profile and lease length

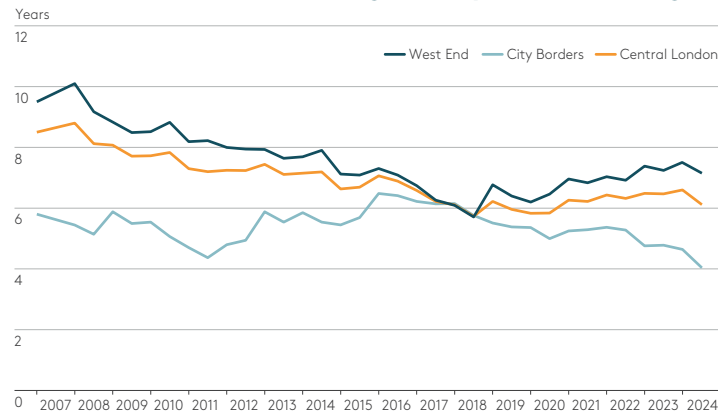
Expiries and breaks as a percentage of portfolio income¹

	West End	City Borders	Provincial	H2 2024	2025	2026	2027	2028	Total
Expiries	1	2	1	4	10	6	8	7	35
Rolling breaks	1	-	-	1	1	-	-	-	2
Single breaks	-	-	-	-	6	3	3	2	14
Total	2	2	1	5	17	9	11	9	51

Profile of rental income expiry¹



Average unexpired lease length²



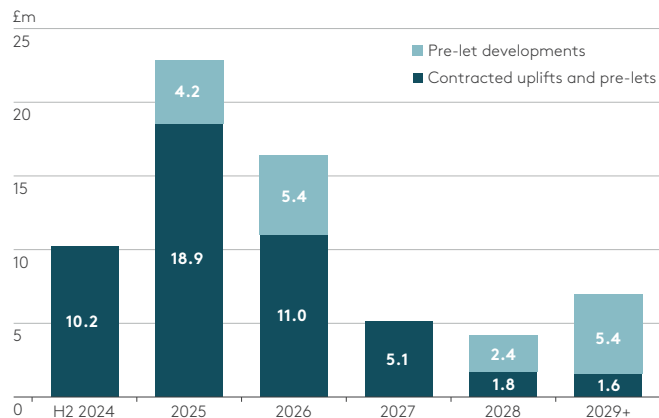
- Average lease length of 6.0 years (Dec 2023: 6.5 years)
- 7.1 years on 'topped-up' basis (Dec 2023: 7.4 years)

¹ Based upon annualised rental income of £199.4m

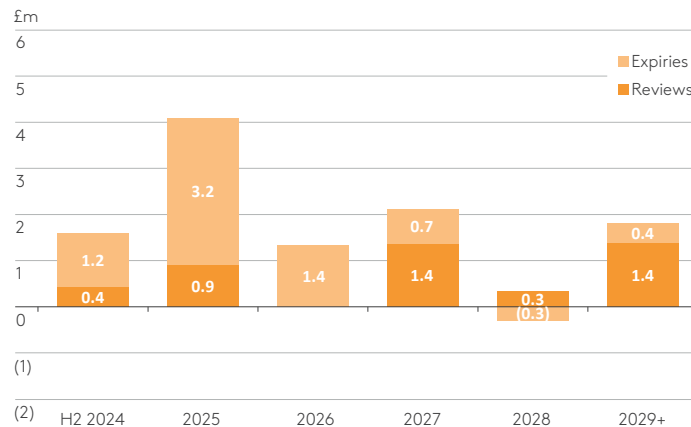
² Lease length weighted by rental income and assuming tenants break at first opportunity

Appendix 23 – Timing of the reversion

Contracted uplifts and pre-lets: £66.0m

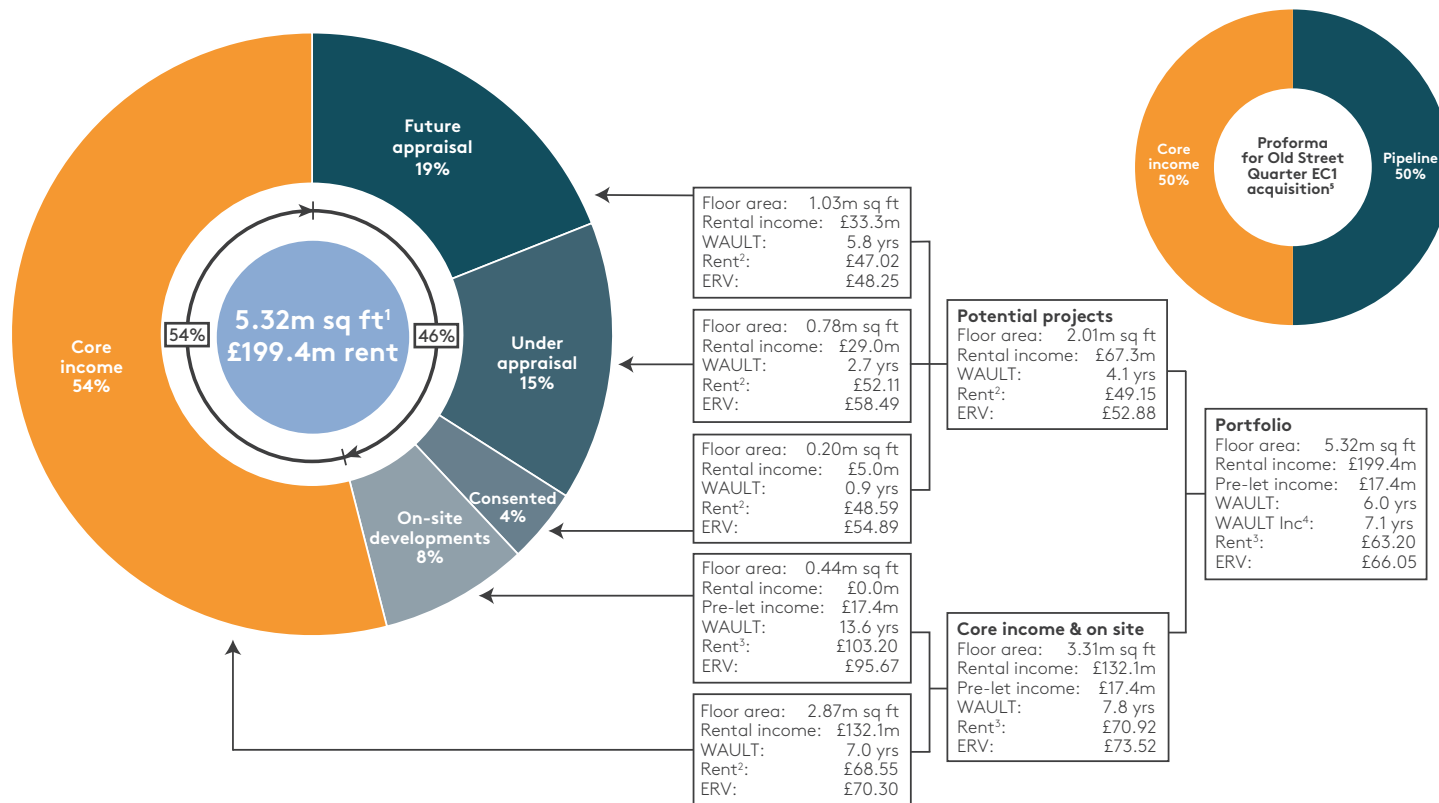


Reviews and expiries: £11.0m























Rent psf	£59	£64	£50	£55	£60	£64
ERV psf	£63	£70	£57	£64	£64	£63
Uplift	7%	9%	14%	16%	7%	(2%)

Appendix 24 – Portfolio summary



¹ Comprises 4.88m sq ft of existing buildings plus 0.44m sq ft of on-site developments ² 'Topped-up' office rent ³ 'Topped-up' office rent including development pre-lets
⁴ After adjusting for 'topped-up' rents and pre-lets – Appendix 22 ⁵ Existing Moorfields Eye Hospital area of 400,000 sq ft on a 2.5 acre site

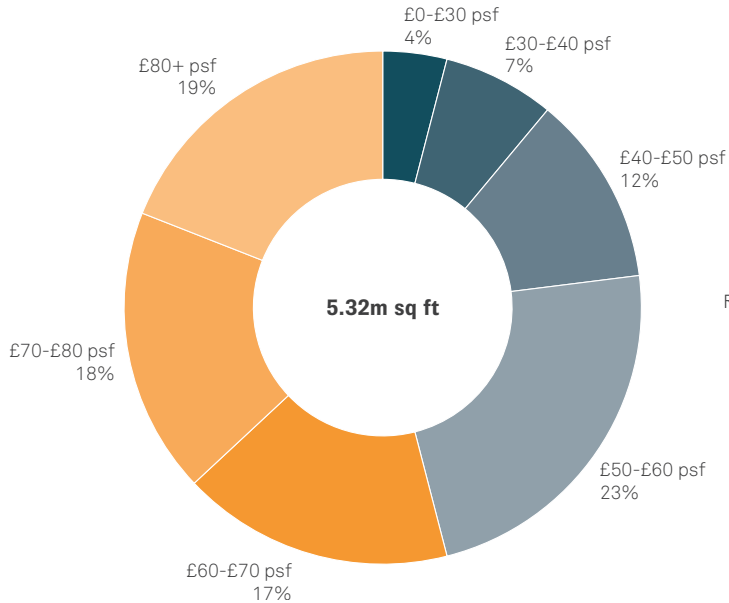
Appendix 25 – Major tenants

			'Topped-up' rent %	Passing rent %		
		01 Expedia	6.0	7.9		
		02 Public sector ¹	5.9	6.6		
		03 Burberry	5.5	6.9		
		04 Boston Consulting Group	5.1	3.4		
		05 PIMCO (pre-let)	4.1	-		
		06 G-Research	3.6	2.4		
		07 Arup	3.6	2.6		
		08 Fora (including The Office Group)	3.0	3.2		
		09 Apollo	3.0	2.0		
		10 Paymentsense	2.4	2.2		
		11 Moelis (pre-let)	1.9	-		
		12 Sony Pictures	1.8	1.2		
		13 VCCP	1.7	2.2		
		14 Fremantle	1.6	2.1		
		15 Adobe	1.5	2.0		
		16 Accenture	1.3	1.3		
		17 Telecity Group/Digital London	1.2	1.3		
		18 Soho House	1.2	1.5		
		19 Morningstar	1.1	1.5		
		20 Edelman	1.1	0.7		
		Total	56.6	51.0		

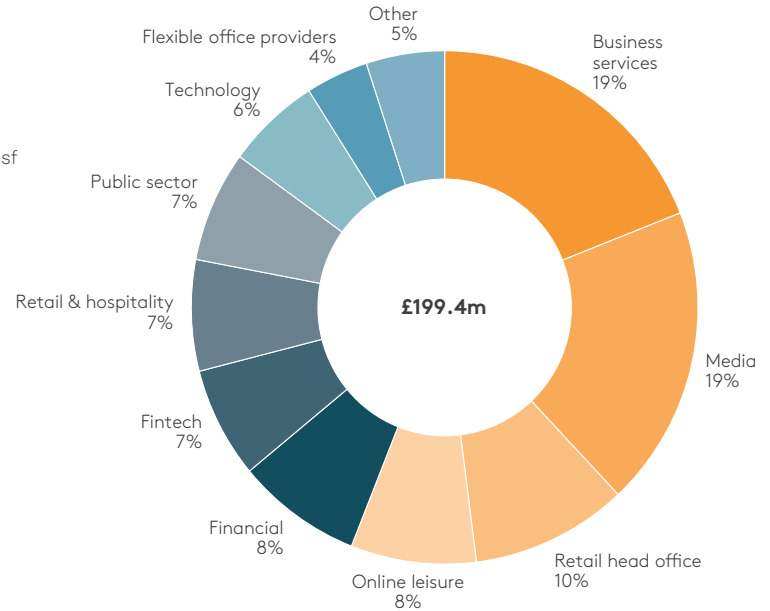
¹ Includes universities, the NHS and central government departments

Appendix 26 – Rent and tenant banding

**Central London 'topped-up'
office rent banding¹**



**Profile of tenants'
business sector²**



¹ Based on floor area ² Based on annualised rental income

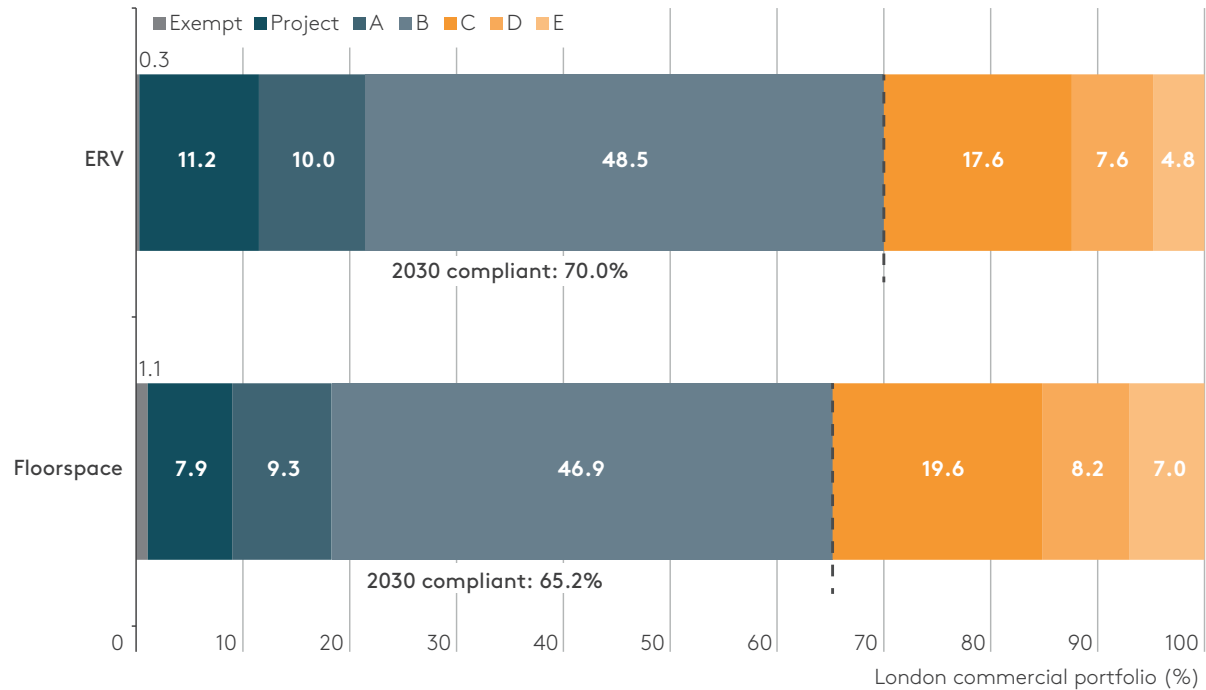


Sustainability

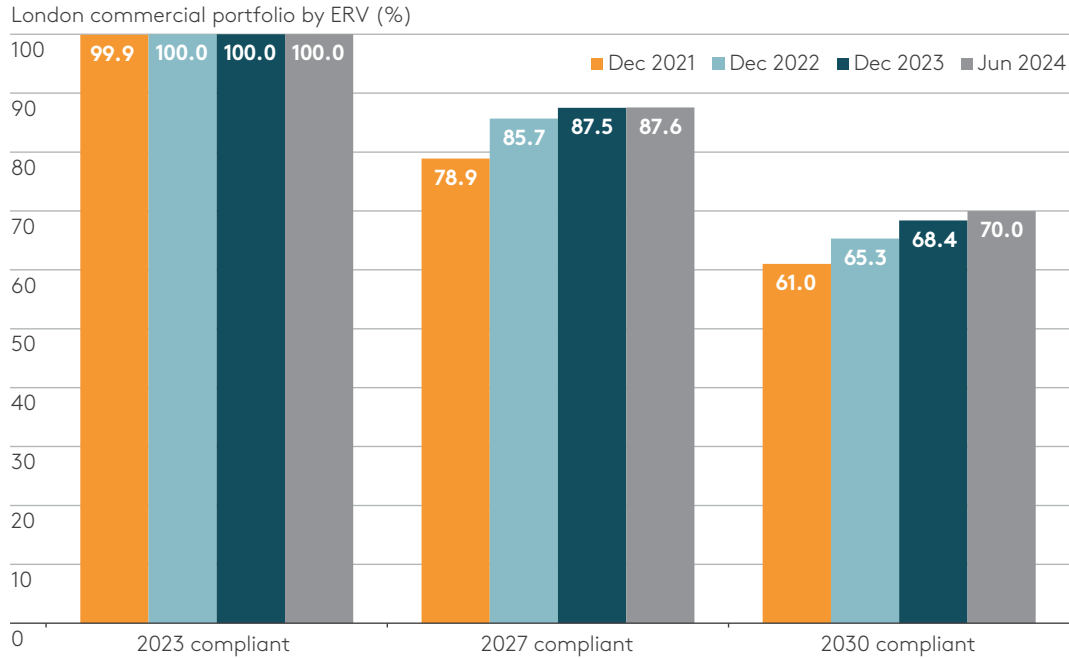
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Appendix 27 – Portfolio EPC profile



Appendix 28 – EPC rating progression¹



¹ London commercial portfolio and assumes projects have completed
Derwent London plc – Interim Results 2024

Appendix 29 – Embodied carbon

Year	Scheme	Embodied carbon footprint tCO ₂ e	Embodied carbon intensity kgCO ₂ e/sqm
2020	80 Charlotte Street W1	19,790	506
2021	6-8 Greencoat Place SW1	763	191
	Small refurbishments (three)	273	128
2022	1 Soho Place W1	16,401	550
	The Featherstone Building EC1	8,603	539
	Francis House SW1	1,280	269
	Small refurbishments (four)	639	57
2023	Small refurbishments (six)	799	153
2025	25 Baker Street W1 ¹	23,006	c.600
	Network W1 ¹	9,371	c.530

¹ Stage 4 or 5 design estimate



Old Street Yard EC1



London office market

Appendices

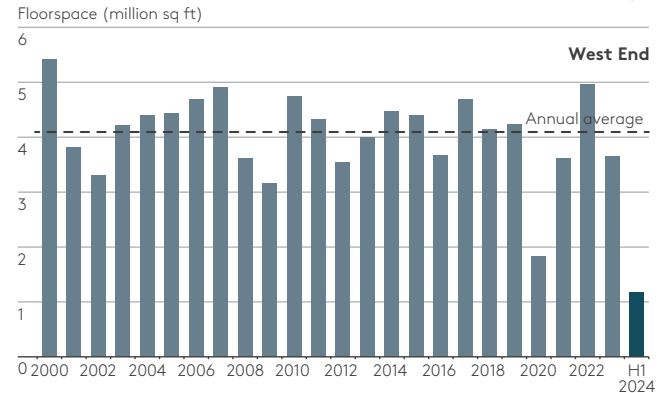
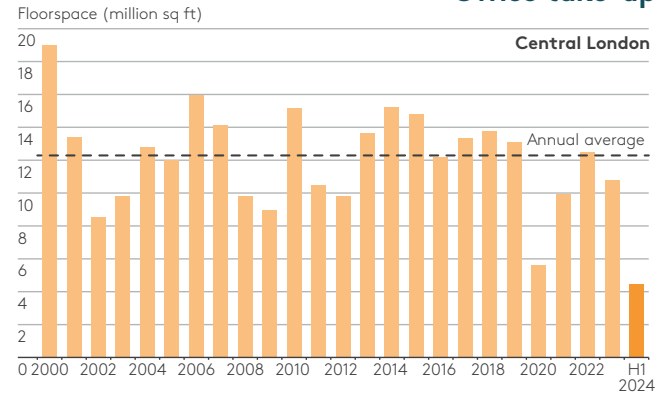
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Appendix 30 – Take-up

Market statistics

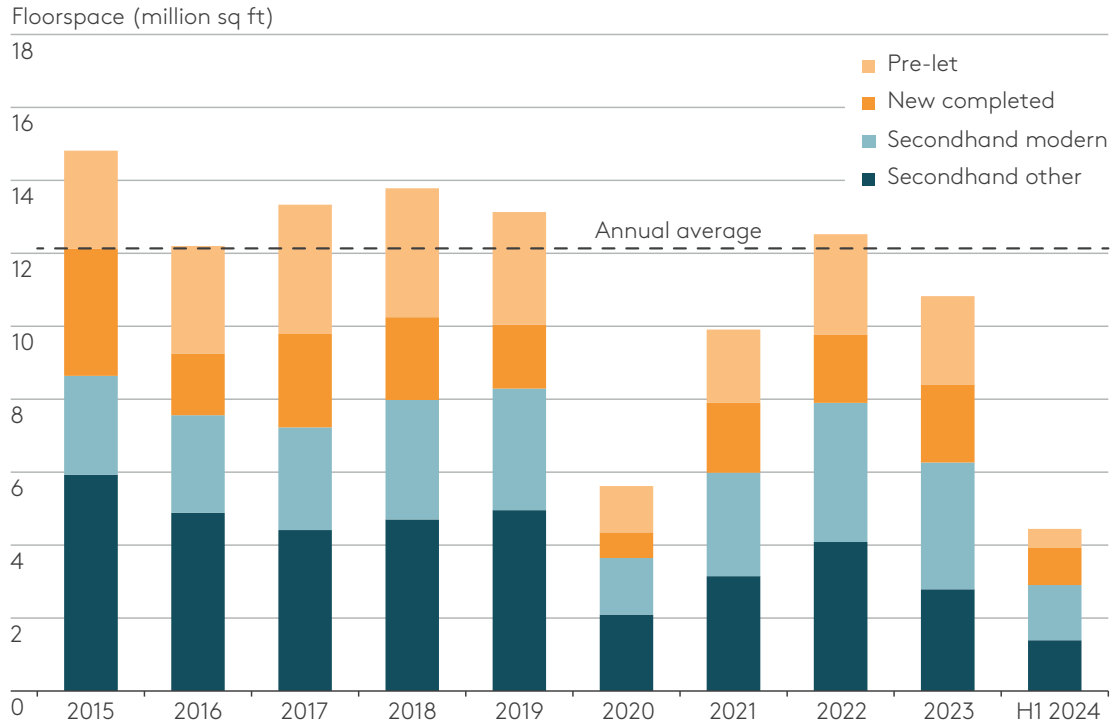
- Central London
 - 4.4m sq ft of take-up in H1 2024
 - LTA 6.1m sq ft
 - 2.0m sq ft in Q1, 2.4m sq ft in Q2
- West End
 - 1.2m sq ft let in H1 2024
 - LTA 2.0m sq ft

Office take-up



Source: CBRE

Appendix 31 – Take-up by type



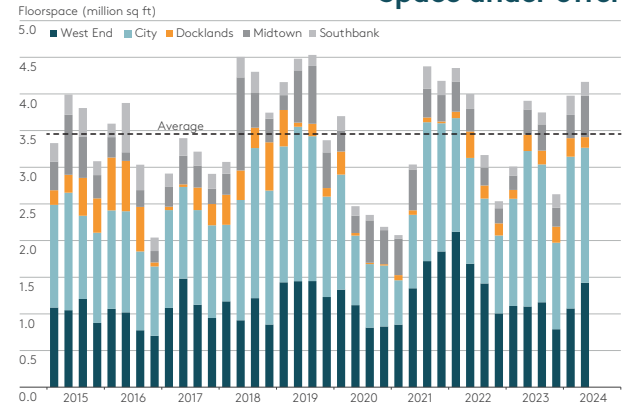
Source: CBRE

Appendix 32 – Under offer and active demand

Space under offer

- 4.2m sq ft under offer in central London
 - 58% increase in six months
 - 21% above the 10-year average
 - 26% of total under offer on pre-let space
- By location
 - West End 1.4m sq ft under offer – 21% above average
 - City 1.8m sq ft – 28% above average

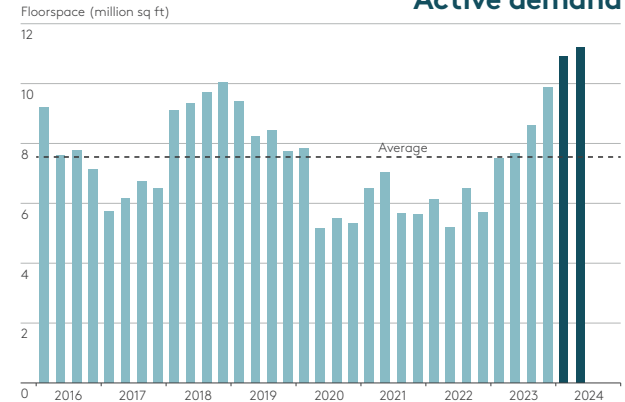
Space under offer



Active demand

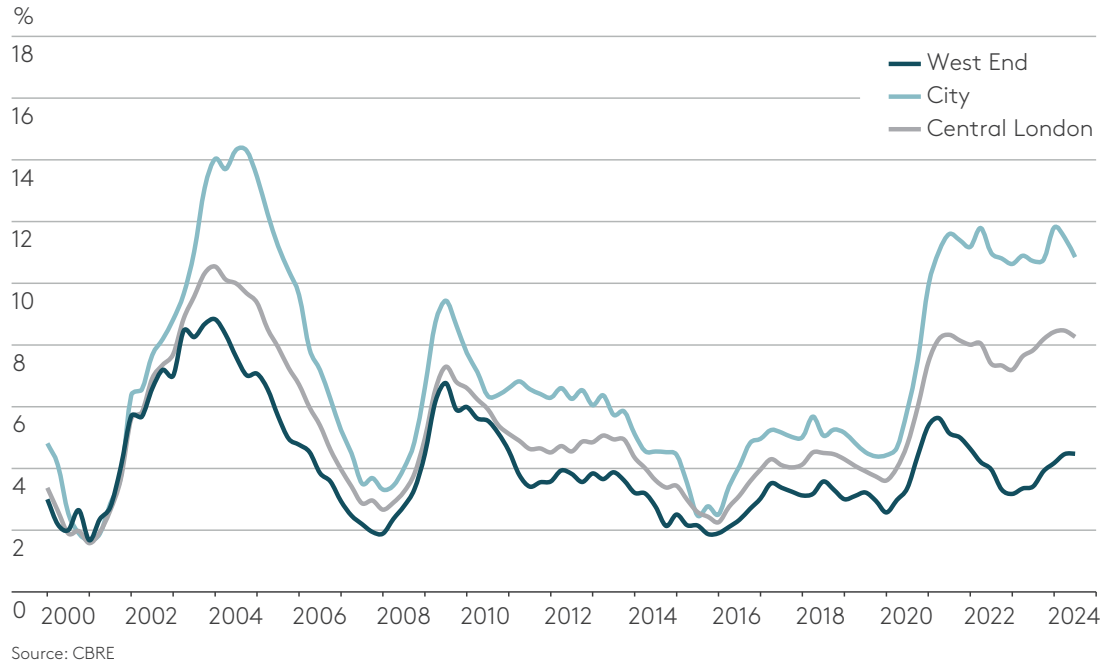
- 11.2m sq ft of active demand
 - 56% above 5-year average
 - 14% above Q4 2023
 - 46% above Q2 2023

Active demand

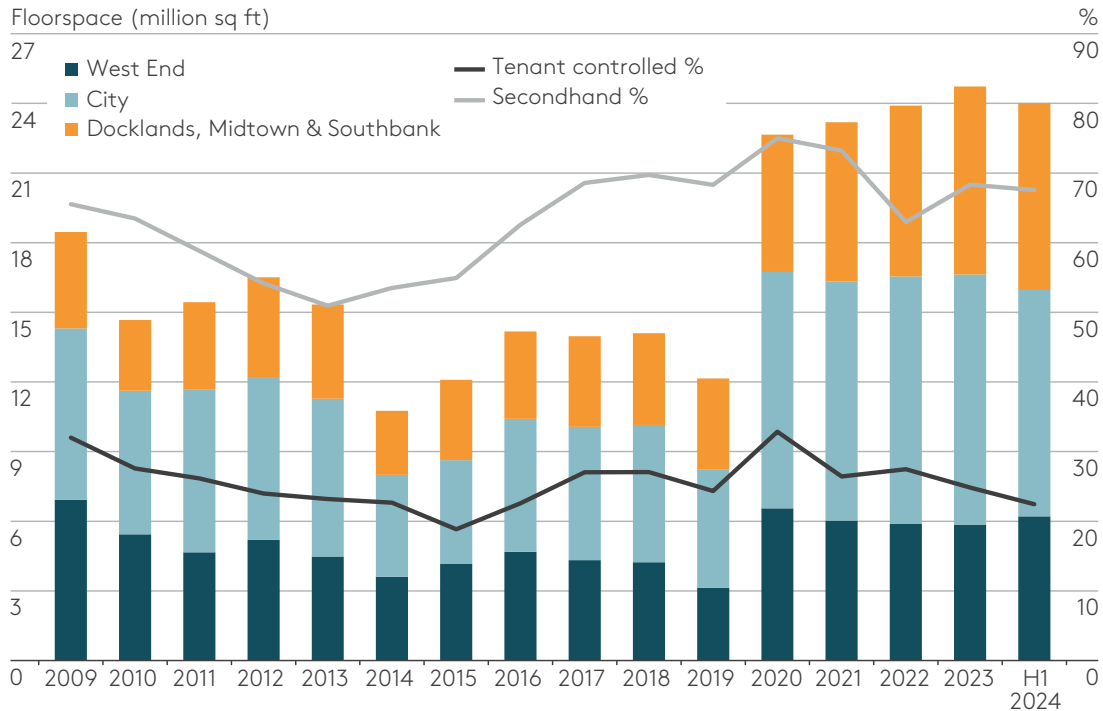


Source: CBRE

Appendix 33 – Vacancy rates



Appendix 34 – Availability by location



Source: CBRE

Appendix 35 – Supply

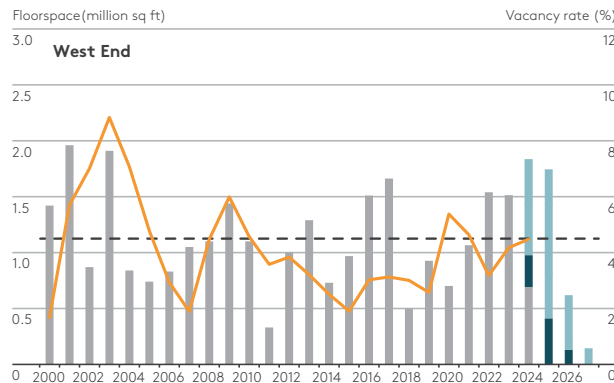
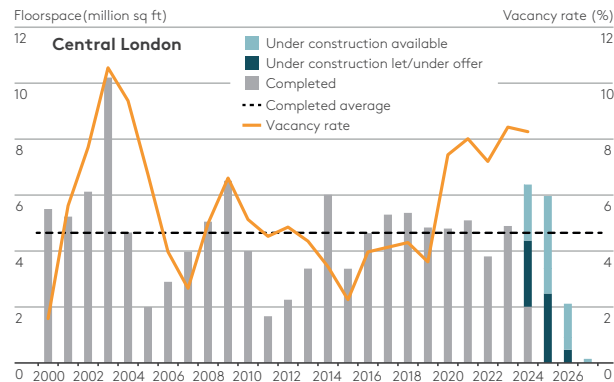
Existing supply

- Central London vacancy rate 8.3% at 30 June 2024
 - Down from 8.4% at the end of 2023
 - LTA 5.5%
 - 68% secondhand – unchanged for 12 months
 - 22% tenant controlled (25% in Q4 2023, 28% in Q2 2023)
- West End vacancy rate 4.5%
 - 4.2% at Q4 2023; 4.1% LTA
- City vacancy rate 10.8%
 - 11.8% at Q4 2023; 7.0% LTA

Future supply

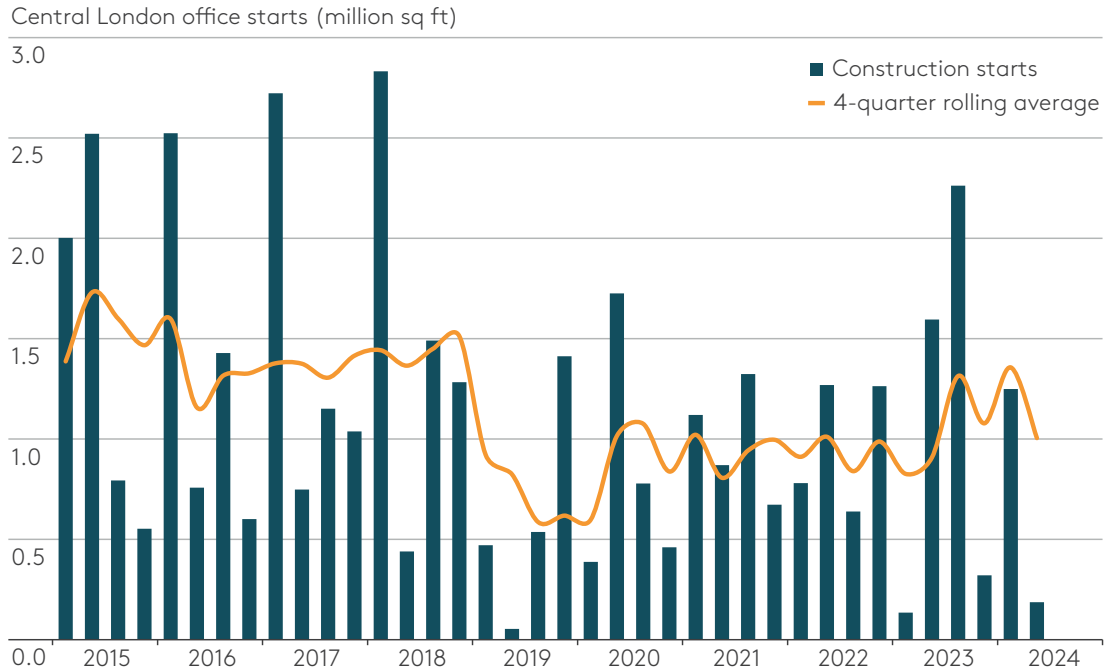
- 2.0m sq ft completed in H1 2024
- 12.8m sq ft on site (43% pre-let or under offer)
 - 4.4m sq ft due in H2 2024 (54% pre-let)
 - 6.0m sq ft due in 2025 (42% pre-let)
 - 2.1m sq ft due in 2026 (22% pre-let)

Office development pipeline



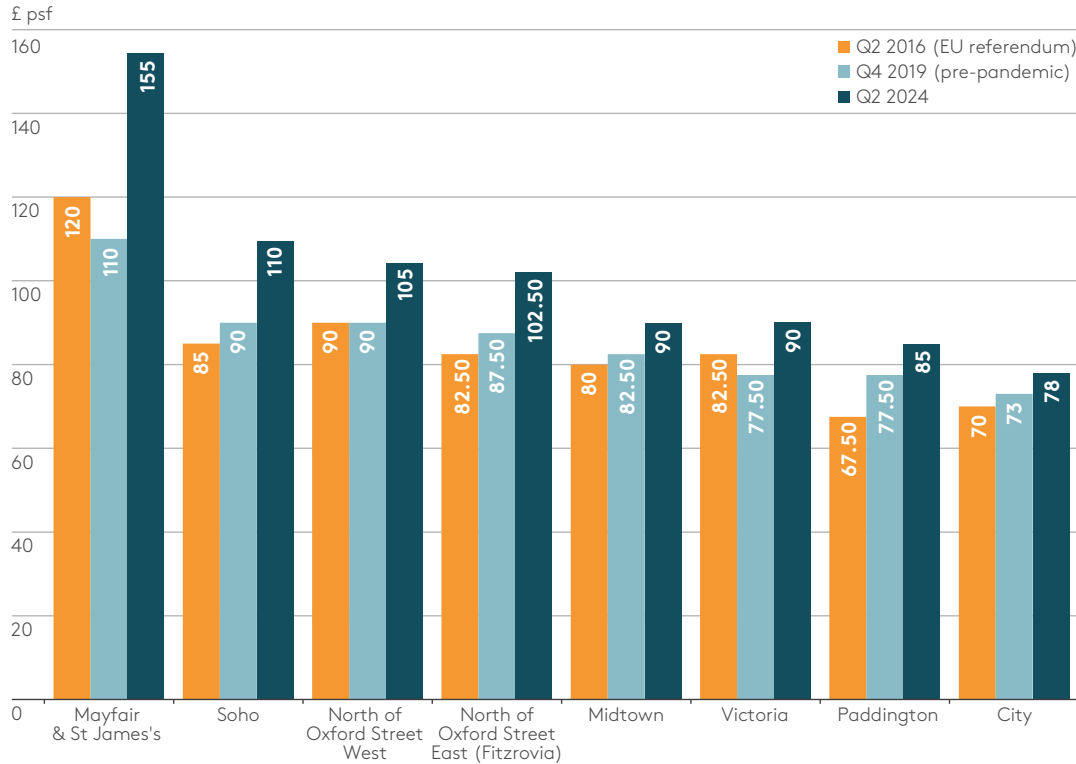
Source: CBRE

Appendix 36 – New construction starts



Source: CBRE

Appendix 37 – Prime office rents



Source: CBRE

Appendix 38 – Investment market

- £1.9bn of investment transactions in H1 2024

- Lowest H1 total in 25+ years
- 33% lower than H1 2023
- £1.1bn in Q1, £0.8bn in Q2

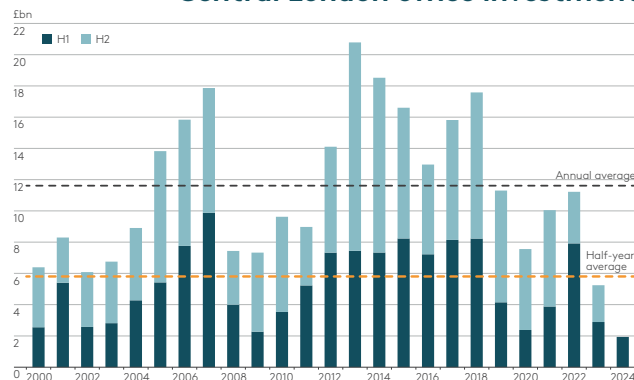
- 71% of H1 2024 investment activity from UK investors

- 39% UK property companies, 32% UK other
- Well above the 10-year annual average of 29%

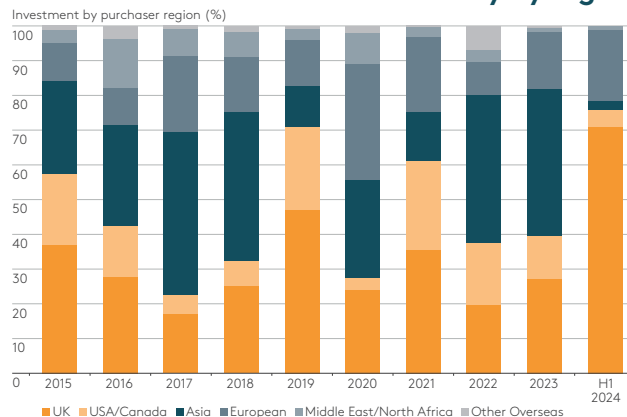
- 29% of activity from overseas investors

- 21% Europe (16% 10-year average)
- 5% US/Canada (15% average)
- 2% Asia (31% average)
- 1% Middle East/North Africa (7% average)

Central London office investment

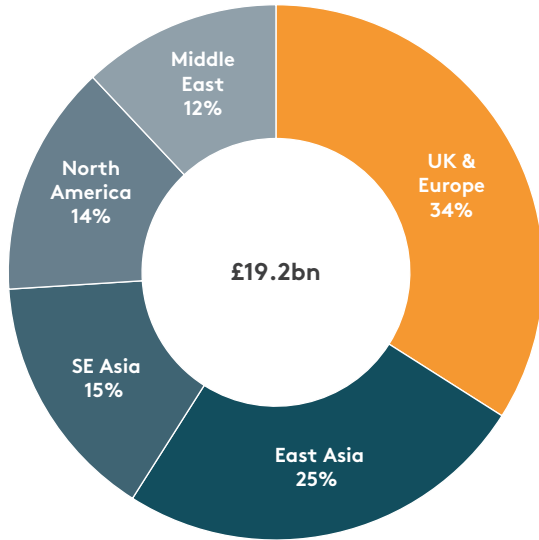


Investment activity by region



Appendix 39 – Investment demand

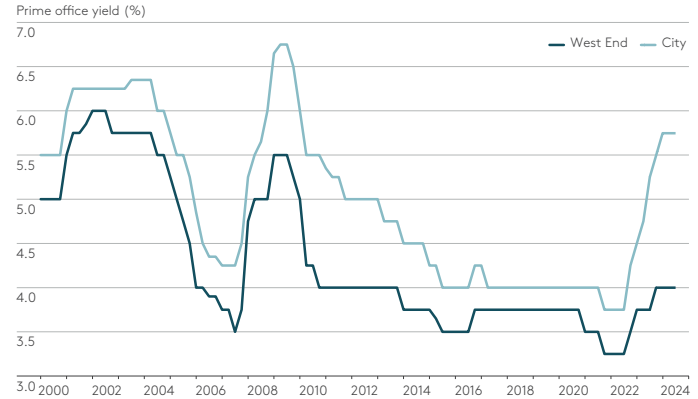
Investment demand by source



Source: CBRE

- £19.2bn of investor demand at H1 2024
 - £20.2bn at YE 2023
- £2.7bn of property on the market
 - £4.1bn at YE 2023

Central London office yields



Source: CBRE

- Prime office yields unchanged in H1 2024
 - West End 4.0% (3.25% at H1 2022)
 - City 5.75% (3.75% at H1 2022)



Developments & refurbishments

Appendices

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Appendix 40 – Developments on site: profit on cost

25 BAKER ST. W1 NETWORK



Completion		H1 2025	H2 2025
Commercial area (sq ft)	385,000	246,000 ³	139,000
Residential area (sq ft)	52,000	52,000 ⁵	-
Total area (sq ft)	437,000	298,000	139,000
Est. future capex (£m)	153	82	71
Total cost (£m) ¹	740	490	250
ERV (c.£ psf)	-	100	95
ERV (£m pa)	34.0	20.9 ⁵	13.1
Pre-let/sold area (sq ft)	228,500	228,500 ⁶	-
Pre-let net income (£m pa)	17.4	17.4	-

Summary	£m
End value	847
Less: Total cost ¹	740
Project surplus	107
Less: Booked to Jun 24	31
Surplus to come	76
Profit on total cost	14%
Yield on cost²	6.0%

Sensitivity⁴ – project surplus (£m), profit on cost (%) and development yield (%)

		Valuation yield		
		+0.25%	Base	-0.25%
Rent	-£10.00 psf	£40m	£72m	£107m
		5%	10%	14%
	Base	5.7%	5.7%	5.7%
		£74m	£107m	£144m
	10%	14%	19%	
	6.0%	6.0%	6.0%	
+£10.00 psf	£107m	£142m	£175m	
	14%	19%	23%	
		6.3%	6.3%	6.3%

¹ Comprising book value at commencement, capex, fees and notional interest on land, voids and other costs. 25 Baker Street W1 includes a profit share to The Portman Estate

² Assumes the residential value reduces the total costs ³ 218,000 sq ft offices, 28,000 sq ft retail, 45,000 sq ft private residential and 7,000 sq ft affordable residential

⁴ Sensitivity applied to non pre-sold or pre-let commercial floor areas ⁵ Long leasehold, net of 2.5% ground rent ⁶ 172,600 sq ft pre-let and 55,900 sq ft pre-sold

Appendix 41 – Project summary: current projects

Property	Current net income £m pa	Pre scheme area '000 sq ft	Proposed area '000 sq ft	H2 2024 capex £m	2025 capex £m	2026+ capex £m	Total capex to complete £m	Delivery date	Current office c.ERV psf
On-site/completed major projects									
25 Baker Street W1 ¹	-	143	298	38	44	-	82	H1 2025	£100
Network W1	-	70	139	23	46	2	71	H2 2025	£95
Other	-	-	-	2	-	-	2		
	-	213	437	63	90	2	155		
Other									
Strathkelvin Retail Park (Scotland)	-	-	-	7	10	-	17		
Lochfaulds solar park (Scotland)	-	-	-	2	10	5	17		
Planning and design ²	-	-	-	11	7	-	18		
Other ³	-	-	-	13	31	37	81		
	-	-	-	96	148	44	288		
Capitalised interest	-	-	-	7	8	-	15		
Total	-	213	437	103	156	44	303		

¹ Includes profit share payments and expenditure on trading property/stock

³ Includes EPC upgrades. Excludes major refurbishments not yet committed

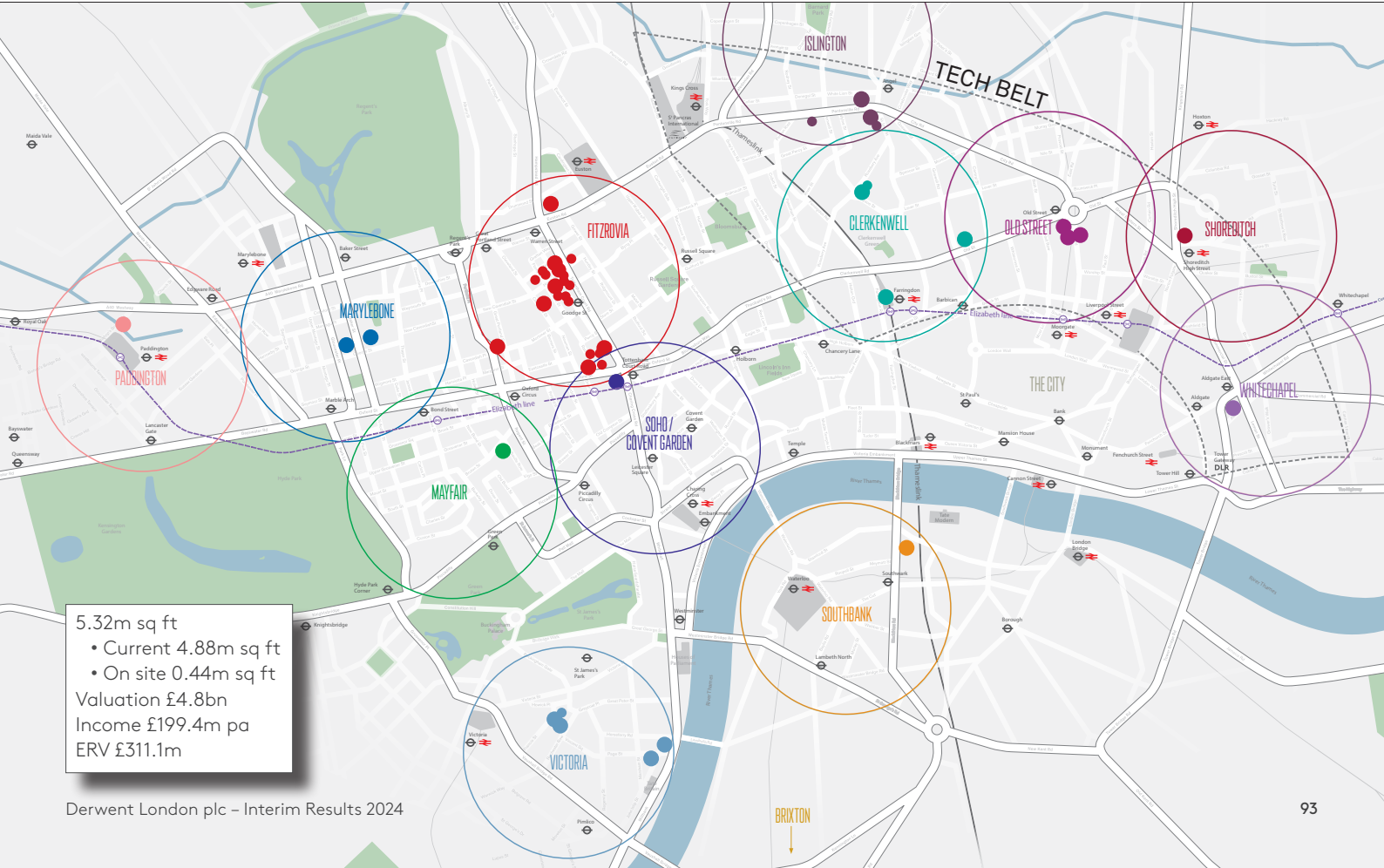
² Includes 50% share of 50 Baker Street W1 JV scheme and Old Street Quarter EC1

Appendix 42 – Project summary: future projects

Property	Current net income £m pa	Pre-scheme area '000 sq ft	Proposed area '000 sq ft	Earliest possession year	Comment
Consented					
Holden House W1	4.1	91	150	2025	
Strathkelvin Retail Park (Scotland)	0.9	108	130	2024	B&Q unit sub-division commenced in Q3
	5.0	199	280		
Under appraisal¹					
50 Baker Street W1 JV ²	2.4	61	120	2026	Joint venture, shown at 50% share
Greencoat & Gordon House SW1	6.1	138	138	2026	
20 Farringdon Road EC1	5.4	166	166	2027	
Other ³	15.1	416	473		
	29.0	781	897		
Consented and under appraisal					
Future appraisal ⁴	33.3	1,037	1,037		Based on pre-scheme area
Current major projects	-	213	437		Appendix 41
Pipeline	67.3	2,230	2,651		

¹ Areas proposed are estimated from initial studies ² Planning application submitted ³ Includes refurbishment opportunities at Middlesex House W1, 1 Oliver's Yard EC1, Blue Star House SW9 and 4 & 10 Pentonville Road N1 ⁴ Includes redevelopment /refurbishment opportunities at 230 Blackfriars Road SE1, 1-2 Stephen Street W1 and 250 Euston Road NW1

Appendix 43 – Portfolio map



Executive Committee and senior management

Executive Committee

Paul Williams	Chief Executive
Damian Wisniewski	Chief Financial Officer
Nigel George	Executive Director
Emily Prideaux	Executive Director
David Lawler	Company Secretary
Richard Baldwin	Director of Development
Richard Dean	Director of Investment
Jennifer Whybrow	Head of Financial Planning & Analysis
Jay Joshi	Group Financial Controller
Vasiliki Arvaniti	Head of Asset Management
Victoria Steventon	Head of Property Management
John Davies	Head of Sustainability
Philippa Abendanon	Head of Leasing
Robert Duncan	Head of IR & Strategic Planning
Katy Levine	Head of Human Resources
Matt Cook	Head of Digital Innovation & Technology
Julie Schutz	Head of Internal Audit

Senior management

Lesley Bufton	Head of Marketing
Tim Hyman	Group Architect
Benjy Lesser	Head of Design & Innovation
Matt Massey	Head of Project Management
Heethen Patel	Financial Controller
Matt Peaty	Head of Health & Safety
Giles Sheehan	Head of Investment
Jonathan Theobald	Head of Investment Analytics

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