

# 2019 SUMMARY

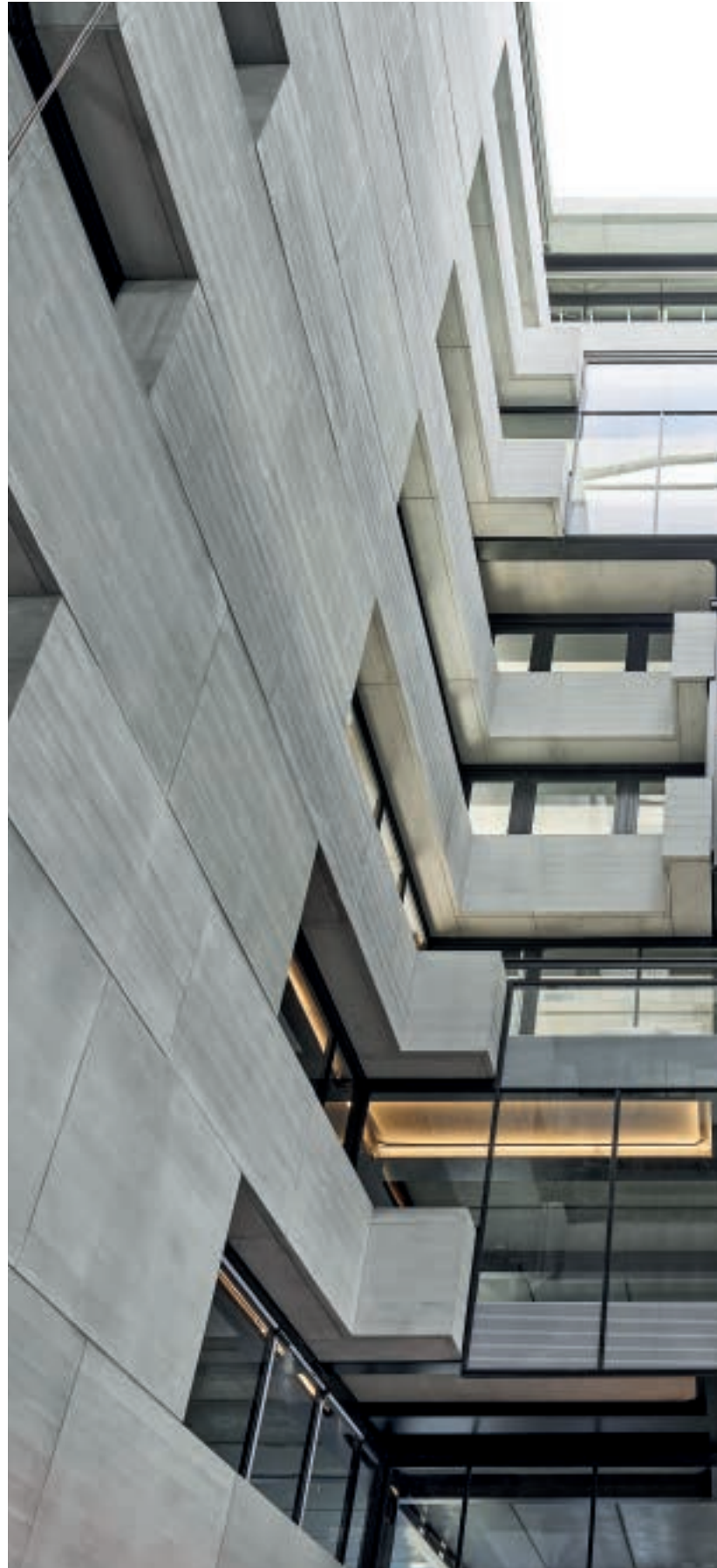
The Group had another year of strong operational performance, significantly outperforming its property return benchmark while also progressing with a refreshed responsibility policy and strategy.

## OPERATING HIGHLIGHTS

- New lettings of £34.0m, 6.9% above ERV
- Brunel Building showed 60% profit on cost
- 790,000 sq ft on-site development programme, 72% pre-let
- Rent reviews and renewals on 545,000 sq ft, raising existing rents 24.1%
- Gross proceeds of £181.7m from four property disposals
- Total property return 7.4% vs MSCI IPD benchmark of 4.1%
- EPRA vacancy rate fell to 0.8%
- Repurchased £150m convertible bonds 2019 with concurrent issue of £175m convertible bonds 2025
- Extended the £450m revolving credit facility including an innovative £300m 'green' tranche

## STAKEHOLDERS AND RESPONSIBILITY

- Net zero carbon target brought forward to 2030 from 2050
- 10% reduction in like-for-like carbon intensity
- Signed the Better Building Partnership's climate change commitment
- Staff survey reported 92.5% satisfaction
- Average supplier payment terms 25 days





## REASONS TO INVEST

### London - an attractive and established global office centre

With employment rising, London's vacancy rates have fallen. In addition, investment yields are relatively attractive compared to most major European markets

**6.1m**

Jobs in London

### Experienced and collaborative team

The Group has established a brand through regeneration projects with a focus on innovative design and occupier needs

**1.7m sq ft**

Project pipeline

### Derwent London's product is in demand

Pre-lettings at our 790,000 sq ft under development will contribute £40.9m to rental income and our EPRA vacancy rate is only 0.8%

**72%**

Proportion of on-site developments pre-let

### Growing earnings and dividends

Strong asset and financial management help ensure balanced capital and income growth, supporting a progressive dividend policy

**10.4%**

Annual compound dividend growth since 2009

### Strong balance sheet

A policy of low financial leverage and active financial management gives the Group resources to deliver its current projects as well as take on new opportunities

**16.9%**

Loan-to-value ratio

### A responsible business

The Group behaves responsibly with all its stakeholders and in 2020 set a target to be net zero carbon by 2030

**44%**

Reduction in carbon intensity since 2013