

**SONGBIRD ESTATES PLC  
PRESS RELEASE BY MAIN OPERATING SUBSIDIARY**

For the attention of shareholders in Songbird Estates plc and Canary Wharf Group plc

Songbird Estates plc sets out an announcement which is today being released by its subsidiary, Canary Wharf Group plc.

**LEHMAN BROTHERS ANNOUNCEMENT**

In view of the situation concerning Lehman Brothers Limited ('Lehmans') at Canary Wharf, Canary Wharf Group plc makes the following statement to clarify the current position.

Lehmans currently leases approximately 1.023 million sq ft in 25 Bank Street on a tenancy which is due to expire in July 2033. Lehmans occupies approximately 875,000 sq ft. Of the remaining 148,000 sq ft approximately 100,000 sq ft is sub-let until 2013 and the balance sub-let for a maximum of 2 years. The current rent payable by Lehmans is £41 psf which will rise to £53 psf in November 2008. The obligations of the tenant under the lease are guaranteed by Lehman Brothers Holdings Inc.

25 Bank Street is included within the Canary Wharf Finance II plc ('CWF II') securitisation structure through which approximately £2.55 billion of secured bonds have been issued. Holders of the secured bonds issued by CWF II have recourse only to the assets, guarantees and liquidity facility of CWF II and there is no recourse to Canary Wharf Group plc or its shareholders.

This securitisation has the benefit of a facility supplied by AIG Financial Products Corp. ('AIG') which provides for payment of rent by AIG in the event of a default by Lehmans for a period of up to 4 years from default.

Following a fall in the long term credit rating of American International Group Inc., AIG is obliged to post collateral or have the AIG commitment guaranteed by an entity with specified credit ratings. CWF II also has the benefit of a £300 million liquidity facility provided by Lloyds Bank plc, under which drawings can be made in the event of a cash flow shortage under the securitisation.

The board of Canary Wharf Group plc will continue to monitor the situation and anticipates that discussions with the administrator of Lehmans will commence shortly.

**Enquires:**

**Date: 16 September 2008**

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