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**Songbird Estates plc (“Songbird” or the “Company”)
Further information regarding proposed substantial new equity issue and loan
purchase**

On 28 August 2009 Songbird announced a proposed fundraising (the “Share Issue”) by way of an issue of ordinary shares (“Ordinary Shares”) and preference shares (the “Preference Shares”) by the Company to allow the Company to purchase and repay its £880 million Citi senior loan facilities (the “Citi Facilities”).

Songbird intends to provide full details of the Share Issue with its half-yearly results on or around 24 September 2009. In the meantime, the Company is providing details on the proposed offer structure for the Ordinary Shares and the terms of the Preference Shares as follows.

Pre-Emption Rights of Existing Shareholders

The offer structure for the Ordinary Shares will protect the pre-emption rights of existing B ordinary shareholders. The Ordinary Shares shall be issued as part of a compensatory open offer that will provide existing B ordinary shareholders with the opportunity to subscribe for new Ordinary Shares at a subscription price of 1 pence per share (the “Subscription Price”) pro rata to their existing shareholdings.

Ordinary Shares not taken up by holders of existing B ordinary shares will be sold in a rump placing and proceeds, net of expenses, (if any), in excess of the Subscription Price will be paid to such shareholders.

Rights Attaching to the Preference Shares

The Preference Shares, which will be placed with Qatar Holding LLC and China Investment Corporation, will be non-voting and non-convertible. They will carry a fixed cumulative preferential yield of 10% per annum payable quarterly in arrear which will compound to the extent not paid and be paid in priority to all other classes of shares. The Preference Shares will be freely transferable but will not be listed on any exchange and shall rank ahead of all other classes of share capital in the event of liquidation. Whilst the Preference Shares are outstanding, the payment of any dividend to the ordinary shareholders and certain other matters will require the prior consent of persons holding at least 75% of the Preference Shares.

The Preference Shares may not be redeemed until after the second anniversary of the issue date. Thereafter, they shall be redeemable at the option of the Company subject to the Company paying a premium, ranging from 5% to 2%, if they are redeemed prior to the fifth anniversary of the date of issue. After the fifth anniversary of the issue date, the Preference Shares shall be redeemable, in whole or in part, at any time at the option of the holder of the Preference Shares, save that the Company shall have the right to defer the redemption until the seventh anniversary of the issue date, subject to a step-up in yield on the Preference Shares.

Dated 3 September 2009

Contact for queries:

Songbird Estates plc
John Garwood
Company Secretary
Tel.: +44 (0)20 7477 1000

J.P. Morgan Cazenove
Naguib Kheraj / Bronson Albery
Tel: +44 (0)20 7588 2828

Morgan Stanley
Nick White / Suniti Chauhan
Tel: +44 (0)20 7425 8000

Rothschild
Duncan Wilmer
Tel: +44 (0)20 7280 5000

Alpha Real Estate Advisors LLP
John Carrafiell
Tel: +44 (0)20 7425 5654

Tulchan Communications
James Bradley / Lucy Legh
Tel: +44 (0)20 7353 4200

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