

Songbird Estates plc ('the Company')

Ordinary Shares of 10pence each ("Ordinary Shares")

ISIN code GB00B4MTF637

NOTIFICATION OF MAJOR INTEREST IN SHARES

On 10 May 2010, the Company received the following notification:

That as at 29 April 2010 Morgan Stanley (Institutional Securities Group and Global Wealth Management), via its controlled undertakings as set out in the following table, had an interest in 58,107,265 Ordinary Shares representing 8.86% of the total voting rights in issue.

| <u>Name</u> | <u>No. of Ordinary Shares</u> | <u>% of Voting Rights</u> |
|---|-------------------------------|---------------------------|
| Morgan Stanley Securities Ltd | 698,646 | 0.11 |
| MSREF IV International-GP, LLC ¹ | 36,049,792 | 5.50 |
| MSDW Real Estate Special Situations II, Inc. ¹ | 263,094 | 0.04 |
| MSRESS II GP-Co-Investment Ltd ² | 21,091,186 | 3.22 |
| MSQ GP, L.L.C | 4,547 | 0.0007 |

Note:

1. as general partner of the series of real estate private equity funds that it manages.
2. as general partner of MSRESS II Co Investments Partnerships L.P.

The notification also stated that Morgan Stanley (Institutional Securities Group and Global Wealth Management) had an interest in 840,494 warrants issued by the Company over Ordinary Shares which represented 0.13% of the total voting rights in issue. The notification confirmed that the warrants are exercisable at 1.5p per warrant (subject to adjustment in accordance with the terms and conditions of the warrants) between 19 October 2009 and 19 October 2012.

Morgan Stanley (Institutional Securities Group and Global Wealth Management) previously had a direct interest based on the total voting rights which equals to 61,221,057 (9.34%), post share consolidation and reorganisation of the share capital structure of the Company.

As at 5 May 2010 the total number of voting rights of the Company was 655,538,962.

Dated: 10 May 2010

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Company official making announcement:
John Garwood, Company Secretary, Songbird Estates plc