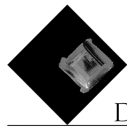


THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Existing Shares before the close of business on 24 June 2009 (the Ex-entitlement Date), please send this Circular, together with the accompanying Form of Proxy and any accompanying Application Form, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including but not limited to, subject to certain exceptions, the United States or the Excluded Territories. If you sell or have sold or otherwise transferred only part of your holding of Existing Shares, please contact the bank, stockbroker or other agent through whom the sale or transfer was effected immediately.

The distribution of this Circular together with the accompanying Form of Proxy into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Circular together with the accompanying Form of Proxy comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, neither the Circular nor the Form of Proxy and any other related documents (if and when received) should be distributed, forwarded to or transmitted in or into the United States or the Excluded Territories.



DEVELOPMENT
SECURITIES PLC

Development Securities PLC

(incorporated and registered in England and Wales with Registered No. 1528784)

**Firm Placing of 16,666,667 New Shares and Placing and Open Offer of 24,986,593 New Shares
at 240 pence per New Share**

Circular and Notice of Extraordinary General Meeting

This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

This Circular does not constitute a prospectus or prospectus equivalent document. The Prospectus containing details of the Firm Placing and Placing and Open Offer (including details of the New Shares) will not be posted to Shareholders but will be published on the Company's website at www.developmentsecurities.co.uk on or around 24 June 2009. Investors should not apply to acquire any New Shares referred to in this Circular except on the basis of the information, and the terms and conditions of the Firm Placing and Placing and Open Offer, contained in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Application Form.

This Circular is not for distribution in or into the United States. The New Shares have not been and will not be registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, delivered or distributed, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer in the United States.

The New Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Shares or the accuracy or adequacy of this Circular. Any representation to the contrary is a criminal offence in the United States.

Notice of an Extraordinary General Meeting of the Company to be held on the 11th Floor, Portland House, Bressenden Place, London SW1E 5DS at 2.30 p.m. on 10 July 2009 is set out at the end of this Circular. A Form of Proxy for use at the Extraordinary General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by the Company's registrars, Capita Registrars Limited (Proxies), PO Box 25, Beckenham, Kent BR3 4BR, as soon as possible but, in any event, so as to arrive no later than 2.30 p.m. on 8 July 2009. Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting at the Extraordinary General Meeting in person should they wish to do so.

The Existing Shares are listed and admitted to trading on the London Stock Exchange's main market for listed securities. Application will be made to the UK Listing Authority and to the London Stock Exchange for the New Shares to be admitted to the Official List of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange, respectively. It is expected that Admission will become effective and that dealings on the London Stock Exchange in the New Shares will commence at 8.00 a.m. (London time) on 15 July 2009.

Collins Stewart Europe Limited ("Collins Stewart"), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company and for no one else in connection with the Firm Placing and Placing and Open Offer and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the Firm Placing and Placing and Open Offer or any other matter referred to herein.

Apart from any responsibilities and liabilities, if any, which may be imposed on Collins Stewart by the FSMA, Collins Stewart accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for the contents of this Circular, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the New Shares or the Firm Placing and Placing and Open Offer and nothing else in this Circular is, or shall be relied upon as, a promise or representation in this respect, whether past or future. Collins Stewart accordingly disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Circular or any such statement.

Collins Stewart may engage in trading activity for the purpose of hedging its commitment under the Placing Agreement. Such activity may include purchases and sales of securities of the Company and related or other securities or instruments. In connection with the Firm Placing and Placing and Open Offer, Collins Stewart and any of its affiliates, acting as investors on their own accounts, may take up New Shares in the Placing and Open Offer and in that capacity may retain, purchase or sell for their own account such New Shares or related investments otherwise than in connection with the Firm Placing and Placing and Open Offer. Accordingly, references in this Circular to New Shares being offered or placed should be read as including any offering or placement of New Shares to Collins Stewart or any of its affiliates acting in such capacity. Collins Stewart does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such information or representations must not be relied upon as having been authorised by Development Securities or Collins Stewart. Neither the delivery of this Circular nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Development Securities since the date of this Circular or that the information in this Circular is correct as at any time subsequent to its date.

FORWARD-LOOKING STATEMENTS

This Circular contains “forward-looking statements”, within the meaning of Section 27A of the US Securities Act and Section 21E of the US Exchange Act, regarding the belief or current expectations of the Company, the Directors and other members of senior management about the Company’s businesses and the transactions described in this Circular, including statements relating to possible future write-downs or movements in property prices and the Company’s capital and financial planning projections. Generally, words such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions identify forward-looking statements.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, that may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements.

These forward-looking statements speak only as at the date of this Circular. Except as required by the FSA, the London Stock Exchange, the Part VI Rules or applicable law, the Company does not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. Except as required by the FSA, the London Stock Exchange, the Prospectus Directive, the Listing Rules, the Disclosure and Transparency Rules or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

TABLE OF CONTENTS

	<i>Page</i>
Expected timetable of principal events	4
Where to find help	5
Letter from the Chairman of Development Securities PLC.....	6
Definitions	14
Notice of Extraordinary General Meeting	18

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change.

<i>Event</i>	<i>Time and/or date</i>
Record Date for entitlement under the Open Offer	close of business on 23 June 2009
Announcement and publication of Prospectus and Application Form	24 June 2009
Ex-entitlement Date for the Open Offer	8.00 a.m. on 24 June 2009
Open Offer Entitlements credited to stock account of Qualifying CREST Shareholders in CREST	8.00 a.m. on 25 June 2009
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 3 July 2009
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 6 July 2009
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 7 July 2009
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 9 July 2009
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	2.30 p.m. on 8 July 2009
Extraordinary General Meeting	2.30 p.m. on 10 July 2009
Admission and commencement of dealings in the New Shares	8.00 a.m. on 15 July 2009
New Shares in uncertificated form expected to be credited to accounts in CREST	as soon as possible on 15 July 2009
Dispatch of definitive share certificates for the New Shares in certificated form	by 22 July 2009

Notes:

(1) The times and dates set out in the expected timetable of principal events may be adjusted by Development Securities in consultation with Collins Stewart, in which event details of the new times and dates will be notified to the UK Listing Authority, the London Stock Exchange and, where appropriate, Qualifying Shareholders.

(2) References to times in this timetable are to London times.

WHERE TO FIND HELP

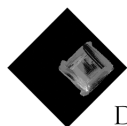
If you have further questions, please telephone the Shareholder Helpline on the numbers set out below. This helpline is available from 9.00 a.m. to 5.00 p.m. on any London Business Day.

Shareholder Helpline

0871 664 0321 (from inside the UK) or
+ 44 20 8639 3399 (from outside the UK)

Calls to the Capita Registrars 0871 644 0321 number are charged at 10p per minute (including VAT) from a BT landline. Other service providers' costs may vary. Calls to the Capita Registrars +44 20 8639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. For legal reasons, the Shareholder Helpline will be unable to give advice on the merits of the Firm Placing and Placing and Open Offer or to provide financial, tax or investment advice.

LETTER FROM THE CHAIRMAN OF DEVELOPMENT SECURITIES PLC



DEVELOPMENT
SECURITIES PLC

(Incorporated and registered in England and Wales with registered no. 1528784)

Registered office:

Development Securities PLC
Portland House
Bressenden Place
London SW1E 5DS

24 June 2009

Dear Shareholder,

Capital raising by way of a Firm Placing of 16,666,667 New Shares and Placing and Open Offer of 24,986,593 New Shares at 240 pence per New Share to Qualifying Shareholders

1. Introduction

On 24 June 2009, the Board announced a share issue to raise proceeds of approximately £94.0 million, net of expenses, by way of the Firm Placing and Placing and Open Offer. The Issue Price represents a 9.1 per cent. discount to the closing middle-market price of 264 pence per Ordinary Share on 23 June 2009, being the last Business Day before the announcement of the Firm Placing and Placing and Open Offer.

16,666,667 New Shares will be issued through the Firm Placing and 24,986,593 New Shares will be issued through the Placing and Open Offer.

The purpose of this letter is to set out the background to, reasons for and details of the Firm Placing and Placing and Open Offer and to explain why the Directors believe it is in the best interests of the Company and the Shareholders as a whole.

2. Background to and reasons for the Firm Placing and Placing and Open Offer

Development Securities' business focuses on UK commercial property development and also UK property investment. Its principal objective is to carry out substantial and complex development in a risk-averse manner with a view to generating returns for its shareholders. In recent years, Development Securities' commercial development projects have provided a greater contribution to shareholder returns than property investment.

The principal focus for development activity, through Development Securities' Trading and Development division, has been the provision of large-scale, multi-phase, urban developments in the office, retail and leisure sectors, with sites in central and suburban London and main provincial UK cities. The Directors believe that this is where the reputation and profile of the Company is held in high regard within the UK property market. In addition, the Company develops more modest schemes, either solely or in joint venture, with a focus on shorter term generation of profits and recycling of working capital. The property investment business, through the Investment division, acquires and holds a limited number of investment properties in the UK to provide the Company with a stable base of income to contribute to overheads and interest costs. The Company also undertakes a serviced office business through its Operating division.

The Company has maintained its principal strategy of developing property assets for third parties, using a mixture of forward-funding, pre-sale, debt finance and joint venture arrangements. The Directors believe that the Company should continue with this focus, given the experience of the

senior development management team and the working relationships that have been developed by Development Securities with the relevant local authorities, commercial property agents, funding partners and banks.

The UK's property markets have a record of responding to major shifts in both supply and demand. In recent times, the rental cycle peaked in 1988, then again in 2000 and most recently in 2007. Since the peak in 2007, capital values in these markets have declined markedly reflecting primarily softening yields and falling rental values. To the end of May 2009, this fall in values from the peak in 2007 has been 43.6 per cent. as measured by IPD. The Directors believe that this decline in values will continue further and is reflected in the current discounts at which UK property companies' shares are trading to their historical net asset values. However, given the rapid rate of this decline in values, the Directors believe that properties potentially suitable for development or refurbishment, or to enhance the Company's investment portfolio, may be available to be purchased at attractive levels.

Historical analysis of the property cycles indicates that it has taken two to four years from a low point for the market to recover to a point where risks and returns on development projects start to become commercially attractive to institutional property investors. If such a cycle is to be repeated, in order for the Company to participate in the early years of the cycle and benefit from any upturn, the Directors believe that they need to position the Company so as to be able to secure development roles in the near term. At this relatively early stage in the property cycle, property development frequently requires developers such as Development Securities to provide a higher level of financing or equity commitment to developments than is normally the case. Therefore, in order to take full advantage of the eventual expected upturn both in central London and in wider London and provincial property markets, the Group will require additional financial resources to enable it to make the equity commitments required to co-invest and to secure a participation in potential development projects. Current market conditions, and the constraint on bank lending to development projects, are resulting in a number of smaller, shorter term opportunities for the Company's Trading and Development activity. In addition, the Directors believe that these conditions offer opportunities to strengthen the Group's investment property portfolio including some opportunities to acquire assets which may, in the longer term, represent redevelopment projects.

As at 31 December 2008, the Company reported an investment portfolio valued at £134.1 million, and cash of £60.7 million. The Company has a development portfolio of nine projects at varying stages of completion, which management estimates has a market value in aggregate upon completion in excess of £600 million. Development Securities has largely avoided acquisitions of over-priced property opportunities in the lead up to the market highs seen in 2007, and has also maintained its prudent approach to leverage. As a consequence, the proposed Firm Placing and Placing and Open Offer is focused on enabling Development Securities to invest in new assets that have declined in value since market highs, as opposed to applying funds to the repayment of debt. The Company intends to use the Net Proceeds from the Firm Placing and Placing and Open Offer primarily to take advantage of the current property market dislocation, as described in paragraph 5 of this letter.

3. Principal terms of the Firm Placing and Placing and Open Offer

Development Securities is proposing to raise approximately £94.0 million, net of expenses, by way of the Firm Placing and Placing and Open Offer. 16,666,667 New Shares will be issued through the Firm Placing and 24,986,593 New Shares will be issued through the Placing and Open Offer.

The share issue is structured as a Firm Placing and Placing and Open Offer to combine the flexibility of enabling existing Shareholders to subscribe as part of the issue on a pre-emptive basis, whilst also being able to satisfy the significant demand received from new investors to subscribe for New Shares in the Company. In addition, by providing for a Firm Placing on a non pre-emptive basis, the Company was able to maximise the Issue Price due to the demand received from potential new investors. The Directors therefore believe that the Firm Placing and Placing and Open Offer structure is in the best interests of the Company for the future.

Placing and Open Offer

The Issue Price of 240 pence per Open Offer Share represents a discount of 24 pence (9.1 per cent.) to the closing middle-market price of 264 pence per Ordinary Share on 23 June 2009, being the last Business Day prior to announcement of the Firm Placing and the Placing and Open Offer.

Qualifying Shareholders, on and subject to the terms and conditions of the Open Offer, are being given the opportunity to apply for the Open Offer Shares at the Issue Price pro rata to their holdings of Existing Shares on the Record Date on the basis of:

8 Open Offer Shares for every 13 Existing Shares

Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders in the Open Offer and fractional entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their maximum entitlement which, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown in Box 5 on their Application Form, or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements at 8.00 a.m. on 25 June 2009. Qualifying Shareholders with holdings of Existing Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their entitlements under the Open Offer.

The Placing and Open Offer has been fully underwritten by Collins Stewart and is conditional upon, amongst other things, the Placing Agreement becoming unconditional in all respects and not being terminated. Collins Stewart has agreed under the Placing Agreement to procure subscribers for New Shares not taken up under the Placing and Open Offer or, failing that, to subscribe itself for such New Shares.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that the Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 25 June 2009. The Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on 25 June 2009. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear UK's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that their Application Form is not a negotiable document and cannot be traded.

The Open Offer is conditional upon, amongst other things, the passing of the Resolutions at the Extraordinary General Meeting and Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 15 July 2009 (or such later time and/or date as the Company and Collins Stewart may agree).

If Admission does not take place on or before 8.00 a.m. on 15 July 2009 (or such later time and/or date as the Company and Collins Stewart may agree), the Open Offer will lapse, any Open Offer Entitlements admitted to CREST will thereafter be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest as soon as practicable thereafter. In these circumstances the Placing to the Conditional Places will not proceed.

Application has been made to the UK Listing Authority for the Open Offer Shares to be admitted to the Official List and to the London Stock Exchange for the Open Offer Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that

Admission will become effective on 15 July 2009 and that dealings for normal settlement in the Open Offer Shares will commence at 8.00 a.m. on the same day.

Any Qualifying Shareholder who has sold or transferred all or part of his/her registered holding(s) of Ordinary Shares prior to the close of business on 24 June 2009 is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

The Open Offer Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing issued Ordinary Shares including the right to receive dividends or distributions made, paid or declared after the date of this Circular save for the final dividend declared for the 2008 financial year, and for any interim dividend that may or may not be declared when the interim results for the first six months of the 2009 financial year are announced. No temporary documents of title will be issued.

Development Securities is proposing to issue 24,986,593 Conditional Placed Shares pursuant to Placee Commitment Letters.

The commitments of the Conditional Placees are subject to clawback in respect of valid applications for Open Offer Shares by Qualifying Shareholders.

Firm Placing

Development Securities is proposing to issue 16,666,667 Firm Placed Shares pursuant to Placee Commitment Letters.

The Firm Placing has been fully underwritten by Collins Stewart pursuant to the Placing Agreement and is conditional, amongst other things, on the passing of the Resolutions at the Extraordinary General Meeting and Admission.

4. Effect of the Firm Placing and the Placing and Open Offer

Upon completion of the Firm Placing and the Placing and Open Offer, the New Shares will represent approximately 50.6 per cent. of the Company's Enlarged Issued Share Capital and the Existing Shares will represent approximately 49.4 per cent. of the Company's Enlarged Issued Share Capital. New Shares issued through the Placing and Open Offer and New Shares issued through the Firm Placing will account for approximately 60.0 and 40.0 per cent. respectively of the total New Shares issued through the Firm Placing and Placing and Open Offer.

Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market on behalf of or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but will be subscribed for under the Placing for the benefit of the Company. If any Shareholder does not take up its Open Offer Entitlements then, following the issue of the Open Offer Shares pursuant to the Open Offer, its interest in the Company will be diluted by approximately 50.6 per cent.

Over the longer term, the Firm Placing and Placing and Open Offer are expected to be accretive to the Group's earnings.

5. Use of proceeds

The Firm Placing and Placing and Open Offer is expected to raise approximately £94.0 million net of expenses. The Net Proceeds from the Firm Placing and Placing and Open Offer will be used by Development Securities to seek to capitalise on opportunities early in the property development cycle as well as to enhance the Group's investment portfolio as and when attractive opportunities are identified. The Net Proceeds have not been allocated to specific projects as no commitments have been made, however the Directors are appraising a number of opportunities, both in central London and in wider London and provincial markets. Such opportunities are distinct from those currently under offer, as described in paragraph 6 below, which are intended to be funded through existing resources and appropriate levels of debt finance.

To participate in development opportunities early in the property cycle invariably requires an element of equity investment or financing commitment from the developer. The Net Proceeds of the Firm Placing and Placing and Open Offer will strengthen Development Securities' negotiating position with potential vendors, forward-funding partners and occupiers. Property acquisitions at this early stage in the property cycle may well include buildings or sites that each have more than one prospective option in the way that latent value may be crystallised in either the short or medium term, e.g. tenanted properties that offer Development Securities rental income with the option of later redevelopment.

Although the Directors believe that lending covenants in a large number of loans financing development and investment properties in the UK are close to being breached, there is little evidence of lenders requiring the sale of such properties. In order to maximise the Group's opportunities, the Group may seek alternative access to properties in the UK by participating in the acquisition from lenders of existing loans secured on such properties. The Company's focus will be on commercial property rather than residential property. Such acquisitions would only relate to specific properties that have been extensively researched by the Group and should offer the prospect of attractive returns. Where the security is eventually enforced in the event of either a possible borrower default of some kind and/or an acceleration of the loan or other obligation, repayment of which is secured on the relevant property, the potential exists for the Group to participate (subject to certain legal limitations, e.g. on enforcing the security or the rights of other creditors) in the underlying property by way of development or further added value initiatives relating to the property. It is intended that such acquisitions should provide the Group with flexible access to UK property assets at a time when there is a limited conventional supply of suitable opportunities in the marketplace. Any such investments are likely to be made in conjunction with a funding partner, although more modest targets could be acquired by the Company on its own. In any event, the Directors anticipate that any such purchases would represent a relatively small proportion of the Company's business, and it is unlikely that the Company's participation in any one loan would exceed £5 million.

Pending use of the Net Proceeds of the Firm Placing and Placing and Open Offer as described above, Development Securities will hold the money in bank accounts or, where appropriate, through investment in UK government securities with a maturity of not more than 12 months or similar securities.

6. Current trading and prospects

The market challenges that were evident in 2008 have continued in 2009, reflecting softening yields and falling rental values (the IPD Index has shown falls of 3.0 per cent., 3.1 per cent., 3.1 per cent., 2.3 per cent. and 1.6 per cent. respectively for January, February, March, April and May 2009). In addition, the prospects for the UK economy in 2009 and 2010 remain uncertain with HM Treasury's comparison of independent forecasts for the UK economy, published in May 2009, suggesting on average negative GDP growth of 3.8 per cent. in 2009, improving in 2010. In addition, bank lending to the property sector remains very highly constrained. In the opinion of the Directors, these current market conditions are likely to continue in the near term. Accordingly, further reductions in the Company's net asset value are anticipated, in line with the underlying property market trends. The level of development earnings which Development Securities was able to generate in recent years is unlikely to be repeated in the next few years as no significantly profitable development projects will be concluded until the market enters a more positive phase. The Directors have responded to these market challenges by implementing a voluntary 10 per cent. reduction in remuneration for the Executive Directors and a voluntary 7.5 per cent. reduction for senior members of the management team with effect from January 2009.

In the near term, Development Securities will be focusing on securing participation in development sites that the Directors believe will provide potentially attractive returns in the future, as well as enhancing its investment portfolio where attractive opportunities exist. The Group continues to search for appropriate opportunities to invest surplus cash resources into investment properties to take advantage of relatively high yields available. The Directors intend to target investments at yields of between 8 per cent. and 15 per cent. Since 1 January 2009, the Company has made offers on several investment properties with a typical size of 100,000 square feet and commitments ranging

from £2 million to £15 million. In appraising such opportunities the Company will consider the availability of appropriate debt finance, which, if required, would be secured before any commitment was undertaken. Such commitments would not be funded through the Net Proceeds. This reflects a strategic decision by the Directors to reduce the Group's cash weighting in favour of investment property and is not a prerequisite for the successful execution of the Group's longer term strategy. As at the date of this Circular, no commitments have been made but the Directors believe that some of these offers may proceed to contract in the near term, subject to financing.

Similarly, the Group continues to evaluate prospective development projects, but since 31 December 2008 it has undertaken no new commitments. Since 31 December 2008 the Group has agreed further investments in joint ventures of approximately £5 million over the next two to four years, which will be financed from existing cash resources.

In addition, the Company is continuing to develop its projects at Two Kingdom Street, PaddingtonCentral, St Bride Street, London EC4, CityPark, Manchester and Weeke Local Centre, Winchester, all of which are proceeding substantially on time and budget.

The Directors believe that the Group's cash balances remain strong. Since 31 December 2008, the Company has renegotiated minimum net worth covenants in respect of three financial facilities in order to accommodate actual and prospective falls in net asset value.

7. Dividends and dividend policy

The New Shares will, when issued and fully paid, rank *pari passu* in all aspects with the Existing Shares, including the right to receive all dividends and other distributions (if any) declared, paid or made by Development Securities after the date of this Circular, save for the final dividend declared for the 2008 financial year, and for any interim dividend that may or may not be declared when the interim results for the first six months of the 2009 financial year are announced. With respect to the 2009 financial year, it is the current intention of the Directors to maintain dividends at current levels, returning to a progressive dividend policy once the property market recovers and economic activity is sustained by positive GDP growth.

References to dividends and dividend policy should not be interpreted as a dividend forecast or profit forecast.

8. Extraordinary General Meeting

As noted above, completion of the Firm Placing and Placing and Open Offer is subject to a number of conditions, including Shareholders' approval of the Resolutions being obtained at the Extraordinary General Meeting. Accordingly, you will find set out at the end of this Circular a notice convening the Extraordinary General Meeting to be held on the 11th Floor, Portland House, Bressenden Place, London SW1E 5DS at 2.30 p.m. on 10 July 2009. The purpose of the Extraordinary General Meeting is to consider, and if thought fit, to pass certain Resolutions necessary to authorise and carry out the Firm Placing and Placing and Open Offer.

A summary and explanation of the Resolutions is set out in paragraph 9 of this letter. However, Shareholders should also read the full text of the Resolutions contained in the Notice which forms part of this Circular.

A Form of Proxy was enclosed with this Circular. To be effective, Forms of Proxy must be completed and received by the Registrars at Capita Registrars Limited (Proxies), PO Box 25, Beckenham, Kent BR3 4BR by 2.30 p.m. on 8 July 2009.

9. Summary and explanation of the Resolutions

A summary and explanation of the Resolutions to be proposed at the Extraordinary General Meeting are set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the full text of the Resolutions contained in the Notice at the end of this Circular.

Resolution 1 is an ordinary resolution to increase the Company's authorised share capital, in accordance with Section 121 of the Companies Act 1985, from £35,000,000 to £70,000,000 by the creation of an additional 70,000,000 Ordinary Shares (which represents an increase of 100 per cent.

in the authorised ordinary share capital of the Company). This additional authorised share capital may be issued as part of the proposed Firm Placing and Placing and Open Offer and will also allow the Company to retain sufficient authorised, but unissued, share capital for general purposes following the Firm Placing and Placing and Open Offer. Resolution 1 is subject to the passing of all other Resolutions required for the Firm Placing and Placing and Open Offer to proceed, being Resolutions 2 and 4.

Resolution 2 is an ordinary resolution to grant the Directors the authority in accordance with Section 80 of the Companies Act 1985, subject to the passing of Resolutions 1 and 4 to allot the Ordinary Shares created pursuant to Resolution 1 above up to a nominal value of £34,536,042. The Directors intend to use this authority to allot New Shares in connection with the Firm Placing and Placing and Open Offer.

After accounting for the 41,653,260 New Shares to be issued in connection with the Firm Placing and Placing and Open Offer, the residual amount of relevant securities over which the Directors will have Section 80 authority to allot is expected to be equivalent to approximately one-third of the Company's Enlarged Issued Share Capital. The authority given pursuant to Resolution 2 will expire at the conclusion of the Company's 2010 Annual General Meeting or 22 August 2010, whichever is the earlier. The Directors have no current intention of exercising this residual authority.

Resolution 3 is an ordinary resolution to grant the Directors further authority in accordance with Section 80 of the Companies Act 1985, subject to the passing of Resolutions 1, 2 and 4 to allot the Ordinary Shares created pursuant to Resolution 1 above only in connection with a rights issue up to an additional nominal value of £13,709,412, being equivalent to approximately one-third of the Company's Enlarged Issued Share Capital. This is in line with the authority granted at the Company's 2009 Annual General Meeting and corporate governance guidelines. The authority given pursuant to Resolution 3 will expire at the conclusion of the Company's 2010 Annual General Meeting or 22 August 2010, whichever is the earlier. The Directors have no current intention of exercising this authority.

Resolution 4 is a special resolution to give the Directors the authority, subject to the passing of Resolutions 1 and 2 to allot Ordinary Shares in connection with the Firm Placing for cash or otherwise, without the need to first offer such Ordinary Shares to existing Shareholders pursuant to Section 89 of the Companies Act 1985 (to the extent applicable).

Resolution 5 is a special resolution to give the Directors the authority, subject to the passing of Resolutions 1, 2, 3 and 4 to allot equity securities for cash or otherwise either (i) in connection with a pre-emptive offer (as defined in the Notice) or (ii) otherwise up to a nominal value of £2,056,411 (being equivalent to five per cent. of the Company's Enlarged Issued Share Capital) or (iii) in connection with a rights issue, in each case without the need to first offer such Ordinary Shares to existing Shareholders pursuant to Section 89 of the Companies Act 1985 (to the extent applicable). This is in line with corporate governance guidelines.

10. Action to be taken

You will find enclosed with this Circular a Form of Proxy for use by Shareholders at the Extraordinary General Meeting or any adjournment thereof. Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible and in any case so as to be received by the Registrars no later than 2.30 p.m. on 8 July 2009. The return of a Form of Proxy will not prevent you from attending the meeting and voting in person if you wish.

Facilities for attendees with disabilities will be in place at the Extraordinary General Meeting; please contact the Company Secretary if you require assistance.

11. Directors' Recommendation

The Board, who has been so advised by Collins Stewart, considers the terms of the Firm Placing and Placing and Open Offer and the Resolutions to be in the best interests of the Shareholders as a whole. In advising the Board, Collins Stewart has placed reliance on the Directors' commercial assessments.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be put to the Extraordinary General Meeting as they intend to do in respect of their own beneficial holdings of Ordinary Shares.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Jenkins', with a stylized flourish at the end.

David Jenkins
Chairman

DEFINITIONS

In this Circular the following expressions have the following meaning unless the context otherwise requires:

Admission	the admission of the New Shares to the Official List becoming effective in accordance with the Listing Rules and the admission of such shares to trading on the London Stock Exchange's market for listed securities becoming effective in accordance with the Admission and Disclosure Standards
Admission and Disclosure Standards	the "Admission and Disclosure Standards" of the London Stock Exchange containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities
Application Form	the personalised application form on which Qualifying Non-CREST Shareholders who are registered on the register of Development Securities at the Record Date may apply for Open Offer Shares under the Open Offer
Board	the board of directors of Development Securities
Business Day	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open in London for the transaction of normal business
Capita Registrars	Capita Registrars Limited, the Registrars and Receiving agent of the Company
certificated or in certificated form	where a share or other security is not in uncertificated form
Collins Stewart	Collins Stewart Europe Limited of 88 Wood Street, London EC2V 7QR
Companies Act	the UK Companies Act 1985, as amended, or the UK Companies Act 2006, as the context requires
Company or Development Securities	Development Securities PLC, a company incorporated under the laws of England and Wales (registered under no. 1528784), with its registered office at Portland House, Bressenden Place, London SW1E 5DS
Conditional Placed Shares	the aggregate 24,986,593 New Shares which the Company is proposing to issue in the Conditional Placing
Conditional Placees	such persons who have agreed or shall agree to subscribe for Conditional Placed Shares on the terms of the Placee Commitment Letters
Conditional Placing	the subscription by the Conditional Placees for the Conditional Placed Shares pursuant to Placee Commitment Letters
CREST	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear UK is the operator as defined in the CREST Regulations)
CREST Manual	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS

	Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996 and as amended since)
CREST Payment	shall have the meaning given in the CREST Manual issued by Euroclear UK
CREST Regulations or Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378), as amended
Directors	the Executive Directors and Non-executive Directors of the Company
Disclosure and Transparency Rules	the rules relating to the disclosure of information made in accordance with Section 73A(3) of the FSMA
enabled for settlement	in relation to Open Offer Entitlements, enabled for the limited purpose of settlement of claim transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear UK)
Enlarged Issued Share Capital	the ordinary share capital of the Company following completion of the Firm Placing and Placing and Open Offer
EU or European Union	the European Union
Euroclear UK	Euroclear UK & Ireland Limited, the operator of CREST
Excluded Territories and each an Excluded Territory	Australia, Canada, Japan and South Africa
Executive Directors	the executive directors of Development Securities
Ex-entitlement Date	the date on which the Existing Shares commence trading ex-Open Offer Entitlements, being 24 June 2009
Existing Shares	the Ordinary Shares in issue as at the date of this Circular
Extraordinary General Meeting	the extraordinary general meeting of Development Securities to be held at 2.30 p.m. on 10 July 2009 at 11th Floor, Portland House, Bressenden Place, London SW1E 5DS, notice of which is set out at the end of this Circular
Extraordinary General Meeting Notice	the notice of the Extraordinary General Meeting set out at the end of this Circular
Financial Services Authority or FSA	the Financial Services Authority of the UK
Firm Places	such persons who have agreed or shall agree to subscribe for Firm Placed Shares on the terms of the Placee Commitment Letters
Firm Placed Shares	the 16,666,667 New Shares which the Firm Places have agreed to subscribe for under the Firm Placing
Firm Placing	the aggregate 16,666,667 New Shares which the Company is proposing to issue in the Firm Placing
Form of Proxy	form of proxy accompanying this Circular for use by Shareholders in relation to the Extraordinary General Meeting
FSMA	the Financial Services and Markets Act 2000, as amended
GDP	the gross domestic product of the UK
Group	the Company and each of its subsidiaries and subsidiary undertakings from time to time

IPD	Investment Property Databank
Issue Price	240 pence per New Share
IPD Index	the IPD Monthly all Property Index
Listing Rules	the Listing Rules made by the FSA under Part VI of the FSMA
London Stock Exchange	London Stock Exchange plc
Net Proceeds	the proceeds of the Firm Placing and Placing and Open Offer receivable by the Company after expenses incurred in connection therewith
New Shares	Ordinary Shares to be allotted and issued pursuant to the Firm Placing and Placing and Open Offer
Non-CREST Shareholder	a Shareholder who does not hold their Ordinary Shares in CREST
Non-executive Directors	the non-executive directors of Development Securities
Notice	the notice of the Extraordinary General Meeting set out at the end of this Circular
Official List	the Official List of the FSA pursuant to Part VI of the FSMA
Open Offer	the offer to Qualifying Shareholders, constituting an invitation to apply for the Open Offer Shares on the terms and subject to the conditions set out in this Circular and, in the case of Qualifying Non-CREST Shareholders, in the Application Form
Open Offer Entitlement	an entitlement to apply for Open Offer Shares allocated to a Qualifying Shareholder pursuant to the Open Offer
Open Offer Shares	the 24,986,593 Ordinary Shares to be offered to Qualifying Shareholders under the Open Offer
Ordinary Shares or Shares	the ordinary shares of £0.50 each in the share capital of the Company (including, if the context requires, the New Shares)
Overseas Shareholders	Shareholders with registered addresses outside the UK or who are citizens or residents of, or located in, countries outside the UK
Part VI Rules	the rules contained in Part VI of the FSMA
Development securities Group or the Group	the Company and each of its subsidiaries and subsidiary undertakings from time to time
Placee Commitment Letters	the letters entered into, or to be entered into, by each of the Conditional Placees and the Firm Placees establishing the terms of their participation in the Placing and Open Offer and the Firm Placing and “Placee Commitment Letter” means one of them
Placing	the placing of the Open Offer Shares in accordance with the Placing Agreement
Placing Agreement	the placing agreement dated 24 June 2009 between Development Securities and Collins Stewart
pounds sterling or £	the lawful currency of the UK
Prospectus	the prospectus to be published by the Company on its website at www.developmentsecurities.co.uk relating to the Firm Placing and Placing and Open Offer

Prospectus Directive	the Directive of the European Parliament and of the Council of the European Union 2003/71/EC
Qualifying CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in uncertificated form in CREST
Qualifying Non-CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in certificated form
Qualifying Shareholders	holders of Ordinary Shares on the register of members of the Company at the Record Date other than, subject to certain exceptions, shareholders with a registered address or otherwise located in the United States or any Excluded Territory
Record Date	close of business on 23 June 2009
Registrars	Capita Registrars Limited of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
Regulation S	Regulation S under the US Securities Act
Regulatory Information Service	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
Resolutions	the resolutions set out in the Notice
SEC or US Securities and Exchange Commission	the US government agency having primary responsibility for enforcing the federal securities laws and regulating the securities industry/stock market
Shareholder or Development Securities Shareholder	holder of Ordinary Shares
stock account	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
subsidiary undertaking	as defined in section 258 of the Companies Act
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK Listing Authority or UKLA	the FSA in its capacity as the competent authority for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of the admission to the Official List otherwise than in accordance with Part VI of the FSMA
uncertificated or in uncertificated form	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
US	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
US Exchange Act	the US Securities Exchange Act of 1934, as amended
US Securities Act	the US Securities Act of 1933, as amended

NOTICE OF EXTRAORDINARY GENERAL MEETING

Development Securities PLC

Incorporated in England and Wales with registered number 1528784

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Development Securities PLC (the “Company”) will be held on the 11th Floor, Portland House, Bressenden Place, London SW1E 5DS at 2.30 p.m. on 10 July 2009 to consider and, if thought fit, pass the following resolutions, of which resolutions 1, 2 and 3 shall be proposed as ordinary resolutions and resolutions 4 and 5 will be proposed as special resolutions.

Increase to authorised share capital and authority to allot shares

1. That subject to the passing of Resolutions 2 and 4, the authorised share capital of the Company be increased from £35,000,000 to £70,000,000 by the creation of 70,000,000 ordinary shares of 50 pence each.
2. That subject to the passing of Resolutions 1 and 4, the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 (the “1985 Act”) to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the 1985 Act) up to a nominal amount of £34,536,042, such authority to apply in substitution for all previous authorities pursuant to Section 80 of the 1985 Act and to expire at the end of the next Annual General Meeting or on 22 August 2010, whichever is the earlier but so that the Company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends.
3. That subject to the passing of Resolutions 1, 2 and 4, and without prejudice to the authority given pursuant to Resolution 2, the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the 1985 Act to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the 1985 Act) comprising equity securities (as defined in the 1985 Act) up to a further nominal amount of £13,709,412 in connection with an offer by way of a rights issue, such authority to apply in substitution for all previous authorities pursuant to Section 80 of the 1985 Act (other than the authority given pursuant to Resolution 2) and to expire at the end of the next Annual General Meeting or on 22 August 2010, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends.

For the purposes of this Resolution 3, “rights issue” means an offer to:

- (a) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (b) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

Authority to allot without compliance with pre-emption rights

4. That subject to the passing of Resolutions 1 and 2, the Directors be empowered to allot equity securities (as defined in Section 94(2) of the 1985 Act) for cash or otherwise pursuant to the authority given by Resolution 2 in connection with the Firm Placing (as defined in the circular

to shareholders issued by the Company dated 24 June 2009) up to an aggregate nominal amount of £8,333,334, as if Section 89(1) of the 1985 Act, to the extent applicable, did not apply to such allotment; such power to expire at the end of the next Annual General Meeting or on 22 August 2010, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.

5. That subject to the passing of Resolutions 1, 2, 3 and 4, and without prejudice to the authority given pursuant to Resolution 4, the Directors be empowered to allot equity securities (as defined in Section 94(2) of the 1985 Act) for cash or otherwise:
- (i) pursuant to the authority given by Resolution 2 or where the allotment constitutes an allotment of equity securities by virtue of Section 94(3A) of the 1985 Act, in each case:
 - (A) in connection with a pre-emptive offer; or
 - (B) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £2,056,411; and
 - (ii) pursuant to the authority given under Resolution 3, in connection with a rights issue, as if Section 89(1) of the 1985 Act, to the extent applicable, did not apply to any such allotment; such power to apply in substitution for all previous such powers (other than the power given pursuant to Resolution 4) and to expire at the end of the next Annual General Meeting or on 22 August 2010, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.

For the purposes of this Resolution 5:

- (a) “rights issue” has the same meaning as in Resolution 3 above;
- (b) “pre-emptive offer” means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (c) references to an allotment of equity securities shall include a sale of treasury shares; and
- (d) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Registered office:

Portland House
Bressenden Place
London
SW1E 5DS

By order of the Board

Stephen A Lanes
Company Secretary

24 June 2009

Development Securities PLC
Portland House
Bressenden Place
London SW1E 5DS

Tel. +44 (0) 20 7828 4777
Fax. +44 (0) 20 7828 4999

www.developmentsecurities.co.uk

Registered in England and Wales No. 1528784

Notes

1. Any member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person.
2. The right to appoint a proxy does not extend to persons whose shares are held on their behalf by another person and who have nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("Nominated Persons"). Nominated Persons may have the right to be under an agreement with the person who holds the shares to be appointed as proxy or may have someone else appointed as their proxy. The Nominated Person may have the right to give voting instructions to the person holding the shares as to the exercise of voting rights.
3. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the Extraordinary General Meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at 6.00 p.m. on 8 July 2009. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the Extraordinary General Meeting.
4. In order to facilitate voting by corporate representatives at the Extraordinary General Meeting, arrangements will be put in place at the Extraordinary General Meeting so that (i) if a corporate shareholder has appointed the Chairman of the Extraordinary General Meeting as a corporate representative with instructions to vote on a poll in accordance with the directions of all other corporate representatives for that shareholder at the Extraordinary General Meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative attends the Extraordinary General Meeting on behalf of the same shareholder and the Chairman of the Extraordinary General Meeting has not been appointed as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting instructions to the designated corporate representative.
5. A Form of Proxy for this Extraordinary General Meeting is enclosed and if used, should be lodged with Capita Registrars Limited (Proxies), PO Box 25, Beckenham, Kent BR3 4BR, not later than 2.30 p.m. on 8 July 2009.