

Placing of preference shares

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RNS Number : 2228B

R.E.A.Hldgs PLC

22 October 2009

R.E.A. Holdings plc ("REA")

REA announces that it has conditionally agreed to issue 1,490,000 new 9 per cent cumulative preference shares of £1 each (the "placing shares") for cash by way of a placing arranged by Guy Butler Limited. The placing shares will, upon issue, rank pari passu in all respects with the existing preference shares of REA and, in particular, will rank in full for the half yearly fixed dividend payment due on 31 December 2009. The placing shares will be subscribed for by placees at a price per share equal to £1 plus an amount equal to the accrued dividend entitlement per share for the period from 1 July 2009 up to the date upon which the allotment of the placing shares becomes unconditional.

The placing is conditional only upon admission of the placing shares to the Official List of the Financial Services Authority and to trading on the London Stock Exchange's market for listed securities. It is expected that admission will become effective and that dealings in the placing shares will commence on 6 November 2009.

The directors indicated in the REA half yearly report published on 26 August 2009 that they intended to take advantage of opportunities that arose to increase to a limited extent the prior charge funding available to the group with a view to utilising the resultant proceeds to increase the cash available to the group as a cushion against possible additional cash requirements for the group's expansion programmes. The placing shares are being issued with this object.

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This information is provided by RNS
The company news service from the London Stock Exchange

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