

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser (who in the United Kingdom, should be authorised under the Financial Services and Markets Act 2000).

If you have sold or otherwise transferred all or some of your ordinary shares of 50 pence each (“Ordinary Shares”) in the capital of Primary Health Properties PLC (the “Company”) please pass this document and the accompanying proxy form to the stockbroker, bank or other agent through whom you made the sale or transfer, for transmission to the purchaser or transferee.

**PRIMARY HEALTH PROPERTIES PLC**

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3033634)*

**Notice of Annual General Meeting to be held on Thursday 15 November 2007 at 10.30 am in the Board Room at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB**

Your attention is drawn to the Notice of the Annual General Meeting of the Company which appears on pages 4 and 5 of this circular and to the explanatory notes on page 3. A form of proxy is enclosed.

**Primary Health Properties PLC**  
(Registered in England and Wales No: 3033634)

Directors:  
Graeme A Elliot (Non-executive Chairman)  
Harry A Hyman (Managing Director)  
Martin Gilbert (Non-executive Director) (*alternate: W J C Hemmings*)  
James D Hambro (Non-executive Director)  
Dr Ian P Rutter OBE (Non-executive Director)  
Alun R Jones (Non-executive Director)  
(together the "Directors" or the "Board")

Registered Office:  
Ground Floor, Ryder Court  
14 Ryder Street  
London SW1Y 6QB

26 September 2007

To the holders of Ordinary Shares ("Shareholders")

Dear Shareholder,

**Notice of Annual General Meeting**

The Company is required by its Articles of Association to hold an Annual General Meeting in each year. Since the accounting reference date was extended to 31 December 2007, the Company's financial report for the eighteen months ending 31 December 2007 will not be available until 2008 and the 2007 Annual General Meeting will not therefore receive the Annual Report, declare a final dividend or receive the Directors' Remuneration Report. The Notice of the 2007 Annual General Meeting and the form of proxy is enclosed for your attention. The notice of annual general meeting sets out the items of business to be considered, resolutions 1 to 5 deal with the re-election of Directors and resolutions 6 to 8 with the renewal of certain Directors' authorities as described on page 3.

Mr Alun Jones was appointed by the Board on 1 May 2007. In accordance with the Company's Articles of Association, any Directors appointed during the year by the Directors holds office only until the next Annual General Meeting at which he is required to stand for re-appointment. Resolution 1 of the Notice of Annual General Meeting to re-appoint Mr Jones can be found on page 4.

Mr Jones is aged 59, a Chartered Accountant and recently retired from PricewaterhouseCoopers LLP, where he had been a partner since 1981. He is an independent Non-Executive Director, Chairman of the Audit Committee and a member of the Management Engagement Committee.

In accordance with A.7.2 of the Combined Code Messrs Elliot, Gilbert and Hambro are subject to annual election and accordingly resolutions to reappoint them will be put to the Annual General Meeting and are included in the Notice of Annual General Meeting on page 4. Resolutions 2 to 4 relate to the re-election of these Directors.

Mr Hyman, retires by rotation in accordance with the Company's Articles of Association and, being eligible, offers himself for re-election. Resolution 5 of the Notice of Annual General Meeting deals with his re-election.

Biographical details for all Directors to be re-elected are included below.

**Biographical details of those Directors to be re-elected**

Graeme Elliot aged 65. Non-Executive Chairman. Appointed February 1996. Chairman of the Management Engagement Committee and a Member of the Audit Committee. Mr Elliot was formerly Executive Vice-Chairman of Slough Estates PLC, prior to which he held senior positions at Rio Tinto Plc.

Martin Gilbert aged 52. (alternate William J C Hemmings) Non-Executive Director. Appointed May 1996. Mr Gilbert is Chief Executive of Aberdeen Asset Management PLC. Clients of its wholly owned subsidiary are interested in 4.62% of the total voting rights of the Company. He is Chairman of FirstGroup PLC, Chaucer PLC and a director of a number of investment trusts.

James Hambro, aged 58, Non-Executive Director. Appointed February 1996. Mr Hambro is Chairman of J O Hambro Capital Management Group Limited and its subsidiary undertakings including J O Hambro Capital Management Limited which acts as the Company's Joint Manager and Company Secretary. He is also Chairman of Hansteen Holdings PLC and Wichford Property Management Limited and a director of

Singer & Friedlander AIM 3 VCT PLC, Wiltons Holdings Limited and a number of private companies. He is Chairman of The Henry Smith Charity and of the International Students Trust.

Harry Hyman, aged 51. Managing Director. Appointed February 1996. Mr Hyman is the founder and Managing Director of Nexus Group Holdings Limited, the holding company for a group of companies engaged in the provision of independent advice and financial services to organisations operating in the public and private sectors with particular emphasis on health and property, of which Nexus PHP Management Limited is a subsidiary. He is also a non-executive director of a number of other companies including General Medical Clinics PLC and Royal London UK Income & Equity Trust Plc.

The Chairman and other members of the Board recommend that the Directors retiring be re-elected. The Chairman has confirmed that all Directors retiring and seeking re-election have been subject to performance evaluation and as part of this evaluation the Chairman confirms that they continue to demonstrate commitment to their role and in his view continue to fulfil their functions responsibly. The other members of the Board have evaluated the performance of the Chairman and recommend his reappointment.

### **Explanatory Notes for the Special Business to be transacted at the Annual General Meeting**

#### **Resolution 6 Renewal of Directors' Authority to allot shares**

The authority given to the Directors at the Extraordinary General Meeting of the Company held on 11 April 2007 to allot shares expires at the conclusion of this year's Annual General Meeting. Resolution 6 will renew the authority to allot Ordinary Shares of the Company on similar terms as in previous years. If passed, Resolution 6 the Directors will have the authority to allot Ordinary Shares of the Company up to an aggregate nominal amount of £5,597,849 representing the one third of the issued share capital. This authority will expire at the next Annual General Meeting of the Company or, if earlier, 15 months after the passing of this resolution.

The Directors have no present intention of exercising the authority (if renewed) to allot the Ordinary Shares but reserve the right to allot the Ordinary Shares at any time.

#### **Resolution 7 Renewal of Directors' Authority for the disapplication of pre-emption rights**

The authority given to Directors to disapply pre-emption rights expires at the Annual General Meeting. Resolution 7 will renew the disapplication of pre-emption rights thereby authorising the Directors to allot equity securities up to a maximum aggregate renewal amount of £839,677 representing 1,679,354 Ordinary Shares of 50 pence each, being equivalent to 5% of the current issued share capital, without first offering such securities to existing Shareholders.

#### **Resolution 8 Renewal of authority to purchase the Company's own shares**

The authority for the Company to purchase a maximum of 3,358,709 Ordinary Shares in the market, representing 10% of the issued share capital, expires at the forthcoming Annual General Meeting. It was not used during the current year and Resolution 8 renews this authority for a further year. The Directors intend to exercise this authority only when, in the light of market conditions prevailing at the time and taking into account investment opportunities, appropriate gearing levels and the overall financial position, they believe that the effect of such purchases will be to increase the underlying value per Ordinary Share having regard to the interests of Shareholders generally. Shares will not be bought at a price of less than 50 pence each being the nominal value of each share nor more than 5% above the average middle market quotation of the shares over the preceding five business days nor will they be purchased during periods when the Company would be prohibited from making such purchases. Purchases will be made within guidelines set by the Board and using available reserves. Ordinary Shares purchased will be cancelled and the number of shares in issue reduced accordingly.

Company Secretary  
J O Hambro Capital Management Limited

## Primary Health Properties PLC

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Primary Health Properties PLC (the "Company") shall be held on 15 November 2007 at 10.30 am in the Board Room at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB for the following purposes:

### ORDINARY BUSINESS:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions;

1. To re-appoint Mr A R Jones as a Director of the Company being a Director who was appointed since the previous Annual General Meeting;
2. To re-elect Mr G A Elliot as a Director of the Company being a Director subject to annual election;
3. To re-elect Mr M J Gilbert as a Director of the Company being a Director subject to annual election;
4. To re-elect Mr J D Hambro as a Director of the Company being a Director subject to annual election;
5. To re-elect Mr H A Hyman being a Director who retires by rotation as a Director of the Company;

### SPECIAL BUSINESS:

To consider and, if thought fit, pass the following resolutions as ordinary or special resolutions as indicated below:

#### ORDINARY RESOLUTION

6. THAT the Directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (as defined in Section 80 of the Companies Act 1985 ("the Act")) up to an aggregate nominal amount of £5,597,849 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, except that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired and that this authority shall be in substitution for all previous authorities conferred upon the Directors pursuant to Section 80 of the Act but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.

#### SPECIAL RESOLUTIONS

7. THAT, subject to the passing of Resolution 6, the Directors be and they are hereby empowered, pursuant to section 95 of the Act, to allot equity securities (as defined in section 94 of the Act) for cash pursuant to the authority conferred by Resolution 6, as if section 89 of the Act did not apply to any such allotment provided that this power shall be limited to:
  - (a) the allotment of equity securities in connection with a rights issue or other pro rata offer in favour of holders of ordinary shares where the equity securities respectively attributable to the interests of all the ordinary shareholders are proportionate (as nearly as may be) to the respective number of equity securities held by them subject in each case to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body; and
  - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £839,677;

and shall expire at the conclusion of the Annual General Meeting of the Company after the date of the passing of this resolution except that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and

the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

8. THAT the Company be and are hereby generally and unconditionally authorised, in accordance with section 166 of the Act, to make market purchases (within the meaning of section 163 of the Act) of ordinary shares of 50p each in the capital of the Company (“Ordinary Shares”) on such terms and in such manner as the Directors may from time to time determine provided that:
- (a) the maximum number of Ordinary Shares authorised to be purchased is 3,358,709;
  - (b) the minimum price which may be paid for an Ordinary Share is 50p (the nominal value) (exclusive of expenses (if any) payable by the Company);
  - (c) the maximum price which may be paid for an Ordinary Share is an amount equal to 105% of the average of the middle market quotations for an Ordinary Share derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased (exclusive of expenses (if any) payable by the Company); and
  - (d) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.

**By Order of the Board**

**J O Hambro Capital Management Limited**  
**Company Secretary**  
**Date: 19 September 2007**

Registered Office: Ground Floor

Ryder Court  
14 Ryder Street  
London SW1Y 6QB

Registered No: 3033634

Notes:

1. Any member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend, vote, speak and demand a poll in his or her place. A proxy need not be a member of the Company. A form of proxy is enclosed.
2. To be valid, completed forms must be received at the offices of the Company’s registrars, Capita Registrars, The Registry, 34 Beckenham, Kent, BR5 4TU not less than 48 hours before the time fixed for the meeting. Deposit of the form of proxy will not prevent a member from attending the meeting and voting in person.
3. (a) The Register of Directors’ Interests in the Company is available for inspection at the registered office of the Company during normal business hours on each weekday (public holidays excluded) and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting.  
(b) there are no service contracts.
4. The Company specifies, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, that only those Shareholders registered in the register of members of the Company as at 6 pm on 13 November 2007 shall be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register after that time will be disregarded in determining the right of any person to attend or vote at the meeting.
5. The “Vote withheld” option on the form of proxy is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote and will not be counted in calculating the votes “for” or “against” a resolution.

