



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to what action you should take, you should seek your own advice from a stockbroker or other independent professional advisor (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 shares in the capital of Primary Health Properties PLC, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so that they can pass these documents to the person who now holds the shares.

# Primary Health Properties PLC

(Registered in England and Wales No: 3033634)

## NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held on 16 April 2012 at 10.30am in the Board Room, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB is set out at the end of this document. Shareholders will find enclosed with this document a form of proxy for use in connection with the Annual General Meeting. To be valid, the form of proxy should be completed, signed and returned in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to reach the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6ZL, by no later than 10.30am on 14 April 2012. Completion and return of a form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting should they choose to do so.



## Definitions

"2006 Act"	the Companies Act 2006;
"2009 General Meeting"	the general meeting of the Company held on 6 October 2009;
"Annual Financial Report"	the annual financial report for the year ended 31 December 2011;
"Annual General Meeting"	the annual general meeting of the Company convened on 16 April 2012 at 10.30am;
"Articles"	the articles of association of the Company;
"Board" or "Directors"	the directors of the Company as at the date of this document;
"Company"	Primary Health Properties PLC
"Form of Proxy"	the form of proxy accompanying this document for use in connection with the Annual General Meeting;
"Ordinary Shares"	ordinary shares of 50 pence each in the capital of the Company;
"Resolutions"	the resolutions set out in the notice of Annual General Meeting;
"Shareholders"	holders of Ordinary Shares

# Primary Health Properties PLC

Incorporated and registered in England and Wales under Number 3033634

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

## Directors

Graeme Elliot (Non-executive Chairman)

Alun Jones (Non-executive Director, Senior Independent Director)

Harry Hyman (Managing Director)

Mark Creedy (Non-executive Director)

Martin Gilbert (Non-executive Director) (alternate: William Hemmings)

James Hambro (Non-executive Director)

Dr Ian Rutter OBE (Non-executive Director)

2 March 2012

To Shareholders

## NOTICE OF ANNUAL GENERAL MEETING

I am pleased to be writing to you with details of our Annual General Meeting which we are holding on 16 April 2012 at 10.30am in the Board Room, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB. The formal notice is set out at the end of this document.

If you would like to vote on the Resolutions but cannot come to the Annual General Meeting, please complete the Form of Proxy sent to you with this notice and return it to our registrars as soon as possible. They must receive it not later than 10.30am on 14 April 2012. Explanatory notes for the resolutions to be put to Shareholders at the Annual General Meeting

## RESOLUTIONS

Information on the Resolutions is set out below:

### 1. Approval of Annual Financial Report (Resolution 1)

Resolution 1 is proposed to receive the Company's report of the Directors and the audited financial statements for the year ended 31 December 2011.

### 2. Approval of Directors' remuneration report (Resolution 2)

Resolution 2 is proposed to seek Shareholder approval of the Directors' Remuneration Report. It is mandatory for all listed companies to put their report on Directors' remuneration to an advisory Shareholder vote. As the vote is advisory it does not affect the actual remuneration paid to any individual Director. The Directors' Remuneration Report is set out on pages 33 to 34 in the Annual Financial Report.

### 3. Directors (Resolutions 3 to 9 inclusive)

3.1 Resolutions 3 to 9 (inclusive) deal with the re-election of Directors.

3.2 The Articles of Association require one third of the current Directors to retire by rotation at every Annual General Meeting. However the Company is adopting the requirements of the UK Corporate Governance Code published in June 2010 in relation to the annual re-election of all Directors. Therefore, in accordance with provision B.7.1 of the UK Corporate Governance Code, all of the Directors will retire at the AGM and, being eligible, offer themselves up for re-election.

3.3 Biographies of all of the Directors are set out on pages 22 and 23 in the Annual Financial Report.

### 4. Reappointment of auditors (Resolution 10)

Resolution 10 proposes that Ernst & Young LLP be reappointed as the Company's auditors to hold office until the next annual general meeting of the Company and that the Directors be authorised to fix their remuneration.

### 5. Renewal of Directors' authority to allot shares (Resolution 11)

5.1 Resolution 11 deals with the Directors' authority to allot relevant securities of the Company in accordance with section 551 of the 2006 Act. The authority given to the Directors at the 2011 Annual General Meeting to allot shares expires at the conclusion of this year's Annual General Meeting. This resolution complies with guidance issued by the Association of British Insurers ("ABI") in December 2008.

- 5.2 As at 22 February 2012, the Company has 68,272,230 Ordinary Shares in issue, carrying one vote each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total voting rights in the Company as at 22 February 2012 are 68,272,230.
- 5.3 Accordingly Resolution 11 seeks to renew the Director's authority to allot shares in accordance with the guidance issued by the ABI and will, if passed, authorise the Directors to allot:
- 5.3.1 Ordinary Shares up to a maximum nominal amount of £11,378,705 representing approximately one third of the issued share capital of the Company as at 22 February 2012; and
- 5.3.2 in relation to a pre-emptive rights issue only, Ordinary Shares up to a maximum nominal amount of £11,378,705 representing approximately one third of the issued share capital of the Company as at 22 February 2012.
- 5.4 Therefore, the maximum nominal amount of Ordinary Shares which may be allotted under this Resolution is £22,757,410.
- 5.5 The authority granted by this Resolution will expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or if earlier on the date which is 15 months after the date of the Annual General Meeting.
- 5.6 The Directors have no present intention to exercise this authority.
- 5.7 In accordance with the guidance issued by the ABI, where the aggregate usage by the Company of the authority granted by this Resolution exceeds one third of the nominal value of the issued Ordinary Share capital of the Company as at 22 February 2012 and the shares are issued in whole or part by way of a fully pre-emptive rights issue, where the monetary proceeds exceed one third (or such lesser relevant proportion) of the pre-issue market capitalisation of the Company, all Directors wishing to remain in office will stand for re-election at the next Annual General Meeting of the Company following the decision to make the issue in question.

**6. Renewal of Directors' authority for the disapplication of pre-emption rights (Resolution 12)**

- 6.1 Resolution 12 will, if passed, give the Directors power, pursuant to the authority to allot shares granted by Resolution 11, to allot Ordinary Shares for cash without first offering them to existing Shareholders in proportion to their existing holdings:
- 6.1.1 In relation to a pre-emptive rights issue or other pro-rata offer
- 6.1.2 In any other case, up to a maximum nominal amount of £1,706,805 which represents approximately 5% of the issued share capital of the Company as at 22 February 2012
- 6.2 In accordance with the statement of principles issued by the Pre-emption Group in July 2008, the Directors will ensure that other than in relation to a rights issue, no more than 7.5% of the issued share capital of the Company will be allotted for cash on a non pre-emptive basis over a rolling three year period unless Shareholders have been notified and consulted in advance.
- 6.3 This power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or if earlier on the date which is 15 months after the date of the Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution has expired.
- 6.4 The Directors have no present intention to exercise this authority.

**7. Renewal of authority to purchase the Company's own shares (Resolution 13)**

- 7.1 The authority for the Company to purchase a maximum number of Ordinary Shares in the market, representing 10% of the issued share capital of the Company, expires at the conclusion of the Annual General Meeting. It was not used in the year to date. Resolution 13 proposes to renew this authority for a further year.
- 7.2 If passed, Resolution 13 gives authority for the Company to purchase up to 6,827,223 of its Ordinary Shares, representing just under 10% of the Company's issued share capital as at 22 February 2012.
- 7.3 Ordinary 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 Ordinary 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.

7.4 The Directors intend to exercise this authority when 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. The Directors will only exercise the authority to purchase Ordinary Shares where they consider that such purchases will result in an increase in earnings per Ordinary Share in the light of market conditions prevailing at the time and taking into account investment opportunities, appropriate gearing levels and the overall financial position of the Group.

7.5 The Directors do not have a current intention to exercise the authority granted by this Resolution.

7.6 The Company may cancel any Ordinary Shares it purchases under this authority.

**8. Notice of general meetings (Resolution 14)**

Resolution 14 seeks approval to renew for a further year, the authority granted for the calling of general meetings on 14 clear days' notice passed at the 2011 Annual General Meeting. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Shareholders' Rights Directive before it can call a general meeting on 14 clear days' notice.

**9. Inspection of documents**

Copies of the Executive Director's service contract with the Company and letters of appointment of the Non-Executive Directors will be available for inspection at the Company's registered office Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB from 2 March 2012 until the time of the Annual General Meeting during normal business hours on each weekday (public holidays excluded) and at the place of the Annual General Meeting from 15 minutes prior to and during the meeting.

**10. Recommendation**

The Directors consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole. The Directors unanimously recommend that you vote in favour of all the proposed Resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 195,921 Ordinary Shares representing approximately 0.32% of the issued share capital of the Company (excluding treasury shares).



# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Primary Health Properties PLC (the "Company") will be held on Monday 16 April 2012 at 10.30 a.m. in the Board Room, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB to transact the following business. Resolutions 1 to 11 (inclusive) will be proposed as ordinary resolutions and resolutions 12 to 14 (inclusive) will be proposed as special resolutions:

- 1 To receive the annual report ended 31 December 2011.
- 2 To receive and approve the Directors' Remuneration Report for the year ended 31 December 2011.
- 3 To re-elect Mr M Creedy as a Director of the Company.
- 4 To re-elect Mr G A Elliot as a Director of the Company.
- 5 To re-elect Mr M J Gilbert as a Director of the Company.
- 6 To re-elect Mr J D Hambro as a Director of the Company.
- 7 To re-elect Mr H Hyman as a Director of the Company.
- 8 To re-elect Mr A Jones as a Director of the Company.
- 9 To re-elect Dr I Rutter as a Director of the Company.
- 10 To re-appoint Ernst & Young LLP as auditors to the Company, to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company, and to authorise the directors to fix their remuneration.
- 11 That the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "2006 Act") in substitution for all existing authorities:
  - 11.1 To exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together "Relevant Securities") up to an aggregate nominal amount of £11,378,705; and
  - 11.2 To exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the 2006 Act) up to an additional aggregate nominal amount of £11,378,705 provided that this authority may only be used in connection with a rights issue in favour of holders of ordinary shares and other persons entitled to participate therein where the equity securities respectively attributable to the interests of all those persons at such record date as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held or deemed to be held by them or are otherwise allotted in accordance with the rights attaching to such equity securities subject 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 or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever, provided that the authorities in 11.1 and 11.2 shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or if earlier on the date which is 15 months after the date of the Annual General Meeting, except that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities or equity securities as the case may be to be allotted after such expiry and the Directors may allot Relevant Securities or equity securities in pursuance of any such offer or agreement as if the authority in question had not expired.
- 12 That subject to the passing of resolution 11, the directors be and are empowered, in accordance with section 570 of the 2006 Act, to allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by resolution 10 or by way of a sale of treasury shares as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
  - 12.1 The allotment of equity securities in connection with a rights issue or other pro rata offer (but, in the case of the authority granted conferred by paragraph 12.2, by way of a rights issue only) in favour of holders of ordinary shares and other persons entitled to participate therein where the equity securities respectively to the interests of all those persons at such record date as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held or deemed to be held by them or

are otherwise allotted in accordance with the rights attaching to such equity securities 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 or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever; and

12.2 The allotment (otherwise than pursuant to paragraph 12.1 above) of equity securities up to an aggregate nominal amount of £1,706,805, shall expire upon the expiry of the general authority conferred by resolution 11 above, except that the Company may make an offer or agreement before this power expires 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.

13 That the Company be and is hereby generally and unconditionally authorised, in accordance with section 701 of the 2006 Act, to make market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 50 pence each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine provided that:

13.1 The maximum number of ordinary shares authorised to be purchased is 6,827,223;

13.2 The minimum price which may be paid for an ordinary share is 50 pence (exclusive of expenses payable by the Company);

13.3 The maximum price which may be paid for an ordinary share (exclusive of expenses payable by the Company) cannot be more than the higher of:

13.3.1 105 per cent of the average market value of an ordinary share for the five business days prior to the day on which the ordinary share is contracted to be purchased; and

13.3.2 the value of an ordinary share calculated on the basis of the higher of:

(a) the last independent trade of; or

(b) the highest current independent bid for, any number of ordinary shares on the trading venue where the market purchase by the Company will be carried out; and the authority conferred by this resolution 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.

14. THAT the Company is authorised to call any General Meeting other than the Annual General Meeting of the Company on no less than 14 clear days' notice during the period beginning on the date of this Resolution and ending on the conclusion of the next Annual General Meeting of the Company.

By order of the Board

**JO Hambro Capital Management Limited**

**Company Secretary**

22 February 2012

Primary Health Properties PLC

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

Registered in England No: 3033634



## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the annual general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. To appoint more than proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate should not exceed the number of shares held by you). Please indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
2. An appointment of proxy is provided with this notice and instructions for use are shown on the form. In order to be valid, a completed appointment of proxy must be returned to the Company by one of the following methods:
  - 2.1 in hard copy form by post, by courier or by hand to the Company's Registrar, Equiniti at the address shown on the form of proxy to be received not less than 48 hours before the time fixed for the meeting or any adjournment(s) thereof (excluding any part of any day that is not a working day); or
  - 2.2 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below, and in each case must be received by Equiniti not less than 48 hours before the time fixed for the meeting. Please note that any electronic communication sent to Equiniti in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted.
3. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.
4. The return of a completed proxy form will not prevent a shareholder attending the annual general meeting and voting in person if he/she wishes to do so.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.
6. In order for a proxy appointment or instruction made using a CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti agent ID RA19 no later than 48 hours before the meeting for receipt of proxy appointment specified in the notice of meeting.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal systems timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the 2006 Act ("Nominated Persons"). The right to appoint proxies does not apply to Nominated Persons: they can only be exercised by the member. However, in accordance with section 149(2) of the 2006 Act, a Nominated Person may have a right under an

agreement with the registered member who has nominated him to be appointed, or to have someone else appointed, as a proxy for this meeting. If a Nominated Person does not have such right, or do not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated Persons should contact the registered member by whom they were nominated in respect of these arrangements.

10. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
11. You may not use any electronic address provided either in this notice of annual general meeting or any related documents (including the form of proxy) to communicate with the company for any purposes other than those expressly stated.
12. To be entitled to attend and vote at the annual general meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00 p.m. on 14 April 2012 or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting (excluding any part of any day that is not a working day). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
13. As at 22 February 2012 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 68,272,230 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 22 February 2012 are 68,272,230.
14. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the 2006 Act, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the annual general meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. The Company cannot require the shareholders requesting any such website publication to pay its expenses. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.
15. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:
  - 15.1 to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - 15.2 the answer has already been given on a website in the form of an answer to a question; or
  - 15.3 it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
16. A copy of this notice, and other information required by section 311A of the 2006 Act, can be found at [www.phpgroup.co.uk](http://www.phpgroup.co.uk).
17. The following documents are 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:
  - 17.1 copies of the executive directors' service contracts with the Company; and
  - 17.2 copies of letters of appointment of non-executive directors.



