

# Notice of annual general meeting

Notice is hereby given that the Twenty-Second Annual General Meeting of Shaftesbury PLC (the "Company") will be held at Pegasus House, 37/43 Sackville Street, London W1S 3DL, on Thursday 14 February 2008 at 12 noon for the following purposes:

## Ordinary Business

1. To receive and adopt the audited financial statements for the year ended 30 September 2007, and the reports of the Directors and auditors.
2. To approve the report on Directors' Remuneration for the year ended 30 September 2007.
3. To declare a final dividend for the year ended 30 September 2007 of 5.50p per Ordinary Share payable on 22 February 2008 to holders of Ordinary Shares registered at the close of business on 1 February 2008.
4. To re-elect P J Manser as a Director of the Company.
5. To re-elect B Bickell as a Director of the Company.
6. To re-elect A W MacDonald as a Director of the Company.
7. To re-elect T J C Welton as a Director of the Company.
8. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company from the end of the Meeting until the end of the next general meeting at which financial statements are laid before the Company.
9. To authorise the Directors to agree the remuneration of the auditors.

## SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions in the case of resolutions 10 and 13 and as special resolutions in the case of resolutions 11 and 12:

10. THAT, in substitution for all previous authorities pursuant to section 80 of the Companies Act 1985 (the "1985 Act"), which are hereby revoked, but without prejudice to any allotment of securities pursuant thereto, the Directors be and they are hereby generally and unconditionally authorised in accordance with section 80 of the 1985 Act to exercise all powers of the Company to allot relevant securities as defined in section 80(2) of the 1985 Act up to an aggregate nominal amount of £11,000,000 consisting of 44,000,000 Ordinary Shares of 25 pence each, such

authority to expire at the conclusion of the next Annual General Meeting or 15 months from 14 February 2008 if earlier save 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 such offer or agreement as if the authority conferred hereby had not expired.

11. THAT, the Directors be and they are hereby empowered pursuant to section 95 of the 1985 Act to allot equity securities (within the meaning of section 94 of the 1985 Act);
  - a. for cash pursuant to the authority conferred by Resolution 10; or
  - b. by way of the sale of treasury shares (within the meaning of section 162A of the 1985 Act), for cash,as if, in either case, subsection (1) of section 89 of the 1985 Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:
  - i. in connection with a rights issue or open offer or other issue or offer to ordinary shareholders (other than the Company) on the Company's Register of Members on a fixed record date in proportion (as nearly as may be) to the respective numbers of Ordinary Shares of 25 pence each held by them subject to such exclusion or other arrangement as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or requirements of any recognised regulatory body or any stock exchange, in any territory; and
  - ii. otherwise than pursuant to subparagraph (i) above up to an aggregate nominal value of £1,650,000 consisting of 6,600,000 Ordinary Shares of 25 pence each,

and shall expire at the conclusion of the next Annual General Meeting of the Company or 15 months from 14 February 2008 if earlier save 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 hereby had not expired. This power is in substitution of all unexercised existing powers given for the purposes of section 95(1) of the 1985 Act.

12. THAT the Company is hereby unconditionally and generally authorised to make market purchases (as defined in section 163(3) of the 1985 Act) of Ordinary Shares of 25 pence each in the capital of the Company provided that:

- i. the maximum number of Ordinary Shares of 25 pence each hereby authorised to be purchased is 13,200,000 (representing 10 per cent. of the issued share capital of the Company as at 30 September 2007);
  - ii. the minimum price, exclusive of expenses, which may be paid for each such Ordinary Share is £0.25;
  - iii. the maximum price, exclusive of expenses, which may be paid for each such Ordinary Share is an amount equal to not more than 5 per cent. above the average of the middle market quotations for such share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the share is contracted to be purchased;
  - iv. unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or 15 months from 14 February 2008 if earlier; and
  - v. the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly at the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract
13. THAT the Company and any company which is or becomes a subsidiary of the Company during the period to which this resolution relates be and is hereby authorised pursuant to Section 366 of the Companies Act 2006 (the "2006 Act") to make:
    - i. donations to EU political organisations not exceeding £100,000 and
    - ii. to incur EU political expenditure not exceeding £100,000;

provided that any such donations and/or EU political expenditure made or incurred by the Company does not exceed an aggregate of £100,000 in the period ending at the conclusion of the Company's next Annual General Meeting or 15 months from 14 February 2008 if earlier; provided further that the Company shall not use the authority granted other than in continuation of its business activities and that the Company's policy of making no direct contributions to political parties shall remain unchanged.

By Order of the Board

**Penny Thomas**  
Secretary

21 December 2007

Pegasus House  
37/43 Sackville Street  
London W1S 3DL

## Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company. If you wish to appoint someone other than the Chairman, please insert the name of your appointed proxy holder in the space provided. If necessary, please enter in the box next to the proxy holder's name, the number of shares in relation to which you authorise them to act as your proxy. If left blank, they will act in respect of your entire shareholding. A form of proxy for use by members is enclosed.
2. Multiple proxy votes: To appoint more than one proxy, you should photocopy the proxy form. Please indicate in the box next to the proxy holder's name, the number of shares in relation to which you authorise them to act as your proxy. Please also indicate by marking the box on the proxy form if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned to the Registrars in the same envelope.
3. Appointment of a proxy will not preclude a member from attending and voting in person at the Meeting.
4. Forms of proxy must be lodged with the Registrar not less than 48 hours before the Meeting.
5. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the Register of Members of the Company as at 6.00 p.m. on 12 February 2008 shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after 6.00 p.m. on 12 February 2008 shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
6. The Register of Directors' Interests in the Company kept under section 809 of the 2006 Act and copies of Directors' contracts of service may be inspected at the registered office (and place of Annual General Meeting) of the Company during normal business hours on weekdays (public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting.
7. Biographical details of the Directors standing for re-election are set out on page 43 of the Annual Report.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 14 February 2008 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's 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 to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA01) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.  
  
CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system 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.  
  
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.
10. 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 in law and will not be counted in the calculation of the proportion of votes "for" or "against" a particular resolution.

# Explanatory notes to notice of annual general meeting

## Resolution 10 – Authority to issue shares

This resolution authorises the Board, for a period of 15 months from 14 February 2008 or to the end of the next Annual General Meeting whichever is the earlier, to allot ordinary shares up to an aggregate nominal value of £11,000,000, consisting of 44,000,000 Ordinary Shares of 25 pence each and which represents approximately 33 per cent. of the total ordinary share capital in issue on 30 November 2007 (the last practicable date prior to the publication of this document).

The Company does not currently hold any shares as treasury shares within the meaning of Section 162A of the 1985 Act ("Treasury shares"). Save in respect of the issue of new Ordinary Shares pursuant to the share incentive schemes, the Directors currently have no present intention to allot relevant securities but the Directors believe it to be in the interests of the Company for the Board to be granted this authority to enable the Board to take advantage of appropriate opportunities which may arise in the future.

## Resolution 11 – Disapplication of pre-emption rights

This resolution, which will be proposed as a special resolution, seeks to disapply the pre-emption right provisions of Section 89 of the 1985 Act in respect of the allotment of equity securities (including a sale of treasury shares) pursuant to rights issues and other pre-emptive issues or offers and in respect of other issues of equity securities (including sales of treasury shares) for cash up to an aggregate nominal value of £1,650,000, being approximately 5 per cent. of the issued ordinary share capital on 30 November 2007 (the last practicable date prior to the publication of this document). If approved by shareholders, this power will expire 15 months after the passing of this resolution or, if earlier, at the end of the next Annual General Meeting. The Directors have no present intention of exercising their authority pursuant to this disapplication, but, as in previous years, they consider it desirable that they have the flexibility to act in the best interests of the Company when opportunities arise. There is no current intention to issue more than 7.5% of the Company's share capital on this basis over 3 years in line with ABI guidelines.

## Resolution 12 – Purchase of own shares

This resolution, which will be proposed as a special resolution, seeks authority for the Directors to purchase the Company's own shares. The Directors are of the opinion that it would be advantageous for the Company to be in a position to purchase its own shares through the London Stock Exchange, should market conditions and price justify such action. The proposed authority would enable the Company to purchase up to a maximum of 13,200,000 Ordinary Shares, being 10 per cent. of the issued ordinary share capital on 30 November 2007 (the latest practicable date prior to the publication of this document), with a stated upper limit on the price payable which reflects the requirements of the Listing Rules of the Financial Services Authority. Purchases would only be made after the most careful consideration, where the Directors believed that an increase in earnings or net assets per share would result and where purchases were, in the opinion of the Directors, in the best interests of the Company and its shareholders. The Directors consider that it is prudent to obtain the proposed authority, although the Board does not have any current intention to use this authority.

The total number of options to subscribe for equity shares that are outstanding on 30 November 2007 (the latest practicable date prior to the publication of this document) is 2,557,527. This represents 1.89 per cent. of the issued share capital at that date. If the Company were to purchase the maximum number of ordinary shares permitted pursuant to the authority under this resolution, then these options would represent 2.10 per cent. of the reduced issued share capital (excluding any treasury shares).

The 1985 Act permits companies to hold shares acquired by way of market purchases (as described above) in treasury, rather than having to cancel them. The Company would consider holding any of its own shares that it purchased pursuant to the authority conferred by this resolution as treasury shares. This would give the Company the ability to re-issue treasury shares quickly and cost effectively, and would provide the Company with additional flexibility in the management of its capital base.

No dividends would be paid on shares whilst held in treasury and no voting rights would attach to treasury shares.

## Resolution 13 – Political donations

This resolution authorises the Board to make donations under Section 366 of the 2006 Act. Any donations to political organisations or political expenditure by a company in excess of an aggregate of £5,000 must be authorised by the Company's shareholders. There is no present intention to make cash donations to any political party. The Company as part of its normal business activity may wish to have contact with political parties to ensure that they are aware of the key business issues affecting its business. Under the 2006 Act, the definition of political expenditure is extremely wide and may be construed as covering such areas of the Company's normal business activities. It is therefore considered appropriate that a resolution be put to shareholders in general terms. The Company will disclose in its annual report, in compliance with the 2006 Act, any expenditure or donations in excess of £200 which is within the ambit of the definitions of the 2006 Act.