

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your Ordinary Shares, please forward this document together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

CAPITAL & REGIONAL PLC

Notice of Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting (“**AGM**”) of Capital & Regional plc (the “**Company**”) will be held at The Rubens at The Palace Hotel, The Van Dyke Suite, 39 Buckingham Palace Road, London, SW1W 0PS on 10 May 2016 at 10.00 am (British Summer Time) to consider and, if thought fit, pass the following resolutions:

Ordinary Resolutions

Resolutions 1 to 18 will be proposed as ordinary resolutions at the AGM. This means that for each of those resolutions to be passed, more than 50% of the votes cast must be in favour of that resolution.

Report and Accounts

1. To receive and adopt the Company’s annual accounts for the financial year ended 30 December 2015, and the directors’ reports and the auditor’s report on those accounts.

Dividend

2. To declare and approve the final dividend proposed by the Board of Directors for the year ended 30 December 2015 of 1.62p per ordinary share which will be paid to the holders of ordinary shares on the register of members of the Company at the close of business on 15 April 2016.

Remuneration Report

3. To approve the Directors’ Remuneration Policy, as detailed on pages 55 to 62 of the Annual Report for the year ended 30 December 2015.
4. To approve the Directors’ 2015 Remuneration Report (excluding the Directors’ Remuneration Policy), as detailed on pages 63 to 68 of the Annual Report for the year ended 30 December 2015.

Auditors

5. To re-appoint Deloitte LLP as auditors from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid.
6. To authorise the directors to fix the remuneration of the auditors.

Directors

7. To re-elect John Clare as a director.
8. To re-elect Hugh Scott-Barrett as a director.
9. To re-elect Kenneth Ford as a director.
10. To re-elect Mark Bourgeois as a director.
11. To re-elect Charles Staveley as a director.
12. To re-elect Tony Hales as a director.
13. To elect Wessel Hamman as a director.
14. To re-elect Ian Krieger as a director.
15. To re-elect Louis Norval as a director.
16. To elect Laura Whyte as a director.

Authority to allot shares

17. THAT:

- a) the directors of the Company be generally and unconditionally authorised under section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights (“Rights”) to subscribe for, or to convert any security into, shares in the Company:
 - (i) up to an aggregate nominal amount of £2,335,842; and
 - (ii) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a further aggregate nominal amount of £2,335,842 in connection with an offer by way of a rights issue but subject to such exclusions and other arrangements as the directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
- b) such authority shall expire (unless previously revoked by the Company) on the conclusion of the next AGM of the Company or 15 months from the date of the AGM at which this resolution is passed, whichever is the earlier and the Company may, before such

expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired; and

- c) all previous authorities to allot shares or grant Rights, to the extent unused, shall be revoked.

Introduction of a SCRIP dividend scheme to apply from the Interim 2016 dividend onwards

18. THAT the directors be and are hereby authorised, in accordance with article 109 of the Company's Articles of Association, and to the extent and in the manner determined by the directors, to offer the holders of ordinary shares in the capital of the Company (excluding members holding any shares as treasury shares), the right to elect to receive an allotment of new ordinary shares in the capital of the Company (credited as fully paid) instead of any cash, in respect of all or part of any dividend as may be declared by the directors from time to time, provided that the authority conferred by this resolution shall expire at the end of the third AGM of the Company after the date on which this resolution is passed.

Special resolutions

Resolutions 19 to 21 will be proposed as special resolutions at the AGM. This means that for each of those resolutions to be passed, at least 75% of the votes cast must be in favour of that resolution.

Waiver of statutory pre-emption rights

19. THAT:

- a) subject to the passing of resolution 17 above, the directors be and are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash, under the authority conferred by resolution 17 as if section 561(1) of the Companies Act 2006 did not apply to the allotment, and this power shall be limited to:
- (i) the allotment of equity securities in connection with an offer or issue of equity securities to or in favour of ordinary shareholders in proportion (as nearly as may be) to their existing holdings but subject to such exclusions and other arrangements as the directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
 - (ii) the allotment of equity securities (otherwise than under paragraph (i) of this resolution) up to an aggregate nominal amount of £700,753; and
- b) this power, unless previously revoked by the Company, shall expire on the conclusion of the next AGM of the Company or 15 months from the date of the AGM at which this resolution is passed, whichever is the earlier but 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 that offer or agreement notwithstanding that the power has expired; and
- c) this power applies in relation to a sale of treasury shares which constitutes an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006 as if the words "under the authority conferred by resolution 17" were omitted from the introductory wording to this resolution 19.

Authority for market purchases of own shares

20. THAT:

- a) the Company be, and it is hereby, generally and unconditionally authorised for the purpose of sections 693 and 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.01 each in the capital of the Company upon such terms and in such manner as the directors of the Company shall determine, provided that:
- (i) the maximum aggregate number of ordinary shares authorised to be purchased is 70,075,262;
 - (ii) the minimum price which may be paid for such ordinary shares is £0.01 per share (exclusive of expenses);
 - (iii) the maximum price (exclusive of expenses) which may be paid for an ordinary share cannot be more than an amount equal to the higher of:
 - (A) 105% of the average of the closing middle market price for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to the day the purchase is made; and
 - (B) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the trading venue or venues where the purchase is carried out.
- b) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next AGM of the Company to be held in 2017 or 15 months from the date of the AGM at which this resolution is passed, whichever is the earlier; and
- c) the Company may make a contract or contracts to purchase ordinary shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

Notice period for general meetings

21. THAT a general meeting other than an AGM may be called on not less than 14 clear days' notice.

By order of the Board

S Wetherly

Company Secretary
52 Grosvenor Gardens
London SW1W 0AU
12 April 2016

Notes for the AGM

- Shareholders 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 AGM 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. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company on +44 (0) 20 7932 8000.
- To be valid any proxy form or other instrument appointing a proxy must be returned by one of the following methods:
 - in hard copy form by post, by courier or by hand to the appropriate Company registrar; in the case of members on the Company's UK Register, to Equiniti at Aspect House, Spencer Road, Lancing BN99 6DA, United Kingdom and, in the case of members on the Company's South African Register, to Link Market Services South Africa Proprietary Limited (JSE), 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001, (PO Box 4844, Johannesburg, 2000 South Africa); or
 - by email for members on the Company's UK to proxy.votes@equiniti.com
 - in the case of CREST members, by utilising the procedure set out below under paragraphs 8-11; or
 - in the case of Dematerialised shareholders on the Company's South African register holding their shares through a CSDP or broker, by providing the proxy voting instruction to the CSDP or broker (as applicable).

Dematerialised shareholders on the Company's South African register holding their shares through a CSDP or broker must advise their CSDP or broker if they wish to attend the AGM or send a proxy to represent them at the AGM. Their CSDP or broker will issue them with the necessary letter of representation to attend or be represented at the AGM. If they do not wish to attend the AGM, but wish to cast their votes, they should provide their CSDP or broker with their voting instructions. In the absence of such instructions, their CSDP or broker will be obliged to vote in accordance with the instructions contained in the custody agreement mandate between them and their CSDP or broker.

To be valid, proxies must be received no later than 48 hours before the time of the AGM or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting. Where shares are held by a CSDP or broker, voting instructions must be provided in sufficient time to permit the CSDP or broker to advise the registrar no later than 48 hours before the time of the AGM, or any adjournment.

- The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
- Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to the Nominated Persons. The rights described in such paragraphs can only be exercised by shareholders of the Company.
- To be entitled to attend and vote at the AGM (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 6.00pm (British Summer Time) on 8 May 2016 (or, in the event of any adjournment, you must be entered on the register at 6.00pm on the date which is two days before the time of the adjourned meeting). 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.
- As at 11 April 2016 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 700,752,626 Ordinary Shares of £0.01 each, carrying one vote each. Therefore, the total voting rights in the Company as at 11 April 2016 are 700,752,626.
- CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.
- 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 Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (which can be viewed at www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is 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 RA19) by 10.00 am on 8 May 2016. 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 Application 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 Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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, 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 system 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 Uncertified Securities Regulations 2001.
- Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
- Under section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; 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 Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
- Any shareholder 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 (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- In accordance with section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.capreg.com
- Shareholders may not use any electronic address provided either in this notice of meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
- The following documents will be available for inspection at the AGM for 15 minutes prior to and during the AGM: (i) copies of the service contracts of the executive directors of the Company; and (iii) copies of the letters of appointment of the non-executive directors of the Company.

Explanatory notes to the resolutions

Resolutions 1 to 18 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 19 to 21 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1 - Report and accounts

The directors of the Company must present to the meeting the audited annual accounts and the directors' reports and auditors' report for the financial year ended 30 December 2015.

Resolution 2 – Final dividend

This Resolution seeks shareholder approval for the declaration of a final dividend. The directors are recommending a final dividend of 1.62 pence per ordinary share. An interim dividend of 1.50 pence per ordinary share was paid on 29 October 2015, making a total dividend for the year of 3.12 pence per ordinary share. If approved, the final dividend will be paid on 13 May 2016 to those shareholders whose names appeared on the register of members at close of business on 15 April 2016.

Resolution 3 and 4 – Remuneration policy and 2015 remuneration report

The Company's shareholders will be asked to approve the Directors' Remuneration Policy and Annual Report on Directors' Remuneration, which are set out on pages 55 to 62 and pages 63 to 68 of the Annual Report respectively, at the AGM.

The Directors' Remuneration Policy has been revised in the year in response to both previous concerns raised by shareholders and the wish of the Remuneration Committee that the policy complies with best standards of corporate governance and is clearly aligned with our strategy to deliver shareholder value. An extensive consultation with major shareholders has been undertaken as part of this review.

The vote on the Directors' Remuneration Policy will be binding and, if the Policy is approved, will take effect for a period of three years from the end of the 2016 AGM until the 2019 AGM.

The vote on the 2015 annual report on Directors' Remuneration is advisory in nature and no individual director's remuneration is dependent on it.

Resolutions 5 and 6 - Appointment and remuneration of auditors

The Company must appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 5 seeks shareholder approval to re-appoint Deloitte LLP as the Company's auditor. In accordance with normal practice, Resolution 6 seeks authority for the Company's directors to fix their remuneration.

Resolutions 7 to 16 - Re-election of directors

In accordance with the requirements of the UK Corporate Governance Code, all Directors of the Company will retire and offer themselves for election or re-election (as appropriate) at the forthcoming Meeting.

However, Philip Newton will retire from the Board following the Meeting and will not offer himself for re-election.

Wessel Hamman was appointed as a Director of the Company on 2 June 2015 and Laura Whyte was appointed as a Director of the Company on 1 December 2015. Article 60 of the Company's Articles of Association provides that Directors appointed by the Board shall hold office until the end of the next AGM. Accordingly Wessel Hamman and Laura Whyte will seek election as a Director of the Company.

Directors' biographies can be found on pages 44 to 45 of the Annual Report and on the Company's website www.capreg.com. Wessel Hamman and Louis Norval are representatives of the Parkdev Group of companies, a significant shareholder of the Company. Following a performance review, the Board has confirmed that all the Directors of the Company standing for election or re-election continue to perform effectively and demonstrate commitment to their role.

Resolution 17 - Authority to allot

Resolution 17 would give the directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £2,335,842. This represents approximately 33.33% of the Ordinary Shares in issue at 11 April 2016 (being the latest practicable date prior to the publication of this document). In accordance with institutional investor guidelines, resolution 17 will also allow directors to allot further shares in the Company, in connection with a pre-emptive offer by way of a rights issue, up to an aggregate nominal amount of £2,335,842, again representing approximately 33.33% of the Ordinary Shares in issue at 11 April 2016 (being the latest practicable date prior to the publication of this document).

The directors' authority will expire on the conclusion of the next Annual General Meeting. As at the date of this report the Company does not hold any Ordinary Shares in treasury.

Resolution 18 - SCRIP dividend

The Company is now seeking approval to introduce a SCRIP Dividend Scheme, which will be available to the holders of ordinary shares in the capital of the Company from time to time. The Board believes that, for those shareholders who would like to choose to take their dividend in shares rather than cash, the SCRIP Dividend Scheme is an attractive alternative. If approved by shareholder resolution, the SCRIP Dividend Scheme will allow participants to receive ordinary shares in the capital of the Company for every cash dividend entitlement where the SCRIP is offered. The directors will retain the discretion to decide whether to offer a SCRIP dividend alternative in respect of each future dividend. UK shareholders who elect to take new shares in the Company under the SCRIP Dividend Scheme will increase their holdings without incurring stamp duty. Subject to shareholder approval, the SCRIP dividend alternative may be offered for the 2016 Interim Dividend to be paid in October 2016.

In line with investor protection guidelines, the authority contained in this resolution is sought for three years and shall therefore expire at the end of the third AGM of the Company after the date on which it is passed. Unless there is a change in circumstances, the Company expects to seek an extension of this authority prior to its expiry.

Resolution 19 - Statutory pre-emption rights

Under company law, when new shares are allotted or treasury shares are sold for cash, they must generally first be offered to existing shareholders pro rata to their holdings. This special resolution gives the directors authority, for the period ending on the date of the next AGM to: (a) allot shares of the Company and sell treasury shares for cash in connection with a rights issue or other pre-emptive offer; and (b) otherwise allot shares of the Company, or sell treasury shares, for cash up to an aggregate nominal value of £700,753 (representing in accordance with institutional investor guidelines, approximately 10% of the total Ordinary Shares in issue as at 11 April 2016 (being the latest practicable date prior to the publication of this document) in each case as if the pre-emption rights in company law did not apply.

If the authority in respect of allotments for cash (referred to at (b) above) is used, the board intends to adhere to the Pre-Emption Group's Statement of Principles. These allow the Company in any one year to issue non-pre-emptively for cash under such authority an amount equal to 5% of the Company's issued ordinary share capital for any purpose. They also permit the Company to issue an additional amount equal to 5% of the Company's issued ordinary share capital in connection only with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The board further intends to adhere to the Pre-Emption Group's Statement of Principles not to issue shares for cash on a non-pre-emptive basis that represent more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period without prior consultation with shareholders. This limit excludes shares issued in connection with an acquisition or specified capital investment that is within the annual 5% limit referred to above, and excludes any shares issued pursuant to a separate, specific disapplication of pre-emption rights.

Resolution 20 - Authority for market purchases of own shares

Resolution 20 renews the Company's current authority to make limited market purchases of the Company's ordinary shares. The authority is limited to a maximum aggregate number of 70,052,262 Ordinary Shares (representing 10% of the issued Ordinary Shares as at 11 April 2016 (being the latest practicable date prior to publication of this report)) and sets out the minimum and maximum prices that can be paid, exclusive of expenses. The authority conferred by this resolution will expire at the conclusion of the Company's next AGM or 15 months from the passing of this resolution, whichever is the earlier. Any purchases of Ordinary Shares would be made by means of market purchase through the London Stock Exchange.

The directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares. The Directors would only purchase shares if, in their opinion, the expected effect would be to result in an increase in earnings per Ordinary Share or net asset value and would benefit shareholders generally.

Resolution 21 - Notice of general meetings

This resolution is proposed to allow the Company to call general meetings (other than an AGM) on not less than 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. AGMs will continue to be held on at least 21 clear days' notice.