

June 2004

Dear Shareholder,

Please find enclosed your copy of our annual report. Since its publication, the Board has made a number of management changes. On 31 May Stuart Rose was appointed as Chief Executive, Charles Wilson was appointed as Executive Director and Roger Holmes stepped down as Chief Executive. Vittorio Radice is also leaving the Board as Executive Director with effect from 11 June.

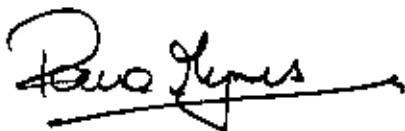
On 10 May the Company announced that Luc Vandeveld had indicated his intention to leave the Board due to his changed personal circumstances. With the appointment of Stuart as Chief Executive, Luc felt it was an appropriate time to go and the Board appointed me as Chairman on an interim basis until a permanent appointment is made.

The Board is committed to delivering the full potential of Marks & Spencer for the benefit of its shareholders and customers. Under the leadership of Stuart, we believe we are well placed to do this. He brings a wealth of retail experience to the job, having held senior executive positions at Arcadia, Booker and Argos and having previously spent 17 years at Marks & Spencer.

On 3 June the Board rejected a possible offer from Revival Acquisitions as it significantly undervalued the Company and its prospects.

Also enclosed is a notice of meeting setting out the resolutions to be proposed at our AGM on 14 July. If you are unable to attend that meeting in person please sign and return the proxy form. Alternatively you can register your vote electronically by logging on to our registrars' website, www.sharevote.co.uk.

Yours sincerely,



Paul Myners
Chairman

The directors of Marks and Spencer Group plc accept responsibility for the information contained in this letter and confirm that to the best of their knowledge and belief, (having taken all reasonable care to ensure that such is the case), the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information.

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