



MARKS &
SPENCER

Notice of
Annual general
meeting 2003

Royal Festival Hall,
Belvedere Road, London SE1 8XX
Wednesday 16 July 2003 at 11am

This document is important and requires
your immediate attention

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about its contents or the action you should take, you should consult your stockbroker, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your ordinary shares in Marks and Spencer Group p.l.c., please hand this document (together with the accompanying Proxy Form) as soon as possible to the stockbroker or other agent through whom you made the sale or transfer for transmission to the purchaser.

Dear Shareholder,

12 June 2003

I have pleasure in sending you the Notice of this year's Annual General Meeting ('AGM') which will be held at the Royal Festival Hall, Belvedere Road, London SE1 8XX on Wednesday 16 July 2003 at 11am.

Information relating to the meeting is set out in this booklet and accompanying material. If you are able to attend the meeting, please bring the enclosed attendance card with you.

If you cannot attend the meeting in person, you can still vote by returning the enclosed 'Proxy Form'. There is also a form at the end of this booklet for those of you wishing to let us know in advance any topic you would like covered at the AGM. We shall ensure that the most frequently raised subjects are included in the meeting as well as taking questions from the floor.

Electronic Communications

If you have access to the internet, please visit 'The Company' section of our website where you can view the Annual Review, the Annual Report and Financial Statements, check the current share price and view recent Company press releases. Our website address is www.marksandspencer.com.

You can also use the internet to register your proxy vote electronically by logging on to our Registrars' website, www.sharevote.co.uk. Full details of the procedure are given on that website.

On 20 January 2003, CRESTCo launched an electronic proxy appointment service principally to streamline the process for institutional investors to give their voting instructions, which we are introducing for this year's AGM through our registrars, Lloyds TSB Registrars. Further details of the service are contained in the enclosed Proxy Form.

Explanatory Notes

Resolution 2 – To approve the remuneration report

The remuneration report is summarised on pages 26 to 28 of the Annual Review and Summary Financial Statement 2003 and set out in full on pages 13 to 20 of the Annual Report and Financial Statements 2003.

This report has been prepared in accordance with new legislation, the Directors' Remuneration Report Regulations 2002 which came into force on 1 August 2002. We are now required to seek shareholder approval each year. The vote is 'advisory' in nature.

Resolution 9 – To re-appoint PricewaterhouseCoopers LLP as auditors of the Company

In the year 2000, a change in the law enabled a UK accounting firm to become a limited liability partnership ('LLP'), a new legal entity. The change to LLP has not affected the relationship between PricewaterhouseCoopers and shareholders. The partnership continues to have unlimited liability in respect of statutory audit engagements, but the liability of individual partners is limited.

On 1 January 2003, PricewaterhouseCoopers ('PwC') transferred its business to PricewaterhouseCoopers LLP ('PwC LLP'). On 29 January 2003, PwC resigned as the Company's auditors and, on the Audit Committee's recommendation, the Board subsequently appointed PwC LLP as auditors of the Company to fill the casual vacancy thereby created.

Special notice having been received in accordance with the Companies Act 1985, a resolution to reappoint PwC LLP as auditors of the Company will be proposed at the AGM.

Resolutions 10 and 11 – To renew powers of the Board to allot shares

The Companies Act 1985 prevents directors from allotting unissued shares without the authority of shareholders in general meeting. In certain circumstances this could be unduly restrictive. The Company's Articles empower your directors to allot unissued shares but the power is subject to shareholder renewal. Renewal of this power is sought, until the conclusion of the 2004 AGM or 15 October 2004, if earlier, subject to the limitations specified in Resolution 10. Resolution 11 disapplies shareholder pre-emption rights over the allotment of certain shares for cash.

Resolution 10: Shares in total, up to a nominal value of £189,208,626 ('the Section 80 Amount') which represents one-third of the nominal value of the issued share capital as at 13 May 2003 (being a date not more than one month prior to the date of this notice).

Resolution 11: Shares for cash, other than to existing shareholders in proportion to their holdings, up to a nominal value of £28,381,293 ('the Section 89 Amount') being 5% of the nominal value of the issued share capital as at 13 May 2003 (being a date not more than one month prior to the date of this notice).

There are no current plans to allot shares except in connection with employee share schemes.

Resolution 12 – To authorise the Company to purchase its own shares

With the authority of shareholders in general meeting, the Company is empowered by its Articles to purchase its own shares subject to the provisions of the Companies Act 1985. Your directors believe it is prudent to seek general authority from shareholders to be able to act if circumstances arose in which they considered such purchases to be desirable. This power will only be exercised if and when, in the light of market conditions prevailing at that time, the directors believe that such purchases would increase earnings per share and would be for the benefit of shareholders generally. This resolution specifies the maximum number of shares which may be acquired (approximately 10% of the Company's issued share capital) and minimum and maximum prices at which they may be bought. As at 13 May 2003, there were options outstanding over 115 million ordinary shares, representing 5.1% of the Company's issued ordinary share capital. If the authority given by Resolution 12 were to be fully used, these would then represent 5.6% of the Company's issued ordinary share capital.

Recommendation

Your directors believe that the proposals described in this booklet are in the best interests of the Company and its shareholders as a whole and recommend you to give them your support by voting in favour of the resolutions as they intend to do themselves in respect of their own beneficial holdings.

Yours sincerely



Luc Vandeveldte, Chairman

Notice of meeting

Marks and Spencer Group p.l.c.

Notice is hereby given that the second Annual General Meeting of Marks and Spencer Group p.l.c. will be held at the Royal Festival Hall, Belvedere Road, London SE1 8XX on Wednesday 16 July 2003 at 11am for the following purposes:

Ordinary Business

- 1 To receive the report of the directors and the financial statements for the 52 weeks ended 29 March 2003, together with the report of the auditors.
- 2 To approve the remuneration report.
- 3 To declare a final dividend on the ordinary shares.

To elect the following directors who were appointed by the Board since the last Annual General Meeting:

- 4 Justin King
- 5 Vittorio Radice

To re-elect the following directors who are retiring by rotation:

- 6 Roger Holmes
- 7 Jack Keenan
- 8 Laurel Powers-Freeling

- 9 To resolve as an ordinary resolution:

That PricewaterhouseCoopers LLP be, and are hereby, re-appointed auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and that their remuneration be determined by the directors.

Special Business

Directors' authority to allot shares

- 10 To resolve as an ordinary resolution:

That the authority conferred on the directors by Article 14(B) of the Company's Articles of Association be renewed for the period ending on the conclusion of the Annual General Meeting in 2004 or on 15 October 2004, whichever shall be the earlier, and for such period to allot relevant securities up to an aggregate nominal amount (the Section 80 amount) of £189,208,626.

Disapplication of pre-emption rights

- 11 To resolve as a special resolution:

That the authority conferred on the directors by Article 14(B) of the Company's Articles of Association be renewed for the period ending on the conclusion of the Annual General Meeting in 2004 or on 15 October 2004, whichever shall be earlier, and for such period to allot equity securities wholly for cash in connection with a rights issue, and otherwise than in connection with a rights issue, up to an aggregate nominal amount (the Section 89 amount) of £28,381,293.

Company's authority to purchase its own shares

- 12 To resolve as a special resolution:

That the Company be generally and unconditionally authorised to make market purchases (as defined in Section 163 of the Companies Act 1985) of its ordinary 25p shares provided that:

- (a) the Company does not purchase under this authority more than 227 million ordinary shares;
- (b) the Company does not pay less than 25p for each ordinary share;
- (c) the Company does not pay for each ordinary share more than 105% of the average of the middle market price of the ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately preceding the date on which the Company agrees to buy the ordinary shares concerned;
- (d) this authority shall continue in force until the conclusion of the Annual General Meeting in 2004 or 15 October 2004, whichever shall be the earlier; and
- (e) the Company may agree before the authority terminates under (d) above to purchase ordinary shares where the purchase will or may be executed after the authority terminates (either wholly or in part). The Company may complete such a purchase even though the authority has terminated.

To transact any other business considered appropriate to be dealt with at an Annual General Meeting.

By order of the Board
Graham Oakley, Group Secretary
12 June 2003, London

Registered office
Michael House, Baker Street
London W1U 8EP
Registered in England and Wales No. 4256886

Notes:

- 1 Jack Keenan is a member of the Remuneration Committee.
- 2 Details of the directors seeking (re-)election are given on page 19 of the Annual Review, including membership of the principal committees. The unexpired terms of their service contracts are as follows: Roger Holmes, Justin King and Laurel Powers-Freeling – 12 months; and Jack Keenan – 3 months. Vittorio Radice was appointed on 3 March 2003 with a service contract entitling him to two years' notice, reducing proportionately during the first year of employment to 12 months' notice following the first anniversary of his appointment.
- 3 Every member entitled to attend and vote at the AGM may appoint a proxy to attend and to vote instead of that member. A proxy need not be a member of the Company.
- 4 The time by which a person must be entered on the Company's register of members in order to attend or vote at the meeting is 6pm on Monday 14 July 2003.
- 5 The following documents are available for inspection during normal business hours on any weekday, except Saturdays and public holidays, at the Company's registered office at Michael House, Baker Street, London W1U 8EP. They will also be available for inspection at the Royal Festival Hall from 10am on 16 July 2003 until the conclusion of the AGM:
 - i The register of directors' interests;
 - ii Copies of the service contracts between the Company and its directors.
- 6 A statement giving particulars of directors' relevant transactions, drawn up to comply with Section 343 of the Companies Act 1985, will be available for inspection from 1 July 2003 during normal business hours on any weekday, except Saturdays and public holidays, at the Company's registered office at Michael House, Baker Street, London W1U 8EP. It will also be available for inspection at the Royal Festival Hall from 10am on 16 July 2003 until the conclusion of the AGM.
- 7 Please see the letter from the Chairman dated 12 June 2003 for further information.

Notice of meeting

Venue

Royal Festival Hall, Belvedere Road, London SE1 8XX – please refer to the map on this page.

Date

Wednesday 16 July 2003.

Time

The meeting will start at 11am and registration will be available from 9.30am. Please try to arrive by 10.30am to allow time for registration and security clearance.

Admission

Please bring your Attendance Card with you which is attached to the Proxy Form. This will help us to register your attendance without any delay.

Refreshments

Light refreshments will be available before and after the meeting.

Further queries

If you have a query about the AGM or the contents of this document, please call Marks & Spencer Group Secretariat on 020 7268 3838.

Shareholders with special needs

There is an assisted hearing system available throughout the auditorium and handsets will be available from the cloakroom. A sign language interpreter will also be in attendance. The Royal Festival Hall is easily accessible for wheelchair users. If you would like further information concerning special needs' facilities at the venue, the Royal Festival Hall can be contacted direct on 020 7921 0926 (10am – 6pm Monday to Friday).

Transport

We recommend shareholders use public transport to attend the meeting – the following stations are all within walking distance of the Royal Festival Hall:

Nearest main-line stations

Waterloo, Waterloo East, Charing Cross

Nearest underground stations

Waterloo – Northern, Bakerloo, Jubilee lines

Embankment – District, Circle, Bakerloo, Northern lines



THIRD FOLD AND TUCK IN EDGE

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Licence No. WD1 366



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FIRST FOLD

SECOND FOLD