

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, solicitor, accountant or other professional adviser.

If you have sold or otherwise transferred all of your shares in Marks and Spencer Group plc (the 'Company'), please pass this document together with the accompanying Proxy form as soon as possible to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.



Notice of Annual General Meeting
Royal Festival Hall, Southbank Centre, London SE1 8XX

Wednesday 14 July 2010 at 2pm

Dear Shareholder,

Annual General Meeting ('AGM')

I have pleasure in sending you the Notice of this year's AGM which will be held at the Royal Festival Hall, Southbank Centre, London SE1 8XX on Wednesday 14 July 2010 at 2pm. The AGM is the Board's opportunity to present the Company's performance and strategy to shareholders and to listen and respond to your questions. If you cannot attend the meeting, we would still like to understand the themes and issues of concern you have as shareholders. You may send your comments by email to chairman@marks-and-spencer.com, with the heading AGM 2010 or, if you prefer, a comments card is included with this booklet.

Your Vote Counts

Your vote is important to us – you can:

- register your Proxy vote electronically by logging on to our Registrars' website, sharevote.co.uk, or by using the service offered by Euroclear UK & Ireland Limited for members of CREST; or
- complete and return the enclosed Proxy form; or
- attend and vote at the AGM.

Voting

The accompanying Proxy form invites you to vote in one of three ways for each resolution: 'for', 'against' or 'vote withheld'.

At the meeting itself, the votes will be taken by poll rather than on a show of hands. The final result is more democratic as the Proxy results are added to the votes of shareholders present, who vote all their shares (rather than one vote per person) using the 'Votenow' system. The results will be published on our website, together with a resume of the meeting, and will be released to the London Stock Exchange.

In 2009 all resolutions were passed at the meeting with votes ranging from 87.12% to 99.9%, with the exception of the resolution put by the Local Authority Pension Fund Forum ('LAPFF'). This proposed bringing forward the appointment of an independent Chairman from July 2011 to July 2010. This resolution was defeated with 62.3% support for the Board's approach to succession.

Website

Our corporate website is the principal means of communicating with our shareholders. There is a wealth of information online including:

- a copy of our full Annual Report;
- all the latest M&S news, press releases and investor presentations;
- a detailed account of our approach to governance at M&S, from the boardroom to the business.

Explanatory notes

An explanation of each of the resolutions is set out below.

Resolution 1 – To receive the Report and Accounts

The Board asks that shareholders receive the report of the directors and the financial statements for the 53 weeks ended 3 April 2010, together with the report of the auditors.

Resolution 2 – Approval of the Directors' remuneration report

The Remuneration report is set out on pages 58 to 71 of the Annual Report. It has been prepared in accordance with the Directors' Remuneration Report Regulations 2002 and sets out the pay and benefits received by each of the directors for the year ended 3 April 2010.

Resolution 3 – Final dividend

The Board proposes a final dividend of 9.5p per share for the year ended 3 April 2010. If approved, the recommended final dividend will be paid on 16 July 2010 to all shareholders who are on the register of members on 4 June 2010.

Resolution 4 – To re-elect Sir Stuart Rose

The Board determined that Sir Stuart Rose will retire and seek annual re-election as a director until the Company's governance reverts to recommended best practice.

Resolutions 5 to 8 – Re-election of directors

Biographical details of our directors are given in the accompanying report. The Board confirms that each non-executive director is independent in character and judgement. This follows a process of formal evaluation which confirms that each makes an effective and valuable contribution to the Board and demonstrates commitment to the role (including making sufficient time available for Board and Committee meetings and other duties as required). The governance section of the Annual Report contains details on the role of the Board and its Committees.

Marc Bolland is seeking election following his appointment to the Board as Chief Executive on 1 May 2010 and John Dixon is seeking election following his appointment to the Board as an executive director on 9 September 2009.

As required by the Company's Articles of Association (the 'Articles'), Ian Dyson, Martha Lane Fox and Steven Holliday are retiring by rotation. On 5 May 2010 we announced the resignation of Ian Dyson and have commenced our search for a new finance director. Ian will not seek re-election, but will step down from the Board following the AGM on 14 July and will leave the Company on 31 August 2010. Martha Lane Fox and Steven Holliday will seek re-election as directors.

Resolutions 9 and 10 – Reappointment of the auditors and authority for the Audit Committee to determine their remuneration

On the recommendation of the Audit Committee, the Board proposes that PricewaterhouseCoopers LLP be re-appointed as auditors of the Company. Resolution 10 proposes that the Audit Committee be authorised to determine the level of the auditors' remuneration.

Resolution 11 – Renewal of the powers of the Board to allot shares

Paragraph (A) of this resolution would give the directors the authority to allot ordinary shares of the Company up to an aggregate nominal amount equal to £131,895,652 (representing 527,582,611 ordinary shares of 25p each). This amount represents approximately one-third of the Company's issued share capital as at 24 May 2010, the latest practicable date before the publication of this Notice.

In line with guidance issued by the Association of British Insurers ('ABI'), paragraph (B) of Resolution 11 would give the directors authority to allot ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £263,791,305 (representing 1,055,165,221 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 24 May 2010, the latest practicable date before the publication of this Notice.

The authorities sought under paragraphs (A) and (B) of this resolution will expire on the date of the AGM in 2011 or 2 October 2011, whichever is sooner.

The directors have no present intention to exercise either of the authorities sought under this resolution, except, under paragraph (A), to satisfy options under the Company's share option schemes, but the Board wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources. Where the Board does use the additional authority described in (B), the directors intend to follow ABI recommendations that all of the directors will stand for re-election at the next AGM. As at the date of this Notice no shares are held by the Company in treasury.

Resolution 12 – Disapplication of pre-emption rights in certain circumstances

The directors are also seeking authority to allot ordinary shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority would be, similar to previous years, limited to allotments in connection with pre-emptive offers, up to an aggregate nominal amount of £19,784,347 (representing 79,137,392 ordinary shares). This aggregate nominal amount represents approximately 5% of the Company's issued ordinary share capital as at 24 May 2010, being the latest practicable date before the publication of this Notice, and corresponds with the guidance level indicated by the ABI and the National Association of Pension Funds.

The directors have no current intention to allot shares except in connection with employee share schemes. The Company has issued 19,186,649 ordinary shares in the past three years, on a non pre-emptive basis, which represents 1.21% of issued share capital. This is in line with the Pre-Emption Group's Statement of Principles, which state that companies do not issue more than 7.5% of issued share capital on a non pre-emptive basis over a rolling three year period without prior consultation with shareholders. The authority will expire on the date of the AGM in 2011 or 2 October 2011 whichever is sooner.

Resolution 13 – Authorisation for the Company to purchase its own shares

Authority is sought for the Company to purchase up to 10% of its issued ordinary shares, renewing the authority granted by shareholders at previous AGMs. No shares were bought back under the current authority. The directors have no present intention of exercising the authority to make market purchases, but the authority provides the flexibility to allow them to do so in the future. The directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and could be expected to result in an increase in the earnings per share of the Company.

Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. It is the Company's present intention to cancel any shares it buys back rather than hold them in treasury. The Company currently has no ordinary shares held in treasury. The minimum price, exclusive of expenses, which may be paid for an ordinary share is 25p. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of (i) an amount equal to 105% of the average market value for an ordinary share for the five business days' immediately preceding the date of the purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out.

The Company has options outstanding over 59m ordinary shares, representing 3.73% of the Company's issued ordinary share capital as at 24 May 2010, the latest practicable date before the publication of this Notice. If the authority given by Resolution 13 were to be fully used, these would represent 4.14% of the Company's ordinary share capital in issue at that date.

Resolution 14 – Notice of general meetings

Changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations') have increased the notice period for general meetings (other than an AGM) from 14 to 21 clear days' notice unless the Company:

- has gained shareholder approval for the holding of general meetings on 14 clear days' notice by passing a special resolution at the most recent AGM; and
- offers the facility for all shareholders to vote by electronic means.

The Company would like to preserve its ability to call such general meetings on less than 21 clear days' notice. The shorter notice period would not be used as a matter of routine, but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. Resolution 14 seeks such approval. Should this resolution be approved it will be valid until the end of the next AGM. This is the same authority that was granted at last year's AGM.

Resolution 15 – Authority to make Political Donations

The Companies Act 2006 (the '2006 Act') prohibits companies from making any political donations to EU political organisations, independent candidates or incurring EU political expenditure unless authorised by shareholders in advance. The Company does not make and does not intend to make donations to EU political organisations or independent election candidates, nor does it incur any EU political expenditure. However, the definitions of political donations, political organisations and political expenditure used in the 2006 Act are very wide. As a result this can cover activities such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform. Shareholder approval is being sought on a precautionary basis only, to allow the Company and any company, which at any time during the period for which this resolution has effect, is a subsidiary of the Company, to continue to support the community and put forward its views to wider business and Government interests, without running the risk of being in breach of the legislation.

The Board is therefore seeking authority to make political donations to EU political organisations and independent election candidates not exceeding £50,000 in total and to incur EU political expenditure not exceeding £50,000 in total. The authority being sought is similar to that granted by shareholders at the 2006 AGM. In line with ABI best practice it is proposed that this resolution will in future be put to shareholders annually rather than every four years as required by the 2006 Act. For the purposes of this resolution, the terms 'political donations', 'EU political organisations', 'independent election candidate' and 'EU political expenditure' shall have the meanings given to them in sections 363 to 365 of the 2006 Act.

Resolution 16 – Adoption of new Articles of Association

Shareholder approval is required to adopt new Articles of Association (the 'New Articles') in order to update the Company's current Articles of Association (the 'Current Articles'). The New Articles primarily take account of the coming into force of the Shareholders' Rights Regulations and the implementation of the final provisions of the 2006 Act.

The principal changes introduced in the New Articles are summarised in Appendix 1 to this Notice of Meeting. These changes include amendments relating to the way in which dividends may be paid in the future and changes to the rules in respect to untraced shareholders. Other changes, which are of a minor or clarifying nature and also some technical changes which simply reflect changes made by the 2006 Act or the Shareholders' Rights Regulations have not been noted in Appendix 1. The New Articles showing all the changes to the Current Articles are available to view on the website or to inspect at the AGM as noted on page 9 of this Notice.

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 all the resolutions, as they intend to in respect of their own shareholdings.

Yours sincerely



Amanda Mellor, Group Secretary
10 June 2010

Notice of Meeting

Marks and Spencer Group plc

Notice is hereby given that the ninth Annual General Meeting of Marks and Spencer Group plc will be held at the Royal Festival Hall, Southbank Centre, London SE1 8XX on Wednesday 14 July 2010 at 2pm (the 'AGM') for the purposes set out below:

Resolutions 1 to 11 and 15 will be proposed as ordinary resolutions and Resolutions 12 to 14 and 16 will be proposed as special resolutions.

- 1 To receive the report of the directors and the financial statements for the 53 weeks ended 3 April 2010, together with the report of the auditors.
- 2 To approve the Remuneration report.
- 3 To declare a final dividend of 9.5p per ordinary share.
- 4 To re-elect Sir Stuart Rose, who is seeking annual re-election as previously announced by the Company.

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

- 5 Marc Bolland
- 6 John Dixon

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

- 7 Martha Lane Fox
- 8 Steven Holliday
- 9 To resolve 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.
- 10 To resolve that the Audit Committee determine the remuneration of the auditors on behalf of the Board.

Directors' authority to allot shares

- 11 To resolve that the directors be and are hereby authorised generally and unconditionally to exercise all the powers of the Company to allot relevant securities (as defined in section 551 of the Companies Act 2006):

(A) up to a nominal amount of £131,895,652

(B) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £263,791,305 (such amount to be reduced by any allotments made under paragraph (A) above) in connection with an offer by way of a rights issue:

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or laws of, any territory or any matter.

The authorities conferred on the directors to allot securities under paragraph (A) and (B) will expire on the date of the AGM of the Company to be held in 2011 or on 2 October 2011 whichever is sooner, unless previously revoked or varied by the Company, and such authority shall extend to

the making before such expiry of an offer or an agreement that would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of that offer or agreement as if the authority conferred hereby had not expired.

Disapplication of pre-emption rights

12 To resolve as a special resolution that, if Resolution 11 is passed, the directors be given power to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution (set out in this Notice of Meeting) as if section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such power is limited:

- (A) to the allotment of equity securities for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (B) of Resolution 11, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or, as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or laws of, any territory or any matter; and

- (B) in the case of the authority granted under paragraph (A) of Resolution 11 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (A) above) of equity securities up to a nominal amount of £19,784,347,

and shall expire at the conclusion of the AGM to be held in 2011 or on 2 October 2011 whichever is sooner (unless previously revoked or varied by the Company in general meeting), provided that the Company may before that date make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

Company's authority to purchase its own shares

13 To resolve as a special resolution that the Company is authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 25p each ('Ordinary Shares'), such power to be limited:

- (A) to a maximum number of 158m Ordinary Shares; and
- (B) by the condition that the minimum price which may be paid for an Ordinary Share is 25p and the maximum price which may be paid for an Ordinary Share is the highest of:
 - (i) an amount equal to 5% above the average market value of an Ordinary Share for the five business days' immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
 - (ii) the highest of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out,

in each case, exclusive of expenses, such power to apply until the end of the AGM to be held in 2011 or until 2 October 2011, whichever is sooner, but in each case so that the Company may enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after the power ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the power had not ended.

Calling of general meetings on 14 days' notice

14 To resolve as a special resolution that a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Political donations

15 To resolve that in accordance with section 366 of the Companies Act 2006 the Company and any company which, at any time during the period for which this resolution has effect, is a subsidiary of the Company, be and are hereby authorised (i) to make political donations to EU political organisations or independent election candidates not exceeding £50,000 in total; and (ii) incur EU political expenditure not exceeding £50,000 in total, in each case during the period commencing on the date of this resolution and ending on the date of the AGM of the Company to be held in 2011 or on 2 October 2011, whichever is sooner.

New Articles of Association

16 To resolve as a special resolution that:

- (A) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association; and
- (B) the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board

Amanda Mellor, Group Secretary

10 June 2010, London

Registered office, Waterside House, 35 North Wharf Road, London W2 1NW. Registered in England and Wales No. 4256886

Notes:

- 1** The terms of the service contracts for Sir Stuart Rose, Marc Bolland and John Dixon are such that they may be terminated by the Company giving 12 months' notice and by the individual giving 6 months' notice. The terms of the service agreements for Martha Lane Fox and Steven Holliday are such that they may be terminated by the Company or the individual giving 3 months' notice.
- 2** Registered Shareholders: Members are entitled to appoint a Proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the AGM. Members 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 Proxy forms (to appoint more than one Proxy), please contact our shareholder helpline on **0845 609 0810**. Alternatively photocopy the enclosed Proxy form. Please indicate the number of shares in relation to which they are authorised to act as your Proxy in the box above the Proxy holder's name. Please also indicate if the instruction is one of multiple instructions being given. All Proxy forms must be signed and should be returned together.

- 3 To be valid any Proxy form or other instrument appointing a Proxy must be received by post or (during normal business hours only) by hand at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6TW no later than 2pm on Monday 12 July 2010.
- 4 The return of a completed Proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 12 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
- 5 Indirect Shareholders: 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.
- 6 The statement of the rights of shareholders in relation to the appointment of Proxies in paragraphs 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
- 7 To be entitled to attend speak and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be entered on the Register of Members of the Company by 2pm on Monday 12 July 2010 (or, in the event of any adjournment, on the date which is 48 hours 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 speak and vote at the meeting.
- 8 The following documents are available for inspection at an agreed time (please ring **+44 (0)20 8718 9888**) during normal business hours on any weekday (Saturdays, Sundays and public holidays excluded), at the Company's registered office, Waterside House, 35 North Wharf Road, London W2 1NW. They will also be available for inspection at the Royal Festival Hall, London SE1 8XX from 1pm on 14 July 2010 until the conclusion of the AGM:
 - (i) copies of the executive directors' service contracts;
 - (ii) copies of the non-executive directors' service agreements;
 - (iii) copies of the directors' deeds of indemnity;
 - (iv) a copy of the current Memorandum and Articles of Association of the Company and a copy of the proposed New Articles of Association of the Company together with a copy of the Current Articles marked to show the changes being proposed under Resolution 16.
- 9 Shareholders are advised that unless otherwise specified, the telephone numbers, website and email addresses set out in this Notice or Proxy forms are not to be used for the purpose of serving information or documents on the Company (including the service of documents or information relating to proceedings at the Company's AGM).
- 10 As at 24 May 2010 (the latest practicable date before the publication of this Notice) the Company's issued share capital consists of 1,582,747,832 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 24 May 2010 are 1,582,747,832.
- 11 CREST members who wish to appoint a Proxy or Proxies through the CREST electronic Proxy appointment service may do so for the AGM and any adjournment 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 service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

- 12** 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 (available via euroclear.com/CREST). 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 Equiniti (ID RA19) by 2pm on Monday 12 July 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Equiniti 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.
- 13** 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/her 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.
- 14** 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.
- 15** 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.
- 16** Under section 527 of the Companies Act 2006 members 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.
- 17** Any member attending the meeting has a 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 needs to 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.
- 18** A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at marksandspencer.com/thecompany.
- 19** Please see the letter from the Group Secretary dated 10 June 2010 for further explanatory notes.

Appendix 1:

Explanatory notes of the principal changes to the Company's Articles of Association

(i) The Company's objects clause

The provisions which regulate the operations of the Company are currently set out in the Company's Memorandum and Articles of Association. The Memorandum contains the objects clause which sets out the scope of the activities the Company is authorised to undertake. These objects are drafted to give a wide scope.

The Companies Act 2006 (the '2006 Act') significantly reduces the constitutional significance of a company's Memorandum, by providing that a Memorandum will record only the names of subscribers and the number of shares each subscriber agreed to take in the Company. Under the 2006 Act the objects clause and all other provisions which are contained in the Company's Memorandum are deemed to be contained in the Company's Articles of Association. The 2006 Act enables the Company to remove these provisions by special resolution and unless the Articles provide otherwise, the Company's objects are unrestricted. This abolishes the need for companies to have objects clauses.

Resolution 16(A) proposes the removal of the Company's objects clause along with all other provisions of the Company's Memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's Articles of Association. The effect of this resolution will be to remove the statement of limited liability currently in the Company's Memorandum of Association, the New Articles will contain an express statement regarding the limited liability of shareholders.

(ii) Articles with duplicate statutory provisions

Provisions in the Current Articles which replicate those provisions contained in the 2006 Act will be removed in the New Articles. This is in line with the approach we have taken in previous years and the approach advocated by the Government, namely that statutory provisions should not be duplicated in a company's constitution.

(iii) Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital; the New Articles reflect this. The directors will remain limited as to the number of shares they can allot at any time because allotment authority will continue to be required under the 2006 Act, with the exception of employee share schemes.

(iv) Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption of those shares. The 2006 Act enables directors to determine such matters instead, provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

(v) Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

The Companies Act 1985 required the Company to include specific enabling provisions in its Articles to purchase its own shares, to consolidate or subdivide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. The 2006 Act still requires shareholder authority to do any of these things. However it is no longer necessary for the Articles to contain enabling provisions. The relevant enabling provisions have been removed in the New Articles.

(vi) Votes of members

The Shareholders' Rights Regulations have amended the 2006 Act so that each Proxy appointed by a member has one vote on a show of hands unless the Proxy is appointed by more than one member in which case the Proxy has one vote for and one vote against if the Proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles have been amended to reflect these changes.

(vii) Dividend payment

The New Articles will give the directors maximum flexibility in the way that dividends are paid to shareholders. The Company wants to ensure that dividends are paid to all shareholders in the most secure and cost-effective way, even if a shareholder fails to advise the Company of a change of address, and in a manner which will have least impact on the environment. We recognise that cheques, although popular with some of our shareholders are fast becoming an out dated method of payment. The New Articles will allow the directors to decide, at some future point, that payments may be made exclusively by inter-bank transfer or other electronic means into a nominated bank or building society account.

(viii) Untraced shareholders

The New Articles will amend the provisions of the Current Articles relating to shareholders who are considered untraced after a period of 12 years. The Company may currently sell the associated shareholding, use the funds for the purposes of its business and list the shareholder as a creditor in its accounts. The New Articles will allow the Company to consider the proceeds from such sales as forfeited by the shareholder and belonging to the Company. The Company will use all money from the forfeiture in these circumstances to assist the long term sustainability of the M&S Corporate Archive and help fund other good causes. Alongside this change the Company will use a professional asset reunification company to initiate a thorough proactive search for shareholders who have not kept their details up-to-date and will be committed to search for shareholders on an ongoing basis.

(ix) Use of Seals

The New Articles provide an alternative option for the execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by one director in the presence of a witness, whereas currently the requirement is for signature by either a director and the secretary or two directors or such other persons as the directors may approve.

(x) Adjournments for lack of quorum

Under the 2006 Act as amended by the Companies (Shareholders' Rights) Regulations 2009, general meetings adjourned for lack of quorum must be held at least ten clear days after the original meeting. The Current Articles have been changed to reflect this requirement.

Your M&S AGM 2010

Venue

Royal Festival Hall, Southbank Centre, London SE1 8XX

Timings:

Date: Wednesday 14 July 2010

12.00 noon

Doors open, Registration begins
Question Registration Desk open
Light lunch available

1.15pm

Auditorium doors open
Please make your way to the Auditorium where hosts will direct you to your seats

2.00pm

Meeting commences

4.00pm (approximately)

AGM closes. The results of the poll will be released to the London Stock Exchange.
Tea and coffee available

Admission

Please plan to arrive before 1.45pm to allow enough time for registration and security clearance, bringing your Attendance card with you. This is either attached to your Proxy form or, for those registered for electronic communications, it is attached to the email you received. This will help us to register you more swiftly.

Shareholders with special needs

The Royal Festival Hall is easily accessible by wheelchair users and has lift access inside. The main auditorium is also covered with an assisted hearing system, handsets will be available from the Customer Services Desk.

For any further information on the special needs facilities at the venue, please call the Royal Festival Hall direct on: **0844 847 9910**.

Security

Standard security measures will be in place to ensure your safety. Please note that bag searches will be in operation, and any items deemed inappropriate will be removed and stored until the end of the event. Flash photography is not allowed at the AGM.

Transport

In line with our commitment to Plan A and sustainability, we recommend shareholders use public transport to attend the meeting. The closest public transport links are all within walking distance of the Royal Festival Hall. For directions and transport information please see your Attendance card attached to your Proxy form enclosed, or go to southbankcentre.co.uk/visitor-info.

Further information

Webcast

For shareholders unable to attend the AGM, there will be a webcast on our website. This will be broadcast live at 2pm on the day. Please go to marksandspencer.com/thecompany and follow the links to register for this. The webcast will also be available to download after the event.

If you have any queries about the AGM or the contents of this document, please call Marks & Spencer Group Secretariat on **020 8718 9888**.



Notes

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