

YOUR M&S

Annual General Meeting 2009

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Stuart Rose - Chairman

Agenda

- Introduction
- 2008/9 - Business overview
- 2008/9 - Financial overview & 2020 Change Programme
- Q&A
- Resolutions

Your Board



Stuart Rose
Chairman



Jeremy Darroch
Non-Executive
Director



Kate Bostock
Executive Director
General Merchandise



Steven Holliday
Non-Executive
Director



Louise Patten
Non-Executive
Director



Graham Oakley
Group Secretary



David Michels
Deputy Chairman



Ian Dyson
Group Finance and
Operations Director



Jan du Plessis
Non-Executive
Director



Martha Lane Fox
Non-Executive
Director



Steven Sharp
Executive Director
Marketing

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Spencer^{Ltd.}*

CELEBRATING
125 YEARS

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Stuart Rose - Chairman

Jennifer Bradley



Overview

- Challenging year
- Decisive action taken to meet pressures of economic downturn
- Sharpened prices without compromising on quality
- Costs managed tightly
- Dividend cut

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Quality

Value

Service

Innovation

Trust

Voted Britain's most trusted retailer

Current trading

- Good start to financial year
- Q1 performance showed improving trend in like-for-like sales for second consecutive quarter
- Total UK sales up for the first time in four quarters

Clothing

- Second quarter of improving sales
- Clothing market share up
 - improved performance across all areas
- Maintained market leading position



Food

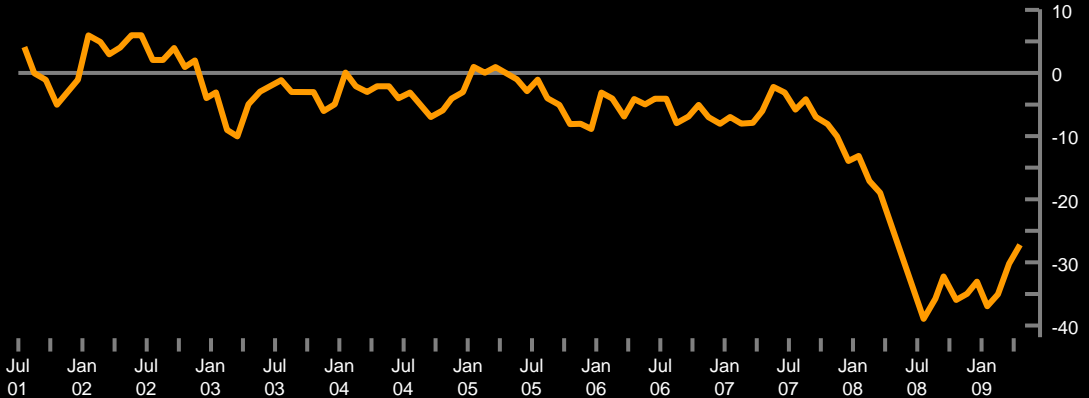
- Three consecutive quarters of improvement
- Sharpened values without sacrificing on quality
- Improved availability and more innovation



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Consumer confidence index



Outlook

- Significant improvement in both Food and GM but...
- ... remain cautious about outlook for this year and next
- Continue to run business accordingly

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Ian Dyson - Group Finance & Operations Director

Group financial highlights

- Sales £9.1bn, +0.4%
- Profit before tax* £604m, -40%
- Adjusted earnings per share* 28.0p, -35.8%
- Capital expenditure of £652m
- Net cash inflow of £108m
- Net debt of £2.5bn**
- Dividend of 17.8p, -20.9%

UK performance

- Total sales down 1.7%
- LFL sales down 5.9%
- Gross margin down 170bps
- Operating costs well controlled
- Operating profit down 29.4% to £653m
- 2009/10 Q1 sales +1.7%, LFL -1.4%

International

- Sales up 26%
- Operating profit level at £116m
- Progress in Greece, Czech Republic, India, China
- 2009/10 Q1 sales +15.9%

Cash flow and balance sheet

- Net cash inflow of £108m
- Net debt down to £2.5bn
- Reduction in dividend
- No short term refinancing required

Project 2020 : Doing the Right Thing

- Deliver a step change in the way we service our customers' needs and the way we operate our business
- Increase pace of change and operational execution
- Accelerate multi-channel
- Drive our International business

Summary

- Sales impacted by economic environment
- Price investment to improve values
- Action on costs and cash flow
- Financial position improved
- Well positioned to move forward
- Project 2020 underway

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Summary

- Clear plan going forward
- Customers trust us
- Confident offering right products at right prices
- 2004 – 2008: rebuilt the Business
- 2008 – 2009: focusing the Business through recession
- Picking up the pace further still

Plan A: Doing the right thing

- Customers want us to be a responsible business
- Plan A proving this does not have to cost more
- Two years in: Plan A profit positive



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Chairman's aims:

- Lead the Company forward
- Lay foundation for future succession
- Stick to founding principles

Quality

Value

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Questions & Answers

Frequently asked questions

- In-store customer ordering
- Succession
- Directors' pay

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Questions & Answers

Shareholder feedback

	Yes	No
Did your annual report mailing give you sufficient information on the company?	97%	3%
Do Equiniti give you the level of service you expect as a shareholder?	92%	8%
Do you shop online at marksandspencer.com?	17%	83%
Do you have an M&S credit card?	46%	54%
Would you be happy to provide us with further feedback?	70%	30%

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Questions & Answers

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Resolutions

Split voting



Marks and Spencer Group plc
Annual General Meeting held on 8 July 2009

Poll Card

Name of Shareholder
(BLOCK CAPITALS)

Signature

Number of Shares held (if known)

	For	Against	Vote withheld
Resolution 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* Special resolution

Additional Resolution
Requisitioned by LAPFF

Resolution 16**

** Special resolution which the Board recommends you vote against

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Resolutions

Resolution 1

To receive the directors' report, financial statements and report of the auditors

Resolution 2

To approve the Remuneration report

Resolution 3

To declare a final dividend of 9.5p per ordinary share

Resolution 4

To re-elect Sir Stuart Rose

Resolution 5

To elect Jan du Plessis

Resolution 6

To re-elect Jeremy Darroch

Resolution 7

To re-elect Sir David Michels

Resolution 8

To re-elect Louise Patten

Resolution 9

To re-appoint the auditors,
PricewaterhouseCoopers LLP

Resolution 10

To authorise the audit committee to determine the auditors' remuneration

Resolution 11

To renew directors' authority to allot shares

Resolution 12

To renew disapplication of pre-emption rights

Resolution 13

To authorise the Company to purchase its own shares

Resolution 14

To authorise the Company to call a general meeting, other than an AGM, on 14 clear days' notice

Resolution 15

To approve the Republic of Ireland All-Employee
Share Save Plan

Resolution 16

To recommend that the Board takes all reasonable and practical steps to bring forward the appointment of an independent Chairman to July 2010

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We are listening

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