Annual General Meeting 2008

Stuart Rose - Chairman
Today’s Agenda

- Introduction
- 2007/8 - Financial overview
- 2007/8 - Business overview
- Q&A
- Resolutions
Annual General Meeting 2008

Ian Dyson - Group Finance & Operations Director
Group Financial Highlights – 2007/8

- Sales £9.0bn, +5.1%
- Profit before tax* £1,007.1m, +4.3%
- Adjusted earnings per share* 43.6p, +7.9%
- Capital expenditure of £1.1bn
- £914m returned to shareholders
- Net debt £3.1bn

*From continuing operations before property disposals and exceptional items
UK Performance

- Total sales up 4.2%
- LFLs reflect tougher second half (- 0.5%)
- Gross margin down 40bps
- Operating costs* well controlled - up 7.5%
- Operating profit up 1.7% to £973m

*Before bonus
International

- Sales up 16.8% to £712.9m
- Operating profit up 33% to £116.4m
- 38 new stores, +20% space
- Deals in Greece, Czech Republic, India
Cash Flow and Balance Sheet

- Cash outflow £917m
- Strong balance sheet
- Raised £638m of new finance
- Extended pension fund property partnership
- Share buy back
Capital Expenditure

- Modernisation programme
- New stores
- International
- Supply chain and technology
- Maintenance

£m

2006/07: 792
2007/08: 1,055
2008/09 Guidance: 800-900
Summary

- £1bn PBT, EPS up 8%
- £1.1bn invested in the business
- £914m returned to shareholders
- Strong financial position
- Investing for the long term
Annual General Meeting 2008

Stuart Rose - Chairman
### Group Revenue £m

<table>
<thead>
<tr>
<th>Year</th>
<th>UK</th>
<th>International</th>
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</thead>
<tbody>
<tr>
<td>2007/8</td>
<td>8,588.1</td>
<td>7,797.7</td>
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<tr>
<td>2006/7</td>
<td>7,490.5</td>
<td></td>
</tr>
<tr>
<td>2005/6</td>
<td>6,033.2</td>
<td></td>
</tr>
<tr>
<td>2004/5</td>
<td>5,708.6</td>
<td></td>
</tr>
</tbody>
</table>

### Group Profit Before Tax £m

<table>
<thead>
<tr>
<th>Year</th>
<th>2007/8</th>
<th>2006/7</th>
<th>2005/6</th>
<th>2004/5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,007.1</td>
<td>965.2</td>
<td>751.4</td>
<td>556.1</td>
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</table>

### Earnings per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>2004/5</th>
<th>2005/6</th>
<th>2006/7</th>
<th>2007/8</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>19.2p</td>
<td>31.4p</td>
<td>40.4p</td>
<td>43.6p</td>
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</tbody>
</table>

### Mystery Shopping %

<table>
<thead>
<tr>
<th>Year</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
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</thead>
<tbody>
<tr>
<td>2007/8</td>
<td>84</td>
<td>85</td>
<td>84</td>
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<td>85</td>
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<td>87</td>
<td>88</td>
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<tr>
<td>2006/7</td>
<td>70</td>
<td>73</td>
<td>73</td>
<td>78</td>
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<td>82</td>
<td>84</td>
<td>82</td>
<td>82</td>
<td>83</td>
</tr>
</tbody>
</table>

SOURCE: Internal, Company reports
Our Plan
Food
Simply Food
Investing in Your Business

Eden

Colney

Preston Deepdale

Brighton

Belfast
We are listening

- chairman@marks-and-spencer.com
- Marks and Spencer Group plc
  Waterside House
  35 North Wharf Road
  London, W2 1NW
- Shareholder queries: 0845 609 0810
- Customer services: 0845 302 1234
YOUR M&S

Questions & Answers
Annual General Meeting 2008
Vote Now

- Inserting your smartcard

Make sure the arrows at the bottom of the smartcard are inserted and facing you
Casting Your Vote

- To cast your vote, press the appropriate button on the handset.

For example to vote FOR press button 1.
Casting Your Vote

- “Received” will appear on your handset to indicate your vote has been counted

If you wish to change your mind, simply enter your new choice
Casting Your Vote

- If your smartcard is not inserted correctly during a vote, a warning will appear
Marks and Spencer Group plc
Annual General Meeting
held on 9 July 2008
Poll Card

Name of Shareholder

Signature

Number of Shares held (if known)

RESOLUTION 1
RESOLUTION 2
RESOLUTION 3
RESOLUTION 4
RESOLUTION 5
RESOLUTION 6
RESOLUTION 7
RESOLUTION 8
RESOLUTION 9
RESOLUTION 10
RESOLUTION 11
RESOLUTION 12
RESOLUTION 13

*Special Resolution
Resolutions
Annual General Meeting 2008
After the Event

- Please leave your handset and Smartcard on your seat at the end of the meeting
Annual General Meeting 2008