
Notice of Annual General Meeting

to be held at
The International Convention Centre,
Broad Street, Birmingham B1 2EA
on Thursday, 29 January 2009, at 11.00am.

This document is important and requires your immediate attention

If you are in any doubt as to what 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 shares in Mitchells & Butlers plc, please pass this document and the accompanying Form of Proxy to the stockbroker or other agent through whom you made the sale or transfer for transmission on to the purchaser or transferee.

A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned so as to reach the Company's Registrar by no later than 11.00am on Tuesday, 27 January 2009. Completion and return of the Proxy will not prevent you from attending and voting at the Meeting in person, should you so wish. Alternatively you can register your proxy vote electronically, either by means of a website provided by the Company's Registrar, www.sharevote.co.uk or by using the service provided by Euroclear. Further details are given in the notes to this document.

Notice of Annual General Meeting continued

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Mitchells & Butlers plc will be held at The International Convention Centre, Broad Street, Birmingham B1 2EA on Thursday, 29 January 2009, at 11.00am, or at any adjournment thereof, for the following purposes:

Resolutions

To consider and, if thought fit, to pass the following resolutions, of which numbers 1 to 6 and 9 will be proposed as ordinary resolutions and numbers 7, 8, 10, 11 and 12 as special resolutions.

- 1 To receive the Company's financial statements for the year ended 27 September 2008, together with the reports of the Directors and auditors.
- 2 To approve the Remuneration report for the year ended 27 September 2008.
- 3 To reappoint (a) Tim Clarke, (b) Sir Tim Lankester, (c) Jeremy Townsend and (d) George Fairweather as Directors of the Company.
- 4 To reappoint Ernst & Young LLP as auditors of the Company until the next general meeting at which accounts are to be laid.
- 5 To authorise the Audit Committee of the Board to agree the auditors' remuneration.

6 Allotment of shares:

'THAT the Directors be generally and unconditionally authorised pursuant to, and in accordance with, Section 80 of the Companies Act 1985 and within the terms of Article 12 of the Articles of Association of the Company to exercise, during the period ending on the date of the Annual General Meeting in 2010 or 29 March 2010, whichever is the earlier, all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £11,528,000.'

7 Disapplication of pre-emption rights:

'THAT during the period ending on the date of the Annual General Meeting in 2010 or on 29 March 2010, whichever is the earlier, the Directors be and are hereby empowered (a) to allot equity securities wholly for cash pursuant to any authority for the time being in force under Section 80 of the Companies Act 1985 and within the terms of Article 12 of the Articles of Association of the Company and (b) to allot equity securities (as defined in Section 94(3A) of the Companies Act 1985):

- (i) in connection with a rights issue (as defined by Article 12.5.1); and
- (ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount of £1,729,000,

as if Section 89(1) of the Companies Act 1985 did not apply to any such allotment and shall be in substitution for all previous disapplications of Section 89 of the Act, which shall cease to have effect without prejudice to any allotment of securities pursuant thereto.'

8 Authority to purchase own shares:

'THAT, subject to and in accordance with Article 9 of the Company's Articles of Association, the Company is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of ordinary shares of 8 13/24p each in the capital of the Company ('ordinary shares') on such terms as the Directors think fit, provided that:

- (i) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 40,490,000;
- (ii) the minimum price which may be paid for each ordinary share is 8 13/24p per share;
- (iii) the maximum price which may be paid for each ordinary share is an amount equal to the higher of: (a) 105% of the average of the middle market quotations for an ordinary share, as derived from The London Stock Exchange Daily Official List, for the five business days before the day on which such share is purchased; and (b) that stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and
- (iv) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or on 29 March 2010, whichever is earlier (except in relation to the purchase of ordinary shares the contract for which was concluded before such date and which is executed wholly or partly after such date), unless such authority is renewed prior to such time.'

9 Political donations:

'THAT in accordance with Section 366 of the Companies Act 2006 the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect be and are hereby authorised to:

- (i) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
- (ii) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
- (iii) incur political expenditure not exceeding £50,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £50,000 during the period beginning with the date of the passing of this resolution and ending on the date of the Annual General Meeting of the Company to be held in 2010.

For the purpose of this resolution the terms 'political donations', 'independent election candidates', 'political organisations' and 'political expenditure' have the meanings set out in Sections 363 to 365 of the Companies Act 2006.'

Notice of Annual General Meeting continued

10. Borrowing powers

'THAT the borrowing limit in Article 116.1 of the Company's Articles of Association be and is hereby amended from 'three times the consolidated capital and reserves' to 'the greater of three times the consolidated capital and reserves or £3bn'.'

A copy of the new Articles of Association and a copy of the current Articles of Association marked up to show the change being proposed by this resolution are available for inspection as noted on page 6 of this Notice.

11. Other amendments to Articles of Association

'THAT various minor and technical amendments to the Articles of Association be and are hereby made to correct minor typographical errors, to clarify existing Articles, to reflect new provisions of the Companies Act 2006 relating to the execution of documents and to deal with giving notices of meetings in the event of a postal strike in accordance with the provisions of the Companies Act 2006.'

A copy of the new Articles of Association and a copy of the current Articles of Association marked up to show the changes being proposed by this resolution are available for inspection as noted on page 6 of this Notice.

12. Notice period for Extraordinary General Meetings

'THAT, in accordance with the Company's Articles of Association, an Extraordinary General Meeting of the Company may be called by 14 clear days' notice.'

By order of the Board

Bronagh Kennedy

Company Secretary
25 November 2008

Registered Office:

27 Fleet Street
Birmingham B3 1JP

Notice of Annual General Meeting continued

Explanation of business

This Notice of Meeting contains items of business which are of a technical nature and are therefore explained below.

Resolution 2 – Remuneration report

Shareholders are given the opportunity by law to vote on whether or not they approve the Remuneration report and this vote will be in respect of the content of the Remuneration report and not specific to any Director's level or terms of remuneration.

The Remuneration report is contained within the Annual report and financial statements 2008, copies of which have been sent to shareholders who have elected to receive them and are available from the Company's Registrar or from the website www.mbplc.com

Resolution 3 – Directors

Tim Clarke, Sir Tim Lankester, Jeremy Townsend and George Fairweather, whose biographical details are shown on pages 40 and 41 of the Annual report 2008, are standing for reappointment at the Annual General Meeting on 29 January 2009 in accordance with the Company's Articles of Association. Each reappointment will be proposed as a separate resolution.

Subsequent to the year end, a full Board evaluation was conducted which included an assessment of the performance of each individual Director. Having considered the output from such assessment the Nomination Committee subsequently confirmed to the Board that the performance of each Director standing for reappointment at the AGM continues to be effective and therefore the Board supports each Director's reappointment.

Resolution 6 – Allotment of shares

This resolution authorises the Directors to allot ordinary shares up to an aggregate nominal amount of £11,528,000. This is equivalent to 33% of the issued ordinary share capital (excluding shares held in treasury) of the Company as at 25 November 2008. The authority sought at the Annual General Meeting will expire at the conclusion of the next Annual General Meeting or on 29 March 2010, whichever is the earlier. This resolution complies with the Institutional Investment Committee guidelines and will replace the authority given to the Directors at the Annual General Meeting in 2008.

As at 25 November 2008 the Company held 429 ordinary shares in treasury, which represents a negligible percentage of the total ordinary share capital of the Company in issue as at 25 November 2008.

Resolution 7 – Disapplication of pre-emption rights

It is proposed to renew the authority to the Directors to allot equity securities for cash without first being required to offer such securities to existing shareholders. This will include the sale on a non pre-emptive basis of any shares the Company holds in treasury for cash. The authority relates to up to £1,729,000 of nominal capital, being 5% of the issued ordinary share capital of the Company as at 25 November 2008 and the authority will expire at the next Annual General Meeting or on 29 March 2010, whichever is the earlier. This resolution complies with the Institutional Investment Committee guidelines.

The Directors do not intend to issue more than 7.5% of the issued ordinary share capital of the Company in any rolling three year period without prior consultation with the Institutional Investment Committee.

Resolution 8 – Authority to purchase own shares

The Company is seeking authority to purchase up to 10% of its ordinary shares at, or between, the minimum and maximum prices specified in this resolution. This power would be used only after careful consideration by the Directors, having taken into account market conditions prevailing at that time, the investment needs of the Company, its opportunities for expansion and its overall financial position. The Directors would exercise the authority to purchase ordinary shares only if they considered it to be in the best interest of shareholders and if the purchase could be reasonably expected to result in an increase in earnings per share.

Under the Companies Act 1985, the Company is allowed to hold its own shares in treasury following a buyback, instead of cancelling them as previously required. Such shares may be resold for cash but all rights attaching to them, including voting rights and any right to receive dividends, are suspended whilst they are held in treasury. If the Board exercises the authority conferred by Resolution 8, the Company will have the option of holding repurchased shares in treasury.

At 25 November 2008, options were outstanding to subscribe for 20.8 million ordinary shares, representing 5.1% of the issued share capital and the proportion of issued share capital that they will represent if the full authority to purchase shares (existing and sought) is used is 5.7%.

The authority sought at the Annual General Meeting will expire at the conclusion of the next Annual General Meeting or on 29 March 2010, whichever is the earlier.

Resolution 9 – Political donations

Part 14 of the Companies Act 2006, amongst other things, prohibits the Company and its subsidiaries from making political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company's shareholders. Aggregate donations made by the Group of £5,000 or less in any 12 month period will not be caught.

Neither the Company nor any of its subsidiaries has any intention of making any political donation or incurring any political expenditure. However, the Companies Act 2006 defines 'political party', 'political organisation', 'political donation' and 'political expenditure' widely. For example, bodies, such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may see benefit in supporting may be included in these definitions.

Accordingly, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Companies Act 2006 through the undertaking of routine activities, which would not normally be considered to result in the making of political donations and political expenditure being incurred.

Notice of Annual General Meeting continued

As permitted under the Companies Act 2006, the resolution extends not only to the Company but also covers all companies which are subsidiaries of the Company at any time the authority is in place. The resolution authorises the Company and its subsidiaries to:

- (i) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
- (ii) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
- (iii) incur political expenditure not exceeding £50,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £50,000 in the period up to the Company's Annual General Meeting in 2010, as defined in the Companies Act 2006.

As required by the Companies Act 2006, the resolution is in general terms and does not purport to authorise particular donations.

Resolution 10 – Borrowing powers

The Company is seeking authority to amend the definition of the limit on borrowing. The current limit of three times adjusted share capital and reserves is believed to be broadly in line with the Company's net debt requirements. However, the Board is aware that this limit may be affected by external factors and wishes to eliminate the volatility that may arise through the application of accounting conventions. It is therefore proposed that this limit is expressed as the greater of three times adjusted share capital and reserves or £3bn. As at 25 November 2008, the limit under the existing borrowing restriction of three times adjusted share capital and reserves measure is equal to £3.6bn and the Company's outstanding debt is £2.735bn. The proposed limit is consistent with the Company's banking covenants and the Company presently has no intention of changing its borrowing policy. The Board is committed to reviewing this limit in 2011.

A copy of the Articles of Association marked to show the changes being proposed by this resolution will be on display at the meeting.

Resolution 11 – Amendments to Articles

This resolution amends the Articles of Association with immediate effect in order to make various amendments which are of a minor, technical or clarifying nature either required by or consequential to provisions of the Companies Act 2006 which are already in force at the date of the meeting. These include:

- clarification of the wording in relation to the execution of deeds to allow the execution of a document as a deed by one director in the presence of a witness; and
- clarification of the process for giving notice of a meeting during a postal strike by stating that the Company can give such notice by electronic means.

A copy of the Articles of Association marked to show the changes being proposed by this resolution will be on display at the meeting.

Resolution 12 – Notice of meetings

The Shareholder Rights Directive is due to be implemented in August 2009. This directive proposes that an extraordinary general meeting of shareholders can only be held with 14 days' notice where, *inter alia*, a resolution has been passed at the preceding AGM to allow this, otherwise a minimum of 21 days' notice must be given. The Directors believe it is in the best interests of the shareholders of the Company to preserve the shorter notice period and accordingly are putting this resolution to the meeting.

Due to the phased nature of implementation of the Companies Act 2006, it is likely that further related changes to the Articles of Association will be proposed at a later AGM to incorporate provisions currently scheduled to come into force at a later time. All such changes will be shown on a blacklined copy of the Articles displayed at that meeting.

Notice of Annual General Meeting continued

Notes

- 1 Only holders of ordinary shares, or their duly appointed representatives, are entitled to attend, vote and speak at the Meeting. A member so entitled may appoint (a) proxy(ies), who need not be (a) member(s), to attend, vote and speak on his/her behalf.
- 2 A three-way Form of Proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the Meeting in person.
- 3 If you wish, you may register the appointment of a proxy for this meeting electronically, by contacting the Registrar's website www.sharevote.co.uk where full details of the procedure are given. The proxy appointment and instructions must be received by Equiniti not less than 48 hours before the time for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.
- 4 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service should follow the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

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's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 the issuer's agent (ID RA19) not less than 48 hours before the time for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. 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(s), to procure that his 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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.

- 5 At the Annual General Meeting on 29 January 2009 the votes will be taken by a poll rather than a show of hands and the results will be released to the London Stock Exchange and published on the Company's website www.mbplc.com
 - 6 A 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 Annual General Meeting. 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.
 - 7 The statement of the rights of members in relation to the appointment of proxies in paragraphs 1 to 4 above does not apply to a Nominated Person. The rights described in these paragraphs can only be exercised by registered members of the Company.
 - 8 In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting, so that:
 - (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.
- Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.
- 9 Copies of contracts of service, letters of appointment and deeds of indemnity between the Directors and the Company or any of its subsidiaries (or a memorandum of the terms thereof) will be available at the Registered Office of the Company during normal business hours until the conclusion of the Annual General Meeting, and at the place of the Meeting from at least 15 minutes prior to the Meeting until its conclusion. In addition, a copy of the Articles of Association of the Company marked to show the changes being proposed by Resolutions 10 and 11 will be available for inspection at Allen & Overy LLP, One Bishops Square, London E1 6AO during normal business hours until the conclusion of the Annual General Meeting and at the place of the Meeting on 29 January 2009 for at least 15 minutes prior to the Meeting until its conclusion.
 - 10 The Company specifies that only those shareholders on the Register of Members as at 6.00pm on 27 January 2009 shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of shares registered in their names at the time. Changes to entries on the ordinary register after 6.00pm on 27 January 2009 shall be disregarded in determining the right of any person to attend or vote at the Meeting.
 - 11 As at 9 December 2008 (being the last business day prior to the publication of this notice) the Company's issued share capital amounts to 405,568,858 shares. The total voting rights in the Company as at 9 December 2008 are 405,568,429.
 - 12 Shareholders are advised that, unless otherwise stated, any telephone number, website and email address set out in this Notice of Meeting, Form of Proxy, or Chairman's letter should not be used for the purpose of serving information on the Company (including the service of documents or information relating to the proceedings at the Company's Annual General Meeting).

The meeting will be held on Thursday, 29 January 2009 at 11.00am at The International Convention Centre, Broad Street, Birmingham B1 2EA.