

Notice of Annual General Meeting 2011

To be held at
The International Convention Centre,
Broad Street, Birmingham B1 2EA on
Thursday 27 January 2011 at 11.00am.

This document is important and requires your immediate attention

If you are in any doubt about its content 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 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 Equiniti (the Company's Registrar) by no later than 11.00am on Tuesday 25 January 2011. Completion and return of the Form of 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 no later than 11.00am on Tuesday 25 January 2011, either by means of a website provided by Equiniti, www.sharevote.co.uk, or by using the service provided by Euroclear. Further details are given in the notes to this document.

Chairman's letter

Dear shareholder

This year's Annual General Meeting (the 'Meeting' or 'AGM') will be held at The International Convention Centre in Birmingham on Thursday 27 January 2011 at 11.00am. The formal notice of the Meeting, which follows this letter, is set out on pages 5 and 6 (the 'Notice'). Please note that whilst tea and coffee will be available from 10.30am onwards, no further refreshments will be available after the Meeting. A location map is provided on the reverse of the accompanying Form of Proxy.

If you would like to vote on the resolutions in the Notice but cannot come to the Meeting, please fill in the Form of Proxy sent to you with the Notice and return it to Equiniti (the Company's Registrar) as soon as possible. The Registrar must receive it by 11.00am on Tuesday 25 January 2011. Alternatively, you can vote online at www.sharevote.co.uk no later than 11.00am on Tuesday 25 January 2011.

The Directors consider that all the resolutions to be put to the Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company for the benefit of members as a whole. The Directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own holdings. If you have any questions regarding the AGM business please contact Equiniti by phone on 0871 384 2065 (calls to this number are charged at 8p per minute from a BT landline. Other telephony provider costs may vary. Non-UK callers should dial +44 121 415 7088).

Communication online

We are continuing to use our corporate website as the main method of communication with shareholders. There is a wealth of information available to view online, including the Annual report and accounts for the year ended 25 September 2010 which you can view at www.mbplc.com/reports. If you would like to receive notice of future general meetings and other notifications online, please register at www.mbplc.com/ecomms, or contact Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

Explanation of business

The Notice contains certain 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 accounts 2010, copies of which have been sent to shareholders who have elected to receive them and are available from Equiniti or from the website: www.mbplc.com/reports

Resolutions 3 to 10 – Re-appointment of Directors

In accordance with the Company's Articles of Association the following Director will retire by rotation and is standing for re-election:

3 Adam Fowle

Given the unusual circumstances surrounding the election of the new Board Directors at the 2010 AGM and in line with the new Directors statement on 28 January 2010 the following Directors will submit themselves for re-election at the 2011 AGM and will stand down in the event that they do not command support from a majority of shareholders excluding Piedmont Inc.:

4 John Lovering
5 Michael Balfour
6 Jeremy Blood
7 Simon Burke

In the interests of good corporate governance and in anticipation of provision B.7.1 of the new UK Corporate Governance Code which will apply for financial periods commencing on or after 29 June 2010, the following Director will retire voluntarily and submit himself for re-election by the shareholders:

8 Ron Robson

The following Directors, who were appointed to the Board since the last Annual General Meeting, are standing for election:

9 Douglas McMahon
10 Tim Jones

In accordance with the Articles of Association Sir Tim Lankester will be retiring by rotation at the conclusion of this Annual General Meeting and will not be offering himself for re-election.

Biographical details of all Board directors standing for election or re-election can be found on page 4 of this document and on pages 24 and 25 of the Annual report. In addition they are also available for viewing on the website www.mbplc.com/

Subsequent to the year end, a full Board evaluation was conducted which included an assessment of the performance of each individual Director then on the Board. Having considered the output from such assessment the Nomination Committee has confirmed to the Board that the performance of each Board member evaluated continues to be effective and demonstrates the commitment required to continue in their present roles. The Board supports each Board members' re-election for reappointment. Tim Jones and Douglas McMahon were appointed to the Board after the Board evaluation exercise, however, the Nomination Committee having recommended their respective appointments supports both of these elections.

Resolution 13 – Allotment of equity securities

Resolution 13 proposes that the Directors are given authority to allot ordinary shares up to an aggregate nominal amount of £11,646,546 without the prior consent of shareholders. This is equivalent to one-third of the issued ordinary share capital (excluding shares held in treasury) of the Company as at 17 December 2010. This resolution complies with the latest institutional guidelines issued by the Association of British Insurers ('ABI') and will replace the authority given to the Directors at the Annual General Meeting in 2010.

In addition the proposed new authority will allow the Directors to allot new shares and other relevant securities only in connection with a rights issue up to a further nominal value of £11,646,546, equivalent to one-third of the Company's issued ordinary share capital (excluding shares held in treasury) of the Company as at 17 December 2010. This latter authority is being sought in accordance with recent changes in corporate governance guidelines. Once this resolution is passed the Directors will have the authority in certain circumstances to allot new shares and other relevant securities up to a total nominal value of £23,293,093, representing a total amount equal to two-thirds of the Company's issued ordinary share capital as at 17 December 2010. The Company has no present intention of undertaking a rights issue, or of allotting new shares other than in connection with the Company's share incentive schemes. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place. However, if the Directors do exercise the authority, the Directors intend to follow emerging best practice as regards its use (including as regards the Directors standing for reappointment in certain cases) as recommended by the ABI.

As at 17 December 2010 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 17 December 2010.

The authority sought in resolution 13 will expire at the conclusion of the next Annual General Meeting or on 27 March 2012, whichever is the earlier.

Resolution 14 – Disapplication of pre-emption rights

It is proposed to grant the Directors authority 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 £1,746,984 of nominal capital, being 5% of the issued ordinary share capital of the Company as at 17 December 2010 and the authority will expire at the next Annual General Meeting or on 27 March 2012, whichever is the earlier. This resolution complies with the ABI and Pre-emption Group guidelines.

The Directors do not intend to issue more than 7.5% of the issued ordinary share capital of the Company for cash on a non pre-emptive basis in any rolling three year period without prior consultation with the Investment Committees of the ABI and National Association of Pension Funds.

Resolution 15 – 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 2006, 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 or used to satisfy share options and share awards under the Company's share incentive schemes 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 15, the Company will have the option of holding repurchased shares in treasury.

At 17 December 2010, options were outstanding to subscribe for 13.2 million ordinary shares, representing 3.2% of the issued share capital at that date. If the full authority to purchase such shares (existing and sought) was exercised, they would represent 3.6% of the Company's issued share capital.

The authority sought at the Annual General Meeting will expire at the conclusion of the next Annual General Meeting or on 27 March 2012, whichever is the earlier.

Resolution 16 – 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.

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:

- (a) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
- (c) 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 2012, 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 17 – Amendments to Articles of Association

It is proposed in resolution 17 to adopt new articles of association (the 'New Articles') in order to update the Company's current articles of association (the 'Current Articles') primarily to take account of the Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations'), the implementation of the last parts of the Companies Act 2006 and amendments to the Uncertified Securities Regulations 2001.

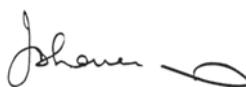
The principal changes introduced in the New Articles are summarised in the Appendix to this Notice on page 8. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006, the Shareholders' Rights Regulations or the Uncertified Securities Regulations 2001, or conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills have not been noted in the Appendix.

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

Resolution 18 – Notice of meetings

Under the Shareholders' Rights Regulations the notice period for general meetings of a company (other than annual general meetings) has been extended to 21 days unless certain requirements are satisfied. The Company has met the requirements and accordingly resolution 18 is proposed to allow the Company to continue to call general meetings on 14 clear days' notice. 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. It is intended that this flexibility will only be used for non-routine business and where merited in the interests of shareholders as a whole. The approval will be effective until the Company's Annual General Meeting in 2012, when it is expected that a similar resolution will be proposed. It should also be noted that the changes to the Companies Act 2006 mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders.

Yours faithfully



John Lovering
Chairman
17 December 2010

Board biographies

Biographies of those Directors seeking election/re-election.

John Lovering, aged 61

Chairman^{ad}

Appointed as Chairman of the Company in January 2010, John chairs the Nomination Committee. John is Chairman of Go Outdoors Limited, Managing Partner at Lovering & Lovering, a Partner at Echelon Investments LLP, a Director of Peacocks Group Ltd and a Director of A/S Solstra. John was Chairman of Debenhams Retail PLC until 31 March 2010. Other former positions include Chairman of Laurel Pub Company Limited, Fitness First Limited, Odeon Limited, Homebase Group Limited, Fired Earth Limited, Peacock Group, Somerfield Limited and Birthdays Group Limited. He also served as Finance Director of Sears plc, Chief Operating Officer of Tarmac plc and was a director of AGA Rangemaster Group PLC.

Adam Fowle, aged 51

Chief Executive^{de}

Adam was appointed Chief Executive on 3 August 2009 having been Acting Chief Executive since 21 May 2009. He joined the Board as Managing Director Restaurants on 1 October 2007. Adam has more than 20 years of experience in licensed retailing having joined Mitchells & Butlers in 1984, holding a number of operational and strategic roles. Adam was also Retail Director at Sainsbury's for two years before rejoining Mitchells & Butlers in 2005 as Business Development Director.

Tim Jones, aged 47

Finance Director^e

Appointed Finance Director in October 2010. Prior to joining the Company, Tim held the position of Group Finance Director for Interserve plc, a support services group. Previously, he was Director of Financial Operations at Novar and held senior financial roles both in the UK and overseas in the logistics company, Exel. Tim is a member of the Institute of Chartered Accountants in England and Wales and obtained an MA in Economics at Cambridge University.

Michael Balfour, aged 61

Non-Executive Director^{abcd}

Appointed as a Non-Executive Director in January 2010, Michael Balfour chairs the Remuneration Committee. He is currently Chairman and founder of The Hideaways Club, which is now Europe's largest private residence owners club. Michael is Chairman of No Saints Ltd, Chairman of Pure Health and Fitness Sp ZOO in Poland and is a Chartered Accountant. He was the founder of Fitness First which he grew from one club in 1992 to the largest chain of health clubs in the World with 530 clubs in 21 countries. Fitness First was floated on the London Stock Exchange in 1996 and was acquired by private equity in 2005 for £835m. Michael stepped down as Chairman of Fitness First in April 2009. In 2008 Michael was awarded an OBE for services to business.

Jeremy Blood, aged 44

Non-Executive Director^{abc}

Appointed as a Non-Executive Director in January 2010, Jeremy is also a Director of LT Pub Management PLC. Jeremy was Managing Director at Scottish & Newcastle ('S&N') from 2007 until May 2009 having been at S&N since 1988. He joined S&N initially as Brand Manager for Beer Marketing. Subsequently he held various roles at S&N such as Sales & Customer Service Director, Strategy & Marketing Director, Director of Corporate Affairs and Managing Director for S&N Pub Enterprises.

Simon Burke, aged 52

Non-Executive Director^{abcd}

Appointed as a Non-Executive in January 2010, Simon is Deputy Chairman, Senior Independent Director and Chairman of the Audit Committee. Simon is also Executive Chairman of Superquinn and a trustee of the National Gallery. Previous roles include Non-Executive Chairman at Majestic Wine PLC (2000–2010), Chairman at Total Home Entertainment (2003–2006), Executive Chairman at Hamleys Plc (2001–2003) and Chairman at Virgin Cinemas (1995–1999). Simon started his career as a Chartered Accountant for Binder Hamlyn in 1976.

Douglas E McMahon, aged 45

Non-Executive Director^a

Appointed as a Non-Executive Director on 15 October 2010, Douglas E McMahon is Managing Director of Tavistock Group and is a nominated shareholder representative of Piedmont Inc. (an investment vehicle of Joe Lewis). He has two decades of marketing experience, previously serving as Chairman and CEO of Publicis New York, General Manager of J. Walter Thompson New York and Chief Marketing Officer at Consumer News and Business Channel ('CNBC').

Ron Robson, aged 47

Non-Executive Director^a

Appointed as a Non-Executive Director in January 2010, Ron is currently Chief Financial Officer of Tamar Capital Partners, a property investment and management group owned by family interests of Joe Lewis and was previously Group Finance Director of Kenmore, a property investment and management group. From 2005 to 2008 he was Group Finance Director of The Belhaven Group plc, a listed brewing, drink distribution and pub retailing group. Prior to that he held a number of senior finance roles including group finance director of a listed shipping and logistics group, and trained as a Chartered Accountant with Arthur Andersen. Ron is a nominated shareholder representative of Piedmont Inc. (an investment vehicle of Joe Lewis).

Key

- a – A Non-Executive Director
- b – A member of the Audit Committee
- c – A member of the Remuneration Committee
- d – A member of the Nomination Committee
- e – A member of the Executive Committee

Ages listed are as at 22 November 2010

Notice of Annual General Meeting

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 27 January 2011 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 13 and 16 will be proposed as ordinary resolutions and numbers 14, 15, 17 and 18 as special resolutions.

- 1 To receive the Company's financial accounts and statements for the year ended 25 September 2010, together with the reports of the Directors and auditors.
- 2 To approve the Remuneration report for the year ended 25 September 2010.
- 3 To re-elect Adam Fowle as a Director of the Company.
- 4 To re-elect John Lovering as a Director of the Company.
- 5 To re-elect Michael Balfour as a Director of the Company.
- 6 To re-elect Jeremy Blood as a Director of the Company.
- 7 To re-elect Simon Burke as a Director of the Company.
- 8 To re-elect Ron Robson as a Director of the Company.
- 9 To elect Douglas McMahon as a Director of the Company.
- 10 To elect Tim Jones as a Director of the Company.
- 11 To reappoint Ernst & Young LLP as auditors of the Company until the next general meeting at which accounts are to be laid.
- 12 To authorise the Audit Committee of the Board to agree the auditors' remuneration.

Ordinary Resolution

13 Directors' Authority to Allot Shares

To consider and, if thought fit, to pass the following as an Ordinary Resolution: THAT

- (a) the Directors be generally and unconditionally authorised, in accordance with Section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
- (i) up to a maximum nominal amount of £11,646,546; and
 - (ii) comprising equity securities (as defined in Section 560 of the Companies Act 2006) up to a maximum nominal amount of £23,293,093 (including within such limit any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:
 - (A) to holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities; and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 27 March 2012;
- (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the Directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
- (d) all previous unutilised authorities under Section 80 of the Companies Act 1985 and Section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to Section 551(7) of the Companies Act 2006) by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date.

Special Resolution

14 Disapplication of pre-emption rights

To consider and, if thought fit, to pass the following as a Special Resolution: THAT

- (a) the Directors be given power:
- (i) (subject to the passing of resolution 13 set out in this Notice) to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under Section 551 of the Companies Act 2006; and
 - (ii) to allot equity securities (as defined in Section 560(3) of the Companies Act 2006) for cash.

In either case as if Section 561 of the Companies Act 2006 did not apply to the allotment but this power shall be limited:

- (A) to the allotment of equity securities in connection with an offer or issue of equity securities to or in favour of:
- I. holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - II. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities; and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and
- (B) to the allotment of equity securities pursuant to the authority granted under resolution 13(a)(i) and/or by virtue of Section 560(3) of the Companies Act 2006 (in each case otherwise than under (A) above) up to a maximum nominal amount of £1,746,984;
- (b) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 27 March 2012;

Notice of Annual General Meeting continued

- (c) all previous unutilised authorities under Section 95 of the Companies Act 1985 and Sections 570 and 573 of the Companies Act 2006 shall cease to have effect; and
- (d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

Special Resolution

15 Company's authority to purchase its own shares

To consider and, if thought fit, to pass the following as a Special Resolution: 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 693(4) of the Companies Act 2006) of ordinary shares of 8¹³/₂₄p each in the capital of the Company ('ordinary shares') on such terms as the Directors think fit, provided that:

- (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 40,904,986;
- (b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is 8¹³/₂₄p per share;
- (c) the maximum price (exclusive of expenses) 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
- (d) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or on 27 March 2012, 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.

Ordinary Resolution

16 Political donations

To consider and, if thought fit, to pass the following as an Ordinary Resolution: 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:

- (a) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
- (c) 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 2012.

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.

Special Resolution

17 Amendments to Articles of Association

To consider and, if thought fit, to pass the following 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.

Special Resolution

18 Notice period for Meetings

To consider and, if thought fit, to pass the following as a Special Resolution: THAT

A general meeting of the Company other than an Annual General Meeting of the Company, may be called on not less than 14 clear days' notice.

By order of the Board



Ian Powell
Company Secretary
17 December 2010

Registered Office:
27 Fleet Street
Birmingham B3 1JP

Explanatory notes

The following notes explain your general rights as a shareholder and your rights to attend and vote at the AGM or to appoint someone else to vote on your behalf.

- 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 and instructions for its use are shown on the form. The appointment of a proxy will not prevent a member from subsequently attending, voting and speaking at the Meeting in person.
- 3 If you wish, you may register the appointment of a proxy for the Meeting electronically, by contacting the Company's 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 CREST Manual can be reviewed at www.euroclear.com/CREST

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 Meeting on 27 January 2011 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. Poll cards will be issued upon registration to those attending the Meeting.
- 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 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 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual member provided that they do not do so in relation to the same shares.
- 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 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 Resolution 17 will be available for inspection at Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London EC4Y 1HS during normal business hours until the conclusion of the Meeting and at the place of the Meeting on 27 January 2011 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 25 January 2011 (or, if the Meeting is adjourned, 6.00pm on the day two days prior to the day of the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the 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 25 January 2011 shall be disregarded in determining the right of any person to attend or vote at the Meeting. If you are planning to attend the Meeting, please bring your attendance card with you. It authenticates your right to attend, speak and vote at the Meeting and will speed your admission.
- 11 All shareholders and their proxies will have the opportunity to ask questions at the Meeting. When invited by the Chairman, if you wish to ask a question, please wait for a Company representative to bring you a microphone. It would be helpful if you could state your name before you ask your question. Questions may not be answered at the Meeting if they are deemed not to be in the interests of the Company, would involve the disclosure of confidential information, or would not be to the good order of the Meeting. The Chairman may also nominate a Company representative to answer a specific question after the Meeting or refer the response to the Company's website.
- 12 A copy of this Notice, and other information required by Section 311A of the Companies Act 2006 can be found at www.mbplc.com
- 13 As at 16 December 2010 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 409,049,859 ordinary shares. The total number of voting rights in the Company as at 16 December 2010 is 409,049,430.
- 14 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).
- 15 Shareholders should note that it is possible that, pursuant to requests made by Shareholders of the Company under Section 527 of the 2006 Companies Act, the Company may be required 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 appointed for the financial year ceasing to hold office since the previous meeting at which annual accounts and reports are laid. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the 2006 Act. Where the Company is required to place a statement on the website under section 527 of the 2006 Act, 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 for the relevant financial year includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

The Meeting will be held on Thursday 27 January 2011 at 11.00am at The International Convention Centre, Broad Street, Birmingham B1 2EA.

If you would like to register in advance any question you may have for the AGM, you can do so at www.mbplc.com/aggm2011qs.com

Appendix

Summary of principal changes to the Company's Articles of Association.

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum and Articles of Association. The Company's Memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope. The Companies Act 2006 (the 'Act') significantly reduces the constitutional significance of a company's memorandum. The Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Act the objects clause and all other provisions which are contained in a company's memorandum, for existing companies as at 1 October 2009, are deemed to be contained in a company's articles of association but a company can remove these provisions by special resolution. Further the Act states that, unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the Act, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 17(a) confirms the removal of these provisions for the Company. As the effect of resolution 17(a) will be to remove the statement currently in the Company's Memorandum of Association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

Authorised share capital and unissued shares

The Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Act, save in respect of employee share schemes.

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. The 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.

Retirement of Directors

Amendments have been made to the Current Articles to clarify the timing of the retirement of a Director retiring by rotation (or otherwise) such that the retirement does not take effect until the end of the applicable general meeting

In anticipation of the new UK Corporate Governance Code (the 'Code') other amendments have been made to the Current Articles to ensure that the Company always has a quorum of Directors. Further changes to the Company's Articles of Association will be put forward for approval by shareholders at the 2012 AGM, once the new Code has been implemented.

Provision for employees on cessation of business

The Act provides that the directors' powers to make provision for a person employed or formerly employed by a company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles provide that the Directors may exercise this power.

Adjournments for lack of quorum

Under the Act as amended by the Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations'), general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles reflect this requirement.

Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the Act so that it now provides that each proxy appointed by a member has one vote on a show of hands, unless the proxy is appointed by more than one shareholder, in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more shareholders to vote for the resolution and by one or more shareholders to vote against the resolution. The New Articles reflect these changes.

Notice of general meetings

The Shareholders' Rights Regulations amend the Act to require a company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must still be held on 21 clear days' notice. The New Articles amend the Current Articles so as to be consistent with the Shareholders' Rights Regulations.

Electronic conduct of meetings

Amendments made to the Act by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The Current Articles have been amended to reflect more closely the relevant provisions.

Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

Procedure at general meetings

Amendments have been made to the Current Articles such that:

- (a) any amendments to ordinary resolutions will be invalid unless notice of the terms of such amendment has been received by the Company at least 48 hours prior to the relevant general meeting;
- (b) Directors who are not also members are entitled to speak at general meetings;
- (c) accidental omission to send notice of a meeting to someone will not invalidate the meeting; and
- (d) anyone present at a general meeting is deemed to have received notice.

General

Generally the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills.