

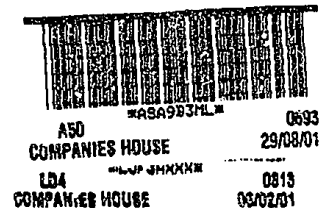
No: 29423

RESOLUTION OF WHITBREAD PLC

At an extraordinary general meeting of the above-named company duly convened and held on 30th January, 2001, the following resolution was passed as a special resolution:

THAT:

- (A) The Scheme of Arrangement dated 5 January 2001 between the Company and the Scheme Shareholders (as defined in the Scheme) in its original form or with or subject to any modification, addition or condition approved or imposed by the Court (the "Scheme") be approved and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (B) For the purpose of giving effect to the Scheme in its original form or with or subject to any modification, addition or condition approved or imposed by the Court:
 - (i) forthwith and conditionally upon the Scheme becoming effective each of the WIC Shares (as defined in the Scheme) shall be converted into and redesignated as an "A" share of 25p in the share capital of the Company;
 - (ii) the "A" shares resulting from the conversion and redesignation provided for in sub-paragraph (B)(i) above shall carry the rights and be subject to the restrictions laid down in the Articles of Association of the Company for the time being and from time to time in force;
 - (iii) forthwith upon the appropriate entries having been made in the register of members of the Company to reflect the conversion and redesignation provided for in sub-paragraph (B)(i) above, the capital of the Company be reduced by cancelling and extinguishing:
 - (a) the Scheme "A" Shares; and



- (b) the Scheme Ordinary Shares (each as defined in the Scheme); and
 - (iv) forthwith and contingently upon the said reduction of capital taking effect:
 - (a) the authorised share capital of the Company be increased by the creation of such number of new ordinary shares of 25 pence each as shall be equal to the aggregate number of Scheme Ordinary Shares cancelled pursuant to sub-paragraph (B)(iii)(b) above and by the creation of 43,991,286 new "A" shares of 25 pence each; and
 - (b) the Company shall apply the credit arising in its books of account as a result of such reduction of capital in paying up, in full at par, the new ordinary shares and the new "A" shares created pursuant to sub-paragraph (B)(iv)(a) above and shall allot and issue the same, credited as fully paid, to Whitbread Holdings PLC and/or its nominee or nominees; and
 - (v) the Directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of section 80 of the Companies Act 1985, to allot the new ordinary shares and the new "A" shares referred to in sub-paragraph (B)(iv)(a) above provided that (i) the maximum number of shares which may be allotted hereunder is 550,000,000 (ii) this authority shall expire on 30 June 2001 and (iii) this authority shall be in addition to any subsisting authority conferred on the Directors of the Company pursuant to the said section 80; and
- (C) with effect from the passing of this Resolution the Articles of Association of the Company be hereby amended by the adoption and inclusion of the following new articles 8A and 11A:
- "8(A)(i) The "A" Shares shall each have the same rights as and shall rank equally with the Ordinary Shares SAVE THAT:
 - (a) a holder of "A" shares shall, on a return of assets, whether on a winding-up or otherwise, be entitled to participate rateably in the surplus assets of the Company remaining after the payment of its liabilities provided that the maximum extent of such participation shall be the amount paid or credited as paid up on such shares at the time of the return of assets;

- (b) a holder of "A" Shares shall have no right as such to receive notice of or to attend or vote at any general meeting of the Company unless a resolution to vary or abrogate the rights attaching to the said shares is proposed; and
- (c) a holder of "A" Shares shall not be entitled to any dividend or (save as provided in paragraph 8(A)(i)(a) above) any other distribution."

"Shares not otherwise subject to the Scheme

- 11(A)(i) In this Article, the "Scheme" means the Scheme of Arrangement dated 5 January 2001 proposed between the Company and its Scheme Shareholders (as defined in the Scheme), in its original form or with or subject to any modification, addition or condition approved or imposed by the Court. Expressions defined in the Scheme shall have the same meaning in this Article.
- (ii) Notwithstanding any other provision of these Articles, if the Company issues any ordinary share after the time at which this Article becomes effective and prior to the confirmation by the Court of the reduction of capital provided for under the Scheme, such shares shall be allotted and issued subject to the terms of the Scheme and the holders of such shares shall be bound by the Scheme accordingly.
- (iii) If any ordinary shares are issued to any person (a "new member") after confirmation by the Court of the reduction of capital provided for under the Scheme they will, provided that Whitbread Holdings PLC is a member of the Company, be immediately transferred to Whitbread Holdings PLC (and/or its nominee(s) in consideration of and conditional on the issue to the new member of such number of Whitbread Holdings Shares as that member would have been entitled to had each share transferred to Whitbread Holdings PLC and/or its nominee(s) hereunder been a Scheme Share at Scheme Record Time.
- (iv) The Whitbread Holdings Shares issued pursuant to paragraph (iii) of this Article shall be credited as fully paid and shall rank *pari passu* in all respects with all other Whitbread Holdings Shares of the same class in issue at the time (other than as regards any dividend or other distribution payable, or return of capital made, by reference to a record time preceding the date of exchange or the Scheme Completion Date, whichever is later)

and be subject to the Memorandum and Articles of Association of Whitbread Holdings PLC.

- (v) On any reorganisation of or material alteration to the share capital of either the Company or Whitbread Holdings or any other return of value to holders of Whitbread Holdings Shares after the Scheme Completion Date, the number of Whitbread Holdings Shares to be allotted and issued under paragraph (iii) of this Article may be adjusted by the Directors in such manner as the auditors of the Company may determine.
- (vi) No fraction of a Whitbread Holdings Share shall be allotted pursuant to this Article, but the entitlement of each member who would otherwise have been entitled to a fraction of a Whitbread Holdings Share shall be rounded down to the nearest whole number.
- (vii) To give effect to any transfer required by this Article, the Company may appoint any person to execute and deliver as transferor a form or instructions of transfer on behalf of the new member in favour of Whitbread Holdings PLC and/or its nominee(s) and to agree for and on behalf of the new member to become a member of Whitbread Holdings PLC. Pending the registration of Whitbread Holdings PLC as the holder of any shares in the Company, Whitbread Holdings PLC shall be empowered to appoint a person to act as attorney on behalf of the new member in accordance with such directions as Whitbread Holdings PLC may give in relation to any dealings with or disposal of such shares (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and, if a person is so appointed to act as attorney, the new member shall not be entitled to exercise any rights attaching thereto except:
 - (a) to the extent that the person appointed to act as attorney fails to act in accordance with the directions of Whitbread Holdings PLC; and
 - (b) in accordance with the directions of Whitbread Holdings PLC."


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Company Secretary