

SWAN HILL GROUP PLC

(Registered in England No 55979)

EXTRAORDINARY GENERAL MEETING

At an Extraordinary General Meeting of the Company held at 9.30 am on Tuesday, 31 August 1999 at Cygnet Court, Portsmouth Road, Esher, Surrey KT10 9SG the following Resolutions were passed as Special Resolutions:

Special Resolutions

- 1 THAT the capital of the Company be reduced by cancelling and extinguishing all of the 4.9% cumulative preference shares of £1 each in the capital of the Company (the "Preference Shares") and returning upon such reduction taking effect the capital paid up or credited as paid on the 250,000 Preference Shares so cancelled to the holders of such Preference Shares together with all arrears and accruals of the fixed cumulative preferential dividend due in respect of such shares down to the actual date of repayment of such capital AND THAT upon the reduction of capital referred to above taking effect, the Company's Articles of Association be altered by the deletion of all references to the Preference Shares as indicated in the copy of the Company's Articles of Association that has been amended in manuscript and is produced to the meeting and, for the purposes of identification, initialled by the Chairman.
- 2 THAT the Company be and is generally and unconditionally authorised to make market purchases (as that term is defined in Section 163(3) of the Companies Act 1985) of any of its issued ordinary shares of 25 pence each in the capital of the Company (the "Ordinary Shares") in such manner and upon such terms as the Directors may from time to time determine, provided that:-
 - (a) the maximum number of Ordinary Shares hereby authorised to be purchased shall be limited to 10,247,000;
 - (b) the minimum price which may be paid for an Ordinary Share shall be 25 pence;
 - (c) the maximum price which may be paid for any Ordinary Share shall be an amount equal to 105% of the average of the middle market quotations (as derived from the Official List of the London Stock Exchange) for the Ordinary Shares for the five business days immediately preceding the day on which the Ordinary Share is purchased;
 - (d) unless previously revoked, renewed or varied, the authority hereby conferred shall expire at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2000 or 30 August 2000 provided that a contract of purchase may be made before such expiry which will or may be executed wholly or partly thereafter, and a purchase of Ordinary Shares may be made in pursuance of any such contract.
- 3 THAT the Articles of Association of the Company be amended by:
 - (a) the adoption of new Article 79 in the following terms in the place of the current Article 79;



"79 At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation."

- (b) the adoption of new Article 80 in the following terms in the place of the current Article 80:

"80 The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election but such a Director shall not be taken into account in determining the number of Directors who are to retire by rotation. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election."

- (c) the adoption of new Article 95.1 in the following terms in the place of the current Article 95.1:

"95.1 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he (together with any interest of any person connected with him) has any material interest otherwise than by virtue of interests in Shares or Debentures or other securities of, or otherwise in or through, the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is not entitled to vote."