

12 - 03 - 98

Company No: 279206

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

RESOLUTION

OF

CULLENS STORES PLC
("the Company")

(Passed 2 March 1998)

At an Extraordinary General Meeting of the Company duly convened and held on 2 March 1998 the following resolution was duly passed as a Special Resolution.

SPECIAL RESOLUTION

THAT the Company, being a public limited company, be re-registered under s 53 of the Companies Act 1985 as a private company limited by shares and that:

- (a) Each of the existing issued and unissued preference shares of £1 each in the capital of the Company and each of the existing issued and unissued 100,000 unclassified shares of £1 each be and are hereby designated and converted into ordinary shares of £1 each ranking *pari passu* in all respects.
- (b) Every 5 of the existing issued and unissued 1,000,000 ordinary shares of 20p each be and are hereby consolidated into 1 ordinary share of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in the New Articles of Association adopted pursuant to paragraph (e) below.
- (c) Every 5 of the existing issued and unissued 1,000,000 'A' non-voting ordinary shares of 20p each be and are hereby consolidated into 1 ordinary share of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in the New Articles of Association adopted pursuant to paragraph (e) below.
- (d) new Memorandum of Association in the form produced to this meeting and for the purpose of identification signed by the Chairman thereof, be approved and adopted as the Memorandum of Association of the Company to the exclusion of and in substitution for the existing Memorandum, with effect from the date of re-registration of the Company as a private company;
- (e) new Articles of Association in the form produced to this meeting and for the purpose of identification signed by the Chairman thereof, be approved and adopted as the Articles of Association of the Company to the exclusion of and in

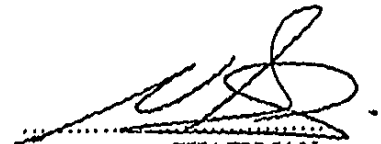


12 - 03 - 98

substitution for the existing Articles, with effect from the date of re-registration of the Company as a private company.

NOTE:

Copies of the existing and proposed memorandum and articles of association are available for inspection at the registered office of the company from the date of this notice until the date of the meeting and will be available at the meeting.



CHAIRMAN