

G**Notice of consolidation, division,
sub-division, redemption or
cancellation of shares, or conversion,
re-conversion of stock into shares****122**

CHFP025

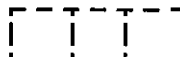
Please do not
write in
this margin

Pursuant to section 122 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf)

For official use

Company number



3872646

Name of company

* MERCHANT INNS PLC

* insert full name
of company

gives notice that:

Pursuant to resolutions of the holders of A Ordinary, Ordinary and B Ordinary Shares in the Company at their respective class meetings and the members of the Company at an extraordinary general meeting, all dated 25 July 2005:-

(i) the 105 issued A Ordinary Shares of £0.50 each in the capital of the Company were sub-divided so as to become 1,050 A Ordinary Shares of £0.05 each;

(ii) the 1,669,918 issued Ordinary Shares of £0.50 each in the capital of the Company were sub-divided so as to become 16,699,180 Ordinary Shares of £0.05 each;

and

(iii) the 8,430,082 unissued Ordinary Shares of £0.50 each in the capital of the Company were sub-divided into 84,300,820 Ordinary Shares of £0.05 each.

† Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation†

G. Sec.

Date

14.9.05

Presenter's name address and
reference (if any):

K&LNG LLP
110 Cannon Street
London
EC4N 6AR

Ref: RBT/JAA/M.961-2

For official Use
General Section

Post room



A70
COMPANIES HOUSE

0412
23/09/05