

Company No 10125892

THE COMPANIES ACT 2006

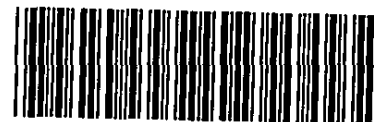
PRIVATE COMPANY LIMITED BY SHARES

RESOLUTION IN WRITING

of

SAINSBURY'S INTERMEDIATE HOLDINGS LIMITED

(the "Company")



LD6 "L5B7ICE9" #57
14/07/2016
COMPANIES HOUSE

J Sainsbury plc, being the sole eligible member of the Company who at the circulation date of this resolution is entitled to vote on the resolution, **RESOLVES**, in accordance with Chapter 2, Part 13 of the Companies Act 2006, to pass the following resolution which has been proposed as a special resolution.

THAT, subject to and conditional upon the ordinary shares in the capital of the Company required to be allotted and issued by the Company pursuant to the scheme of arrangement between Home Retail Group plc and its Scheme Shareholders (as defined therein) and by which the Company will be bound (the "**Scheme**") having been allotted and issued to the persons entitled thereto:

- 1 the existing share capital of the Company be reduced by
 - 1.1 cancelling paid-up capital to the extent of an amount equal to the Reduction Amount upon each of the Issued Ordinary Shares and returning 27 8 pence per Issued Ordinary Share to the holders thereof as set out below; and
 - 1 2 reducing the nominal amount of each of the Issued Ordinary Shares to one penny,
- 2 an amount of 27 8 pence of capital per Issued Ordinary Share so reduced be returned to the holders of the Issued Ordinary Shares at the Reduction Record

Time as soon as practicable on or after the Reduction Effective Time and in any event no later than 14 days after the Reduction Effective Time in accordance with the provisions of clause 7 of the Scheme, save that no amount of cash of less than one penny shall be paid to any holder of Issued Ordinary Shares pursuant to the reduction of capital and the amount of cash to which a holder of Issued Ordinary Shares shall be entitled shall be rounded down to the nearest penny,

3. the balance of the amount so reduced be retained by the Company and transferred to the reserves of the Company to be available for future distributions by the Company from time to time or applied by the Company from time to time toward any other purpose to which such reserves may be applied, and
- 4 for the purposes of this Resolution
- 4.1 **"business day"** means a day on which London Stock Exchange plc is open for the transaction of business,
- 4.2 **"Closing Price"** means the closing middle-market price of the relevant share as derived from the Daily Official List of the London Stock Exchange;
- 4.3 **"Daily Official List"** means the daily official list of the London Stock Exchange;
- 4.4 **"Issued Ordinary Shares"** means ordinary shares in the capital of the Company in issue at the Reduction Record Time, the nominal value of which shall be equal to the Closing Price of the Shares (as defined in the Scheme) on the last day of trading in the Shares on the London Stock Exchange prior to the Scheme Effective Time (as defined in the Scheme),
- 4.5 **"London Stock Exchange"** means London Stock Exchange plc or its successor;
- 4.6 **"Reduction Amount"** means an amount equal to the nominal value of each Issued Ordinary Share less one penny,
- 4.7 **"Reduction Effective Time"** means the time and date at which this reduction of capital becomes effective by registration of the order of the Court confirming this reduction of capital, and
- 4.8 **"Reduction Record Time"** means 6.00 p.m. on the business day immediately prior to the date of the hearing to confirm this reduction of capital

Signed _____

Name JOHN ROGERS

For and on behalf of J SAINSBURY PLC

Date 1 JULY 2016

NOTES:

- 1 The circulation date of this resolution is 1 July 2016. This resolution has been sent to eligible members who would have been entitled to vote on the resolution on this date. Only such eligible members (or persons duly authorised on their behalf) should sign this resolution.
- 2 An eligible member can signify his or its agreement to the resolution by signing the resolution and by either delivering a copy of the signed resolution to Tim Fallowfield by hand or by sending a copy of the signed resolution in hard copy form by post to Tim Fallowfield at 33 Holborn, London, EC1N 2HT.
- 3 This resolution must be passed by 30 August 2016. If this resolution is not passed by such date they will lapse. The agreement of a member to this resolution is ineffective if signified after this date.
- 4 A copy of this resolution has been sent to the auditors.