

No. 610095

WATERSTONE'S BOOKSELLERS LIMITED (the "Company")

THE COMPANIES ACT 1985

WRITTEN RESOLUTION

HMV Media Group PLC being the sole member of the above named Company who (at the date of this resolution) would have been entitled to vote upon the resolution set out below if it had been proposed at a general meeting of the Company at which it were present, hereby agrees pursuant to Regulation 53 of Table A in the Schedule to the Companies (Table A to F) Regulations 1985 adopted by Article 2 of its Articles of Association, to the following resolution (which would otherwise be required to be passed as a special resolution)

"THAT the capital of the Company be reduced by cancelling and extinguishing 178,986,000 issued ordinary shares of £1 each."

Dated 15th March 1999


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MARSDEN SMITH, (Company Secretary of HMV Media Group PLC)
ON BEHALF OF HMV MEDIA GROUP PLC

Sara Wood

