

No: 2366995



THE COMPANIES ACT 1985

PUBLIC LIMITED COMPANY

YORKSHIRE ELECTRICITY GROUP PLC

At an Extraordinary General Meeting of Yorkshire Electricity Group plc duly convened and held on 19 January 1996 the following resolution was passed as a Special Resolution:

SPECIAL RESOLUTION

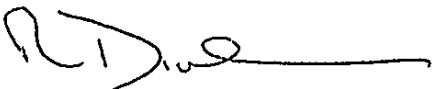
THAT:

- (1) subject to the satisfaction of the condition set out in paragraph (2) of this Resolution:
 - (a) a dividend of 100p (net) per ordinary share of 56⁹/₁₁p in the capital of the Company be and is hereby declared in favour of shareholders on the register of members of the Company at the close of business on 19 January 1996;
 - (b) each ordinary share of 56⁹/₁₁p in the capital of the Company ("existing ordinary share") be and is hereby sub-divided into and redesignated as 5 ordinary shares of 11⁴/₁₁p each in the capital of the Company ("intermediate ordinary shares");
 - (c) in respect of each holding of existing ordinary shares at the close of business on 19 January 1996, every 6 of the intermediate ordinary shares arising as a result of the sub-division and redesignation referred to in paragraph (1)(b) of this Resolution ("Sub-division") be and are hereby consolidated into one new ordinary share of 68²/₁₁p in the capital of the Company ("new ordinary share"), PROVIDED THAT there shall be no consolidation of that part of any member's holding of intermediate ordinary shares which is not exactly divisible by 6 (any such unconsolidated shares being hereinafter referred to as "unconsolidated intermediate ordinary shares");
 - (d) the directors of the Company be and are hereby authorised and directed to sell all of the unconsolidated intermediate ordinary shares to N M Rothschild & Sons Limited ("Rothschilds") on behalf of those members of the Company who hold such shares at a price of 120p per unconsolidated intermediate ordinary share and to distribute the proceeds of sale in due proportion among those members of the Company and that any director of the Company be and is hereby authorised to execute an instrument of transfer in respect of such shares in favour of Rothschilds;
 - (e) the terms of a proposed contract between (1) Rothschilds and (2) the Company providing for the purchase by the Company of all of the unconsolidated intermediate ordinary shares (a draft of which has been produced to this meeting and signed for identification by the Chairman thereof) be and are

hereby approved and authorised for the purposes of section 164 of the Companies Act 1985 and otherwise but so that such approval and authority shall expire on 31 December 1996;

- (f) every 6 of the authorised but unissued intermediate ordinary shares arising as a result of the Sub-division and the purchase by the Company of the unconsolidated intermediate ordinary shares referred to in paragraph (1)(e) of this Resolution be and are hereby consolidated into one new ordinary share;
- (g) the Company be and is hereby authorised to purchase new ordinary shares by way of market purchase (as defined in section 163(3) of the Companies Act 1985) upon and subject to the following conditions:
 - (i) the maximum aggregate number of new ordinary shares which may be purchased is 15,000,000;
 - (ii) the minimum price which may be paid for a new ordinary share is 69p and the maximum price (exclusive of expenses) which may be paid is not more than five per cent. above the average of the middle market quotations taken from the London Stock Exchange Daily Official List for the ten business days before the date on which the new ordinary share is purchased; and
 - (iii) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company provided that any contract for the purchase of any shares as aforesaid which was concluded before the expiry of the said authority may be executed wholly or partly after the said authority expires and that all shares so purchased in pursuance of this authority shall be cancelled immediately upon completion of the purchase and the amount of the Company's issued share capital (but not authorised share capital) shall be reduced by the nominal amount of the shares so purchased; and
- (2) the provisions of paragraph (1) of this Resolution are conditional upon admission of the new ordinary shares to the Official List of the London Stock Exchange Limited becoming effective in accordance with the listing rules of the London Stock Exchange Limited.

Dated 19 January 1996


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GROUP COMPANY SECRETARY & SOLICITOR