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If you have sold or transferred all your ordinary shares in Ladbrokes plc please pass this document and the accompanying form of proxy to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Ladbrokes PLC

11 March 2010

Dear Shareholder

2010 ANNUAL GENERAL MEETING

This year's annual general meeting will be held at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Friday, 14 May 2010 at 11.00am.

The notice convening the meeting is set out on pages 7 to 11. An explanation of the business to be considered at the meeting, including information on the directors standing for appointment or re-appointment, is contained on pages 2 to 4.

The board recommends that shareholders vote in favour of all the resolutions being proposed at the annual general meeting, each of which they consider to be in the best interests of shareholders as a whole.

Voting on the various resolutions will be on a poll as in recent years. Please complete and return a form of proxy, in accordance with the relevant instructions, so as to be received as soon as possible and by no later than 11.00am on Wednesday, 12 May 2010. Further information on the various ways you can appoint a proxy is given in note (3) to the notice of meeting on page 10. The completion and return of a form of proxy will not preclude you from attending and voting at the meeting.

Yours sincerely



Peter Erskine
Chairman

EXPLANATION OF THE BUSINESS TO BE CONSIDERED AT THE 2010 ANNUAL GENERAL MEETING

All resolutions will be proposed as ordinary resolutions, unless otherwise mentioned. For an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution. For a special resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Approval of the accounts

The company is required by law to put the company's annual report and accounts 2009 before the meeting. Shareholders are invited to vote to receive and adopt the annual report and accounts 2009.

Resolution 2: Appointment of S Bailey as a director

Mrs Sly Bailey (age 48) who was appointed as a non-executive director on 18 November 2009 retires in accordance with the articles of association and is offering herself for appointment by shareholders.

Mrs Bailey has been Chief Executive Officer of Trinity Mirror plc since 2003. From 1989 to 2003 she held senior positions with IPC Media Limited including Chief Executive from 1999. She is a non-executive director of the Press Association, President of NewstrAid and a governor of The English National Ballet School. Previously she was senior independent director and remuneration committee Chairman of EMI plc and a non-executive director of Littlewoods Plc.

Resolution 3: Appointment of D M Shapland as a director

Mr Darren Shapland (age 43) who was appointed as a non-executive director on 18 November 2009 retires in accordance with the articles of association and is offering himself for appointment by shareholders. He is a member of the audit committee and has been appointed its Chairman from 14 May 2010.

Mr Shapland is Chief Financial Officer of J Sainsbury plc and Chairman of Sainsbury's Bank plc. He was previously Group Finance Director of Carpetright plc from 2002 to 2005 and Finance Director of Superdrug Stores plc from 2000 to 2002. Between 1988 and 2000, he held a number of senior financial and operational management positions with Arcadia Group plc.

Resolutions 4 to 10: Re-appointment of directors

Under the authority approved by shareholders at the 2009 annual general meeting, the company by means of a rights issue, issued shares in October 2009 representing more than one-third of the company's existing share capital at the time. Therefore, in accordance with the guidelines of the Associated British Insurers, each of the directors then in office who wishes to remain in office is required to offer himself or herself for re-appointment by shareholders. Mr B G Wallace, Mr J F Jarvis and Mr C J Rodrigues are also required to retire by rotation in accordance with the articles of association. The following directors are offering themselves for re-appointment by shareholders.

Resolution 4: Re-appointment of P Erskine as a director

Mr Peter Erskine (age 58) was appointed as a non-executive director in January 2009 and became Chairman of the board in May 2009. He is Chairman of the nomination committee and a member of the remuneration committee.

Mr Erskine was Chairman and Chief Executive of O₂ until January 2008 and is a non-executive director of Telefónica. Prior to this he held senior positions with BT (from 1993 to 2001), UNITEL and Mars. He is a member of the Telecoms and IT Advisory boards of Macquarie Bank and Apax Private Equity and is a member of the Advisory Board on Strategy of Henley Management College.

Resolution 5: Re-appointment of R J Ames as a director

Mr Richard Ames (age 40) was appointed as a director in January 2009 and is Managing Director, UK and Ireland Retail.

Mr Ames joined the company in 2005 as Retail Commercial Director. He was appointed Managing Director UK Retail in 2006 and assumed responsibility for Ireland in September 2008. He previously held senior management positions with Dixons and Asda.

Resolution 6: Re-appointment of J P O'Reilly as a director

Mr John O'Reilly (age 49) was appointed as a director in 2006 and is Managing Director, Remote Betting and Gaming.

Mr O'Reilly has led Ladbrokes eGaming since its creation in 2000. In addition to Remote Betting and Gaming he has responsibility for trading operations and the Spanish business. Since joining Ladbrokes in 1992, he has had senior responsibility for marketing, public relations, public affairs, property and business development. Prior to joining Ladbrokes he held senior positions with Thorn EMI. He is a non-executive director of Telecity Group plc and is Vice Chairman of the Remote Gambling Association.

Resolution 7: Re-appointment of B G Wallace as a director

Mr Brian Wallace (age 56) re-joined the board as a director in March 2007 and is Group Finance Director.

Mr Wallace also has responsibility for the Belgian and Italian businesses. Until the sale of Hilton International in 2006, he was the Deputy Chief Executive (from 2000) and Group Finance Director (from 1995) of the company,

then named Hilton Group plc. Prior to that he held senior financial positions with Geest and Schlumberger. He is a non-executive of The Miller Group Limited and was a non-executive director of Scottish & Newcastle plc and of Hays plc.

Resolution 8: Re-appointment of J F Jarvis as a director

Mr John Jarvis (age 67) was appointed as a non-executive director in 2006 and is a member of the remuneration committee.

Mr Jarvis is Chairman of Jarvis Hotels Limited, non-executive Chairman of Sandown Park and a member of The Jockey Club. He was previously a non-executive director at United Racecourses and non-executive Chairman of Sporting Index. From 1979 to 1990, he was an executive director of the company, then named Ladbroke Group plc, and Chairman of Hilton International from 1987 to 1990.

Resolution 9: Re-appointment of C J Rodrigues as a director

Mr Christopher Rodrigues (age 60) was appointed as a non-executive director in 2003. He is Chairman of the remuneration committee and a member of the nomination committee.

Mr Rodrigues is Chair of International Personal Finance plc and Chair of the national tourism body, VisitBritain. Until 2006 he was President and Chief Executive of Visa International. Prior to this he was Group Chief Executive of Bradford & Bingley plc, Group Chief Executive of Thomas Cook and also held several senior management positions with American Express. He is a Steward of Henley Royal Regatta, Chair of The Windsor Leadership Trust and Chair of the Almeida Theatre.

Resolution 10: Re-appointment of C P Wicks as a director

Ms Pippa Wicks (age 47) was appointed as a non-executive director in 2004 and is a member of the audit committee.

Ms Wicks joined AlixPartners Limited, London, the specialist performance improvement and turnaround firm as a Managing Director in 2003. She previously held senior positions with Pearson plc and was Group Finance Director of Courtaulds Textiles plc between 1993 and 1999. She was a non-executive director of Arcadia Group plc.

Resolution 11: Appointment of Ernst & Young LLP as auditor

The company is required by law to appoint an auditor at the annual general meeting. Ernst & Young LLP has expressed its willingness to continue in office. The resolution also authorises the board to agree the auditor's remuneration.

Resolution 12: Approval of the remuneration report

The company is required by law to put to shareholders the 2009 directors' remuneration report, which is set out on pages 45 to 56 of the company's annual report and accounts 2009. Whilst the payment of remuneration to the directors is not dependent on the passing of the resolution, the board will take the vote into account when considering the future development and operation of the company's remuneration policy and practice.

Resolution 13: Political donations

It is the company's policy not to make what are commonly regarded as donations to political parties and it is not intended to change that policy. The Companies Act 2006 includes very broad definitions of political donations and expenditure which may have the effect of covering a number of normal business activities that would not commonly be thought to be donations to political parties. These could include support for bodies engaged in law reform or government policy review, involvement in seminars and functions that may be attended by politicians and job exchanges between industry and government.

The directors consider that it would be prudent again to obtain shareholder approval to incur total expenditure of £50,000 to cover all these activities. The authority will expire on the date of the annual general meeting of the company to be held in 2011, or, if earlier, on 30 June 2011.

There has been no expenditure under the authority obtained at the 2009 annual general meeting of the company.

Resolution 14: Purchase of own shares

Shareholder approval is again being sought for a general authority for the company to make market purchases of its own shares. The authority in respect of 90,200,592 ordinary shares (10.00% of the company's ordinary share capital in issue (excluding treasury shares) at 31 December 2009 and 25 February 2010 (the latest practicable date prior to the publication of this letter)) will run until the conclusion of the annual general meeting to be held in 2011 or, if earlier, 30 June 2011. The resolution specifies the maximum and minimum prices at which shares may be bought. There is no present intention to purchase shares and, if granted, the directors will exercise this authority only when to do so would be in the best interests of shareholders generally and if an improvement in earnings per share was expected to result. Shares purchased under this authority become treasury shares which the company can cancel or hold for sale for cash or use to meet obligations under the company's employee share schemes.

The total number of rights and options to subscribe for equity shares outstanding at 25 February 2010 related to 22,478,653 ordinary shares, representing 2.49% of the company's ordinary share capital in issue (excluding treasury shares) at that time. If the full authority to purchase shares (both the existing authority and that sought at the 2010 annual general meeting) was used then those rights and options to subscribe for equity shares would represent 2.99% of the company's issued share capital (excluding treasury shares) at 25 February 2010.

Resolution 14 will be proposed as a special resolution.

Resolution 15: Authority to allot shares

Shareholders are again being asked to give the directors a general authority to allot shares in the company and to grant rights to subscribe for, or to convert any security into, shares in the company. On this occasion: (a) it is for up to a maximum nominal amount of £85,191,818 representing 300,677,005 ordinary shares (one-third of the company's ordinary share capital in issue (excluding treasury shares) at 25 February 2010 (the latest practicable date prior to the publication of this letter)); and (b) in addition but only in connection with a rights issue of equity securities, up to a further maximum nominal amount of £85,191,818 representing 300,677,005 ordinary shares (one-third of the company's ordinary share capital in issue (excluding treasury shares) at 25 February 2010 (the latest practicable date prior to the publication of this letter)).

The directors note that members of the Association of British Insurers will expect all directors wishing to remain in office to stand for re-election at the next annual general meeting of the company following the decision to make a share issue using this authority to allot where the aggregate actual usage of this authority to allot exceeds one-third of the existing share capital at the time of issue as regards nominal amount and the monetary proceeds of the share issue (whether in whole or part by way of rights issue) exceed one-third (or such lesser relevant proportion) of the company's pre-issue market capitalisation.

The authority will lapse at the conclusion of the annual general meeting to be held in 2011, or, if earlier, on 30 June 2011. Your directors have no present intention of exercising the authority except in connection with the company's employee share schemes.

As at 25 February 2010 (the last practicable date prior to the publication of this letter), the company held 31,760,568 treasury shares, which represented approximately 3.52% of the company's issued share capital (excluding treasury shares), which the company can cancel or hold for sale for cash or use to meet the obligations under the company's employee share schemes.

Resolution 16: Disapplication of shareholders' statutory pre-emption rights

Shareholders are again being asked to pass a resolution to empower the directors to allot equity securities, or sell treasury shares, for cash as if section 561(1) of the Companies Act 2006 (which gives shareholders certain pre-emption rights on the issue of shares or convertible securities) did not apply to any such allotment. The authority allows the issue or sale of ordinary shares on rights issues and other issues pro rata to existing entitlements (treasury shares are ignored for this purpose), and also allows issues or sales for cash limited to shares having an aggregate nominal amount of £12,778,417 representing 45,100,296 ordinary shares (5.00% of the company's ordinary share capital in issue (excluding treasury shares) at 31 December 2009 and 25 February 2010 respectively).

The company intends to comply with the principle on disapplying pre-emption rights set out by the Pre-emption Group that (in the absence of suitable advance consultation and explanation or the matter having been specifically highlighted at the time at which the request for disapplication was made) the company should not issue more than 7.5% of its ordinary share capital for cash other than to existing shareholders in any rolling three year period.

Resolution 16 will be proposed as a special resolution.

Resolution 17: Notice of shareholder meetings

Changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for shareholder meetings of the company to 21 days but allow shareholder meetings (other than annual general meetings) to be convened on 14 days' notice if shareholders agree annually and the requirements for electronic voting under the Act are met.

Your directors believe that the company should have the flexibility to convene a shareholders meeting as quickly as the law allows. However, in accordance with The National Association of Pension Funds' guidance, this authority will not be used routinely and 21 days' notice will always be given unless the circumstances justify shorter notice. Accordingly shareholders are being asked to agree that a general meeting of the company, other than an annual general meeting, may be called on not less than 14 clear days' notice. The authority will expire at the conclusion of the annual general meeting to be held in 2011, or, if earlier, on 30 June 2011.

Resolution 17 will be proposed as a special resolution.

Resolution 18: Adoption of new articles of association

Shareholders are being asked to approve changes to the company's articles of association to delete those provisions previously contained in its memorandum of association now treated as part of the company's articles of association and to adopt new articles of association.

The proposed new articles of association, which are based on the model articles for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008, take account of changes and developments in UK company law principally in the Companies Act 2006 and include provisions from the company's current articles of association and additional provisions which are usual for publicly traded companies similar in nature to the company. An explanation of the principal changes is set out on pages 5 and 6 and the new articles are available for inspection as shown in note (13) on page 11.

Resolution 18 will be proposed as a special resolution.

THE NEW ARTICLES OF ASSOCIATION EXPLANATION OF THE PRINCIPAL CHANGES

Introduction

The proposed new articles of association of the company (the 'New Articles') are based on the Model Articles for Public Companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 (the 'Model Articles') and take account of:

- changes in UK company law in the Companies Act 2006 (the '2006 Act'), including changes resulting from the Companies (Shareholders' Rights) Regulations 2009;
- the company's current articles of association (the 'Current Articles'), including the special articles allowing the company to forfeit shares where there is a failure to disclose interests in shares or where there is a shareholder regulatory event relating to the betting, gaming or lottery licences held by the company or any member of its group;
- additional provisions which are usual for publicly traded companies, including that the governing law of the New Articles is English law (New Article 3), the company is under no obligation to ascertain whether a proxy or a corporate representative appointed by a member is voting in accordance with the member's instructions (New Article 41.2), and the directors may make appropriate arrangements in relation to meetings (including searches or other security arrangements and a power to exclude persons who fail to submit to such searches or to comply with such arrangements) (New Article 35.3); and
- other developments in company law and practice, including in relation to directors' confidential information.

General changes

1. Deletion of articles which duplicate statutory provisions

The 2006 Act makes provision for certain matters which were previously only provided for in a company's articles of association and repeats provisions contained in the Companies Act 1985 which were replicated in the Current Articles. As far as possible the New Articles avoid replicating provisions of the 2006 Act. Provisions contained in the 2006 Act include those governing the convening of meetings of the company's members, the contents of notices of those meetings, the appointment and rights of proxies, the appointment of corporate representatives, the quorum for general meetings, the preparation, audit and despatch to members of annual accounts and the appointment of auditors.

2. Deletion of procedures not allowed or included in the 2006 Act

The 2006 Act does not use certain procedures contained in the Current Articles. The New Articles reflect these changes. Procedures so deleted include members' extraordinary resolutions, extraordinary general meetings, authority in the articles of association to alter share capital or purchase own shares (shareholder approval to specific proposals will continue to be required), the conversion of shares into stock and a second or casting vote for the chairman of a general meeting.

3. Use of the Model Articles

The Model Articles make provision for a number of aspects covered by the Current Articles. The New Articles use the up to date standard Model Articles approach or wording which in some cases has been supplemented by additional wording taken from the Current Articles or to reflect provisions which are usual for publicly traded companies. These include provisions relating to a director ceasing to hold office on medical grounds (New Article 31.1(d)), speaking at general meetings (New Article 35), the delivery of proxy notices (New Article 46), amendments to resolutions at shareholder meetings (New Article 48), the regular retirement of directors (New Article 30), the payment of dividends (New Article 89), the use and forfeiture of unclaimed dividends (New Article 92) and the giving of notices and supply of documents (New Articles 97 to 99). In some cases aspects addressed in the Current Articles are not repeated in the New Articles as they do not appear in the Model Articles, including the minimum number of directors and what is routine business at an annual general meeting.

Specific changes

1. Provisions previously contained in a company's memorandum of association

Under the 2006 Act most of a company's memorandum of association is now treated as provisions of the company's articles of association.

The 2006 Act abolishes the need for companies to have objects clauses and an authorised share capital (both of which were contained in a company's memorandum of association) and accordingly these items are not repeated in the New Articles. The effect of passing resolution 18 is to remove the restriction on the company's objects and the limit on the maximum amount of shares that may be allotted by the company represented by the company's previous authorised share capital.

Share issues will be subject to the limits on the issue of shares by the directors set by shareholders (such as in resolutions 15 and 16 at the 2010 annual general meeting) and New Article 55 provides that before new shares of a different class to any existing shares are issued the rights attaching to those shares must be approved by ordinary resolution of the shareholders.

New Article 4 provides that the liability of the members is limited to the amount, if any, unpaid on the shares held by them. A provision to this effect was previously contained in the company's memorandum of association.

2. Change of name

Under the 2006 Act a company is now able to change its name by other means provided for by its articles of association, in addition to changing its name by special resolution of the shareholders. To take advantage of this provision, New Article 7 enables the directors to change the company's name.

3. Directors' confidential information

The Current Articles, in giving the directors authority to approve conflicts and potential conflicts, permits them to release a director, who holds information that is confidential to a third party, from his or her duty to the company to disclose that information to the company and use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence or of any duty he or she owes to that third party. New Article 12 specifies that failure by a director to disclose information confidential to a third party to the company or use it for the company's purposes will not constitute a breach of duty by the director concerned, without the need for an intervening decision by the other directors. This change does not alter a director's obligation to disclose interests in transactions and proposed transactions or otherwise to avoid a conflict of interest.

4. Redeemable shares

The 2006 Act changes the law to enable the directors to determine the terms and manner of redemption provided they are so authorised by the company's articles of association. New Article 55.3 contains such an authorisation.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the annual general meeting of Ladbrokes plc will be held at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Friday, 14 May 2010 at 11.00am for the following purposes:

To consider as ordinary business the following resolutions 1 to 16, which as to resolutions 1 to 13 and 15 will be proposed as ordinary resolutions and as to resolutions 14 and 16 as special resolutions.

1. THAT the reports of the directors and auditor and the accounts of the company for the year ended 31 December 2009 be and are hereby received and adopted.
2. THAT S Bailey, who retires in accordance with the articles of association, be and is hereby appointed a director of the company.
3. THAT D M Shapland, who retires in accordance with the articles of association, be and is hereby appointed a director of the company.
4. THAT P Erskine be and is hereby re-appointed a director of the company.
5. THAT R J Ames be and is hereby re-appointed a director of the company.
6. THAT J P O'Reilly be and is hereby re-appointed a director of the company.
7. THAT B G Wallace, who retires by rotation in accordance with the articles of association, be and is hereby re-appointed a director of the company.
8. THAT J F Jarvis, who retires by rotation in accordance with the articles of association, be and is hereby re-appointed a director of the company.
9. THAT C J Rodrigues, who retires by rotation in accordance with the articles of association, be and is hereby re-appointed a director of the company.
10. THAT C P Wicks be and is hereby re-appointed a director of the company.
11. THAT Ernst & Young LLP be and is hereby re-appointed as auditor to the company and the directors be and are hereby authorised to agree the remuneration of the auditor.
12. THAT the 2009 directors' remuneration report be and is hereby approved.
13. THAT for the purposes of section 366 of the Companies Act 2006 (authorisations required for donations or expenditure) the company and all companies that are subsidiaries of the company at any time during the period for which this resolution has effect be and are hereby authorised to:
 - (i) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
 - (ii) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
 - (iii) incur political expenditure not exceeding £50,000 in total,provided that the aggregate amount of any such donations and expenditure shall not exceed £50,000 during the period beginning with the date of the passing of this resolution and ending on the date of the annual general meeting of the company to be held in 2011 or, if earlier, on 30 June 2011.

For purpose of this resolution the terms 'political donations', 'independent election candidates', 'political organisations' and 'political expenditure' have the meanings set out in sections 363 to 365 of the Companies Act 2006.
14. THAT the company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 28½p each of the company provided that:
 - (a) the maximum number of ordinary shares hereby authorised to be purchased shall be 90,200,592;

- (b) the minimum price (excluding expenses) which may be paid for an ordinary share shall be 28½p;
 - (c) the maximum price (excluding expenses) which may be paid for an ordinary share shall be an amount equal to 105% of the average market value of an ordinary share for the 5 business days immediately preceding the day the ordinary share is purchased;
 - (d) the authority hereby conferred shall expire at the conclusion of the annual general meeting of the company to be held in 2011 or, if earlier, on 30 June 2011, unless such authority is renewed prior to such time; and
 - (e) the company may enter into contracts to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority, which contracts will or may be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares pursuant to any such contracts.
15. THAT, in substitution for all previous authorities to allot shares in the company and to grant rights to subscribe for, or to convert any security into, shares in the company conferred upon the directors (save to the extent relied upon prior to the passing of this resolution), the directors be and they are hereby generally and unconditionally authorised:
- (a) for the purposes of section 551 of the Companies Act 2006 ('the Act') to allot shares in the company and to grant rights to subscribe for, or to convert any security into, shares in the company up to a maximum nominal amount of £85,191,818; and
 - (b) to exercise all the powers of the company to allot equity securities (within the meaning in section 560 of the Act) and to sell equity securities which immediately before the sale are held by the company as treasury shares in connection with a rights issue (being for the purposes of this resolution a rights issue in favour of (i) holders of ordinary shares (not being treasury shares) where the equity securities respectively attributable to the interests of all holders of ordinary shares (not being treasury shares) are proportionate (or as nearly as may be) to the respective numbers of ordinary shares (not being treasury shares) held by them and (ii) holders of securities, bonds, debentures or warrants which, in accordance with the rights attaching thereto, are entitled to participate in such a rights issue, but in either case subject to such exclusions or other arrangements as the directors may deem fit to deal with fractional entitlements or problems which may arise in any overseas territory or under the requirements of any regulatory body or any stock exchange or otherwise howsoever) up to a maximum nominal amount of £85,191,818;

provided that this authorisation shall expire at the conclusion of the annual general meeting of the company to be held in 2011, or, if earlier, on 30 June 2011, save that the company may before this authorisation expires make an offer or agreement which would or might require shares to be allotted or sold, or rights to subscribe for, or to convert any security into, shares in the company to be granted, after this authorisation expires.

16. THAT the directors be and they are hereby empowered to allot equity securities (within the meaning in section 560 of the Companies Act 2006 ('the Act')) pursuant to the authority for the purposes of section 551 of that Act conferred by the ordinary resolution set out as resolution 15 in the Notice of the 2010 annual general meeting of the company and passed at the 2010 annual general meeting of the company and to sell equity securities which immediately before the sale are held by the company as treasury shares in each case as if section 561(1) of the Companies Act 2006 (existing shareholders' right of pre-emption) did not apply to such allotment or sale provided that this power shall be limited to:
- (a) the allotment of equity securities (otherwise than pursuant to paragraph (b) of this resolution) up to an aggregate nominal amount of £12,778,417; and
 - (b) the allotment of equity securities in connection with a rights issue or other issue in favour of (i) holders of ordinary shares (not being treasury shares) where the equity securities respectively attributable to the interests of all holders of ordinary shares (not being treasury shares) are proportionate (or as nearly as may be) to the respective numbers of ordinary shares (not being treasury shares) held by them and (ii) holders of securities, bonds, debentures or warrants which, in accordance with the rights attaching thereto, are entitled to participate in such a rights issue or other issue, but in either case subject to such exclusions or other arrangements as the directors may deem fit to deal with fractional entitlements or problems which may arise in any overseas territory or under the requirements of any regulatory body or any stock exchange or otherwise howsoever;

and that this power shall expire at the conclusion of the annual general meeting of the company to be held in 2011, or, if earlier, on 30 June 2011, save that the company may before this power expires make any offer or agreement which would or might require equity securities of the company to be allotted after the power expires.

To consider as special business the following resolutions 17 and 18, which will be proposed as special resolutions.

17. THAT a general meeting of the company other than an annual general meeting may be called on not less than 14 clear days' notice.

18. THAT:

(a) the articles of association of the company be amended by deleting all the provisions contained in the company's memorandum of association (including those relating to the objects of the company and the share capital of the company) which by virtue of section 28 of the Companies Act 2006 are treated as provisions of the company's articles of association; and

(b) the articles of association, in the form produced to the meeting and signed by the chairman of the meeting for the purposes of identification, be adopted as the articles of association of the company in substitution for and to the exclusion of the existing articles of association.

By order of the board

M J Noble
Secretary

11 March 2010

Notes:

- (1) A shareholder entitled to attend and vote at the meeting may appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and, both on a show of hands and on a poll, to vote instead of him or her at the meeting and demand, or join in demanding, a poll. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share held by the appointing shareholder. The proxy appointed by a member need not also be a member and appointment of a proxy shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.
- (2) In the case of joint shareholders, the vote of the first named in the register of members of the company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
- (3) To be valid, the form of proxy and the original (or a certified true copy) of any power of attorney or other authority under which the form of proxy is signed must be deposited at the office of the Registrar, whose address is shown on the enclosed reply paid envelope, no later than 11.00am on 12 May 2010 (or, in the event of an adjournment, the time which is 48 hours before the adjourned meeting).

Alternatively, shareholders may also complete the form of proxy online at www.eproxyappointment.com following the instructions on the form of proxy or, if you have registered for the electronic shareholders' communications service, on the email sent to you by the company.

CREST members can appoint a proxy by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note (5). Completion of the form of proxy will not affect the right of a shareholder to attend and vote at the meeting.

- (4) Under Regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders included in the register of members of the company at 11.00am on 12 May 2010 (or, in the event of an adjournment, 11.00am on the date which is 48 hours before the time of the adjourned meeting) are entitled to attend or vote at the meeting in respect of the shares registered in their names at that time. Changes to entries on the register after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the meeting (or adjourned meeting).
- (5) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST manual. CREST personal members, sponsored CREST members and CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action for them.

To complete a valid proxy appointment or instructions using the CREST service, the CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specification and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted and received by the Registrar 48 hours before the time fixed for the meeting (or any adjournment thereof). The time of receipt of the instruction will be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the proxy another way.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to ensure that his CREST sponsor or voting service provider(s) take(s) the necessary action to ensure that the message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (6) The above statement as to proxy rights does not apply to a person who receives this notice of general meeting as a person nominated to enjoy 'information rights' under Section 146 of the Companies Act 2006. If you have been sent this notice of meeting because you are such a nominated person, the following statements apply: (a) you may have a right under an agreement between you and the member of the company by whom you were nominated to be appointed or to have someone else appointed as a proxy for this general meeting; and (b) if you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to that member as to the exercise of voting rights.
- (7) As at 25 February 2010 (the latest practicable date prior to the publication of this letter) the company's issued share capital, including treasury shares, consisted of 933,791,585 ordinary shares of 28½p ('shares') and 31,760,568 shares were held in treasury, the voting rights of which were automatically suspended. Accordingly, the total number of voting rights in the company as at 25 February 2010 was 902,031,017.
- (8) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- (9) A copy of this notice, and the other information required by section 311A of the Companies Act 2006, can be found at www.ladbrokeplc.com.
- (10) Any member attending the meeting has the right to ask questions. The company must cause to be answered any question relating to the business being dealt with at the meeting, but no answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
- (11) Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the company: (a) to give, to members of the company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (b) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any

enactment or the company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the company not later than 1 April 2010, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

- (12) Shareholders should note that it is possible that, pursuant to requests made by shareholders of the company under section 527 of the Companies Act 2006, the company may be required to publish on its website www.ladbrokeplc.com a statement setting out any matter such shareholders propose to raise at the annual general meeting relating to: (a) the audit of the company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the annual general meeting; or (b) any circumstance connected with an auditor of the company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 527 or 528 of the Companies Act 2006. Where the company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting includes any statement that the company has been required under section 527 of the Companies Act 2006 to publish on its website.
- (13) The following documents may be inspected at the company's registered office, Imperial House, Imperial Drive, Rayners Lane, Middlesex HA2 7JW, and at the offices of SJ Berwin LLP at 10 Queen Street Place, London EC4R 1BE during normal business hours until the closure of the meeting and at the place of the meeting from 10.00am until the closure of the meeting:
- (a) the proposed new articles of association of the company; and
 - (b) the existing articles of association of the company, including those provisions formerly contained in the company's memorandum of association which are treated as forming part of the articles of association.

These documents may also be viewed at www.ladbrokeplc.com.

