



Whitbread PLC Notice of Annual General Meeting 2007

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you are advised to consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000.

A personalised form of proxy for use by shareholders in connection with the meeting has been despatched with this Notice. So that effective use may be made of the form, your attention is drawn to the notes to the Notice contained in this document and to the instructions on the form.

If you have transferred or sold all of your shares in the Company, please send this document and the form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

23 April 2007

Dear Shareholder

I have pleasure in enclosing Whitbread's Directors' Report and Accounts/Annual Review and Summary Report for our financial year ended 1 March 2007.

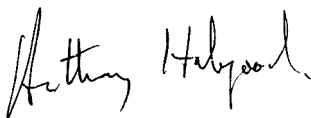
It has been another busy year at Whitbread. Premier Travel Inn and Costa have continued to expand and have produced outstanding overall revenue growth, while David Lloyd Leisure and our Restaurants business are showing good recovery with growth now resumed in both businesses.

During the year we disposed of a number of businesses and returned £750 million of the proceeds to shareholders. We are now able to focus on businesses in which we own and control the brand. As a result of our actions the Group is now utilising its assets more effectively and is better positioned to create shareholder value as it focuses its resources to achieve profitable growth, both organically and by selective acquisition activity.

Attached to this letter you will find the Notice of the 2007 Annual General Meeting, which will be held at 2.00pm on Tuesday 19 June 2007 at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London, SW1P 3EE. An explanation of the resolutions, which will be put to the meeting, is attached to the Notice.

The meeting will be followed by afternoon tea and an opportunity to meet your Board, as well as other senior executives of the Company. I look forward to seeing you then.

Yours sincerely



Anthony Habgood
Chairman

Whitbread PLC

This document is important and requires your immediate attention. It contains the resolutions to be voted on at the Company's Annual General Meeting to be held on Tuesday 19 June 2007.

Notice is hereby given that the Annual General Meeting of the Company will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Tuesday 19 June 2007 at 2.00pm to consider and, if thought fit, pass the following resolutions, with resolutions 1 to 8 being put as ordinary resolutions and resolutions 9 to 11 being put as special resolutions:

Ordinary resolutions

- 1 To receive the Annual Report and Accounts for the year ended 1 March 2007.
- 2 To approve the Remuneration Report as detailed in pages 9 to 17 of the Directors' Report and Accounts.
- 3 To declare a final dividend of 22.15 pence per ordinary share.
- 4 To elect Simon Melliss as a director.
- 5 To re-elect Anthony Habgood as a director.
- 6 To re-elect Christopher Rogers as a director.
- 7 To re-appoint Ernst & Young LLP as the auditors to hold office until the conclusion of the Company's next Annual General Meeting and to authorise the directors to set the auditors' remuneration.
- 8 That, in substitution for Resolution 9 passed at the Annual General Meeting of the Company held on 20 June 2006, pursuant to section 80 of the Companies Act 1985, the directors be generally authorised (in substitution of any previous power) to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985) upon such terms as the directors think fit up to an aggregate nominal amount of £49,976,387 such authority to expire on the conclusion of the Annual General Meeting of the Company to be held in 2008 or, if earlier, 18 December 2008, except that the Company may make an offer or enter into a contract to allot relevant securities which would or might be completed wholly or partly after such expiry and the directors may allot relevant securities pursuant to such offer or contract.

Special resolutions

- 9 That, in substitution for Resolution 10 passed at the Annual General Meeting of the Company held on 20 June 2006, the directors be generally empowered, pursuant to section 95 of the Companies Act 1985, to allot equity securities (within the meaning of section 94 of the Companies Act 1985) wholly for cash pursuant to the authority conferred by Resolution 8 set out in this Notice and/or where such allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the Companies Act 1985, as if section 89(1) of the said Act did not apply to any such allotment:

(a) in connection with an offer to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their existing holdings of ordinary shares (excluding any person holding ordinary shares as treasury shares) but subject to such exclusions or other arrangements as the directors may consider necessary or desirable in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirement of any regulatory body; and

(b) (otherwise than pursuant to (a) above) up to an aggregate nominal amount of £7,572,179,

but so that the power granted by this resolution will expire on the conclusion of the Annual General Meeting of the Company to be held in 2008 or, if earlier, 18 December 2008, except that the Company may make an offer or enter into a contract to allot equity securities which would or might be completed wholly or partly after such expiry and the directors may allot equity securities pursuant to such offer or contract.

- 10 That, pursuant to section 166 of the Companies Act 1985, the Company be generally authorised to make one or more market purchases (within the meaning of section 163(3) of the Companies Act 1985) of up to 19,719,889 ordinary shares in the capital of the Company on the basis that:

(a) the minimum price which may be paid for each ordinary share is the nominal amount of that share;

(b) the maximum price which may be paid for each ordinary share is the higher of (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share, as derived from the Daily Official List, for the five business days immediately preceding the day on which the ordinary share is agreed to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Official List at the time the purchase is carried out; and

(c) this authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2008 or, if earlier, 18 December 2008 (except in relation to the purchase of ordinary shares the contract for which is concluded before such date and which is to be executed wholly or partly after such date).

- 11 That the terms of the proposed contract between: (1) all holders of deferred C shares of 1 penny each in the capital of the Company (the 'Deferred C Shares'), which will be executed by Simon Barratt on behalf of such holders pursuant to Article 4B(l)(vi) of the Articles of Association of the Company; and (2) the Company under which the Company will purchase all of its Deferred C Shares (a draft of which is produced to the meeting and signed for the purposes of identification by the Chairman) be 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 18 December 2008.

By order of the board

Simon Barratt
Company Secretary

23 April 2007

Registered Office

Whitbread PLC
Whitbread Court, Houghton Hall Business Park,
Porz Avenue, Dunstable, Bedfordshire LU5 5XE

Registered in England No. 4120344

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and, to the extent permitted by the Articles of Association of the Company, to vote instead of him or her. A proxy need not be a member of the Company.
- 2 A pre-paid form of proxy is enclosed which members are invited to complete and return. Lodging a form of proxy will not prevent the member from attending the meeting and voting in person should he or she decide to do so.
- 3 To be effective, the instrument appointing a proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be deposited at the offices of the Company's registrars:

Capita Registrars

Proxy Processing Centre
Telford Road
Bicester
OX26 4LD

or by hand, during normal office hours, to:

Capita Registrars

The Registry
34 Beckenham Road
Beckenham
BR3 4TU

not less than 48 hours before the time appointed for the meeting.

- 4 If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint a proxy or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, the CREST message must be received by the issuer's agent (ID number RA10) not less than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. CREST Personal Members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and systems timings, please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 5 Entitlement to attend and vote at the meeting and the number of votes which may be cast at the meeting will be determined by reference to the register of members of the Company 48 hours before the time appointed for the meeting. If the meeting is adjourned, entitlements to attend and vote will be determined by reference to the register of members of the Company 48 hours before the time of the adjourned meeting.
- 6 Copies of the following documents will be available for inspection at the registered office of the Company, Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE, during usual business hours (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the close of the Annual General Meeting, and at the place of the meeting for 15 minutes prior to and during the meeting:
 - the Memorandum and Articles of Association of the Company;
 - the audited accounts of the Company for the financial years ended 2 March 2006 and 1 March 2007;
 - the directors' service contracts and terms of appointment;
 - the register of directors' interests in shares of the Company and its subsidiaries; and
 - a copy of the proposed contract between all holders of Deferred C Shares and the Company.
- 7 Profiles of the directors standing for election and re-election are given on pages 22 to 23 of the Annual Review.
- 8 At close of business on 20 April 2007, the Company had 197,960,715 ordinary shares in issue, of which 761,816 ordinary shares were held in treasury. Therefore, the total number of voting rights in the Company was 197,198,899. The ordinary shares have a nominal value of 76¹²²/₁₀₀ pence each.

Resolution 1

Resolution 1 is the usual resolution to receive the Annual Report and Accounts 2006/7. The Annual Report and Accounts (comprising the Directors' Report and Accounts 2006/7 and the Annual Review and Summary Report 2006/7) are available on the Company's website (www.whitbread.co.uk) or on request from **Capita Registrars**, Northern House, Woodsome Park, Fenay Bridge, Huddersfield, West Yorkshire, HD8 0LA.

Resolution 2

The Directors' Remuneration Report Regulations 2002 require companies quoted on the London Stock Exchange to put an ordinary resolution to shareholders at the Annual General Meeting seeking approval of the Remuneration Report. The Remuneration Report is set out in full on pages 9 to 17 of the Directors' Report and Accounts.

Resolution 3

Resolution 3 is to declare a final dividend of 22.15 pence per share, which will be paid on 6 July 2007 to shareholders on the register at the close of business on 4 May 2007.

Resolution 4

The Company's Articles of Association require any director appointed by the Board since the date of the last Annual General Meeting to hold office only until the next Annual General Meeting following the director's appointment. The director is then eligible for election by shareholders.

Resolution 4 is to elect Simon Melliss as a director of the Company following his appointment to the Board on 1 April 2007. There are no circumstances existing which might call into question Simon's independence. As such, he has been appointed as an independent non-executive director. Simon's profile can be found on page 23 of the Annual Review. He is Group Finance Director of Hammerson PLC and the experience he brings to Whitbread, both as a member of the Board and as Chairman of the Audit Committee, will be a great asset to the Company.

Resolutions 5 and 6

Under the Company's Articles of Association, directors are obliged to retire by rotation at an Annual General Meeting and may not serve beyond three years without being re-elected by shareholders. Anthony Habgood and Christopher Rogers, whose biographical details are set out on page 22 of the Annual Review, will retire in accordance with the Articles of Association this year and are nominated for re-election through the separate resolutions numbered 5-6.

Resolution 7

Resolution 7 is to re-appoint Ernst & Young LLP as the Company's auditors.

Resolutions 8 and 9

Shareholders are being asked to renew the approval for the Company to allot unissued shares (Resolution 8) and to do so for cash on a non pre-emptive basis (Resolution 9). Resolution 9 also gives the Company authority to allot any ordinary shares which the Company has purchased and elected to hold as treasury shares for cash on a non pre-emptive basis (see note to Resolution 10 below for further information on treasury shares). The authorities under Resolutions 8 and 9 will expire at the conclusion of the Annual General Meeting to be held in 2008 or, if earlier, 18 December 2008. The authority under Resolution 8 is limited to 33% of the Company's issued ordinary share capital (excluding any treasury shares) as at 20 April 2007, being an aggregate nominal amount of

£49,976,387. The authority under Resolution 9 is limited to an aggregate nominal amount of £7,572,179 representing 5% of the Company's issued ordinary share capital (excluding any treasury shares) as at 20 April 2007. These are standard resolutions for most UK public companies. At present, the directors have no intention of allotting shares other than under employee share schemes.

As at 20 April 2007 the Company held 761,816 ordinary shares as treasury shares, representing 0.38% of the Company's issued ordinary share capital as at that date.

Resolution 10

Shareholders are being asked to renew the approval for the Company to purchase up to 10% of its issued ordinary shares (excluding any treasury shares). The price paid would be based on the market price as set out in the resolution. Having the power to buy back shares enables the directors to act without delay if they consider such a purchase would be in the best interests of the Company and could be expected to result in an increase in earnings per share. In reaching such a decision, the directors would take into account the market conditions prevailing at the time, the investment opportunities otherwise open to the Company and the Company's overall financial position. The directors have no current plans to use the authority. If circumstances should change, this situation would be reviewed.

Various new regulations relating to treasury shares came into force during December 2004. These regulations enable companies to retain any of their own shares they have purchased as treasury shares with a view to possible re-issue at a future date, rather than cancelling as was previously required. The Company would consider holding any of its own shares that it purchases as treasury shares. This would give the Company the ability to re-issue the treasury shares quickly and cost-effectively, and would provide the Company with additional flexibility in the management of its capital base. As at 20 April 2007 the Company held 761,816 shares as treasury shares representing 0.38% of the Company's issued ordinary share capital as of that date.

The total number of options over ordinary shares outstanding as at 20 April 2007 was approximately 2.75 million representing approximately 1.39% of the issued ordinary share capital (excluding any treasury shares) of the Company and approximately 1.38% of the issued share capital (excluding any treasury shares but including the B shares, C shares and Deferred C Shares) of the Company at that date. If the authority to buy back shares under this Resolution was exercised in full, the total number of options over ordinary shares outstanding as at 20 April 2007 would, assuming no further ordinary shares are issued, represent 1.55% of the issued ordinary share capital (excluding any treasury shares) and approximately 1.54% of the issued share capital (excluding and treasury shares and including the B shares, C shares and Deferred C Shares) of the Company.

Resolution 11

As part of the return of cash carried out in January 2007, on 11 January 2007 those C shares in respect of which the single C share dividend of 159 pence per C share was paid were converted into Deferred C Shares. Resolution 11 approves the terms of, and authorises the Company to enter into, the proposed contract between all holders of Deferred C Shares, which will be executed by Simon Barratt on behalf of such holders pursuant to article 4B(i)(vi) of the Articles of Association of the Company and the Company under which the Company will purchase all of the Deferred C Shares for 1 penny. This authority will expire on 18 December 2008, although it is the Company's intention to exercise this authority at the earliest possible opportunity.

