



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of shareholders of William Hill PLC (the "Company") will be held at the New Connaught Rooms, Covent Garden Exhibition Centre, 61-65 Great Queen Street, London WC2B 5DA on Thursday 18 May, 2006 at 11.00 am. Each of the resolutions numbered 1 to 8 (inclusive) to be considered at the meeting will be ordinary business and each of the resolutions numbered 9 to 14 (inclusive) will be special business.

1. To receive the directors' report and accounts for the fifty-two weeks ended 27 December 2005 (1).
2. To approve the Directors' Remuneration Report (2).
3. To declare a final dividend of 12.2 pence for each ordinary share (3).

To re-elect the following directors who offer themselves for re-election under the Company's Articles of Association (4):

4. David Harding.
5. Barry Gibson.
6. To elect Simon Lane as a director of the Company (5).
7. To re-appoint Deloitte & Touche LLP as auditors of the Company until the conclusion of the next Annual General Meeting of the Company at which accounts are laid (6).
8. To authorise the directors to determine the remuneration of the auditors of the Company.
9. To consider the following as an ordinary resolution (7):
 - (a) "That in place of the authority given by way of the ordinary resolution of the Company dated 19 May 2005, the directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to:
 - (i) allot relevant securities (within the meaning of section 80) up to an aggregate nominal amount of £12,503,202 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed; and
 - (ii) make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot relevant securities in pursuance of that offer or agreement as if this authority had not expired;
 - (b) That, subject to paragraph (c), the authority given to the directors pursuant to section 80 by way of the ordinary resolution of the Company passed on 19 May 2005 be revoked by this resolution; and
 - (c) That paragraph (b) shall be without prejudice to the continuing authority of the directors to allot relevant securities pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made."
10. To consider the following as an ordinary resolution (8):

"That the Company be authorised to make donations to EU political organisations not exceeding £35,000 in total and to incur EU political expenditure not exceeding £35,000 in total during the period beginning with the date of the 2006 Annual General Meeting and ending at the conclusion of the day on which the 2007 Annual General Meeting is held. For the purposes of this Resolution, "donations", "EU political organisations" and "EU political expenditure" have the meanings given to them in Part XA of the Companies Act 1985."
11. To consider the following as an ordinary resolution:

"That William Hill Organization Limited, being a wholly owned subsidiary of the Company, be authorised to make donations to EU political organisations not exceeding £35,000 in total and to incur EU political expenditure not exceeding £35,000 in total during the period beginning with the date of the 2006 Annual General Meeting and ending at the conclusion of the day on which the 2007 Annual General Meeting is held. For the purposes of this Resolution, "donations", "EU political organisations" and "EU political expenditure" have the meanings given to them in Part XA of the Companies Act 1985."
12. To consider the following as a special resolution (9):

"That subject to the passing of resolution numbered 9 in the notice of the meeting the directors be generally empowered pursuant to section 95 of the Companies Act 1985 (the Act) to allot equity securities (within the meaning of section 94(2) to section 94(3A) of the Act) for cash, pursuant to the authority conferred by the resolution numbered 9 in the notice of the meeting as if section 89(1) of the Act did not apply to the allotment.

This power:

- (a) expires at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired; and
- (b) shall be limited to:
 - (i) the allotment of equity securities in connection with an issue in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their existing holdings of ordinary shares, but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of a regulatory body or stock exchange; and

- (ii) the allotment of equity securities for cash otherwise than pursuant to paragraph (i) up to an aggregate nominal amount equal to £1,875,480.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the Act as if in the first paragraph of this resolution the words “pursuant to the authority conferred by the resolution numbered 9 in the notice of the meeting” were omitted.”

13. To consider the following as a special resolution(10):

“That the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of ordinary shares of 10 pence each in the Company (Ordinary Shares) subject to the following conditions:

- (a) the maximum aggregate number of Ordinary Shares authorised to be purchased is 37,509,606, representing 10% of the Company's issued ordinary share capital; and
- (b) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 10 pence (being the nominal value of an Ordinary Share);
- (c) the maximum price (exclusive of expenses) 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 the Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System (SETS);
- (d) this authority shall expire at the close of the Annual General Meeting of the Company held in 2007; and
- (e) a contract to purchase shares under this authority may be made prior to the expiry of this authority, and concluded in whole or in part after the expiry of this authority.”

14. To consider the following as a special resolution (11):

“That with effect from the passing of this resolution the Articles of Association of the Company be hereby amended by deleting the present Article 137 and replacing it with the following:-

“Borrowing powers

- Power to borrow**
- 137 Subject to the provisions of this Article 137, the board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, assets (both present and future) and uncalled capital or any part or parts thereof and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 137a The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate principal amount for the time being remaining outstanding of all moneys borrowed by the Group and for the time being owing to persons outside the Group less cash at such time shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to the greater of £2,000,000,000 and five times EBITDA of the Group;
- 137b For the purposes of this Article 137:
- (i) **“borrowings** shall be deemed to include not only moneys borrowed but also the following, except in so far as otherwise taken into account:
 - (a) the principal amount for the time being outstanding and owing by a member of the Group in respect of any debenture whether issued for cash or otherwise;
 - (b) the principal amount raised by a member of the Group by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house (not being acceptances in respect of the purchase or sale of goods or the provision of services in the ordinary course of business which are outstanding for six months or less);
 - (c) the nominal amount of any share capital and the principal amount of any debentures or borrowings of any person, the redemption or repayment of which is guaranteed or wholly or (to the extent the same is partly secured) partly secured by a member of the Group (but excluding any such share capital which is for the time being beneficially owned by, and any such borrowings which are for the time being owed to, a member of the Group);
 - (d) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account; and
 - (e) any amount in respect of a hire purchase agreement or of a finance lease payable in either case by a member of the Group which would be shown as being so payable in a balance sheet prepared in accordance with the accounting principles used in the preparation of the latest accounts,

but shall be deemed not to include:

- (f) borrowings by a member of the Group before, and outstanding after, it becomes a subsidiary undertaking of the Company and amounts secured on an asset before, and remaining so secured after, it is acquired by a member of the Group until six months after the undertaking becomes a subsidiary undertaking or the asset is acquired, as the case may be;
- (g) any guarantee or indemnity given by any member of the Group in respect of any amount or obligation deemed not to be moneys borrowed under any of the provisions of this Article 137;
- (h) the proportion equal to the proportion of the issued share capital of moneys borrowed by a partly owned subsidiary which is not owing to another member of the Group;
- (i) any deficit in relation to any Group occupational pension scheme; and
- (j) creditors arising in the ordinary course of business including liabilities owed to customers of the Group, provided that there shall be offset against the amount of borrowings, any amounts beneficially owned by a member of the Group which represent the value of investments which would be shown as current assets in a balance sheet prepared in accordance with the accounting principles used in the preparation of the latest accounts, subject, in the case of investments which are beneficially owned by a partly owned subsidiary undertaking, to the exclusion of a proportion thereof attributable to outside interests.

For the avoidance of doubt, no amount shall be taken into account more than once in any calculation of moneys borrowed.

When the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing which is then outstanding and which is denominated or repayable in a currency other than sterling shall be converted into sterling at the relevant rate of exchange used for the purposes of the relevant balance sheet, or if no rate was so used, at the middle market rate prevailing in London at the close of business in London on the date of that balance sheet.

No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article 137 shall be invalid or ineffectual, except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed;

- (ii) **Cash** means cash, cash at bank and cash equivalents but excluding any cash held by any member of the Group on behalf of its customers;
- (iii) **EBITDA** means, in respect of any period consisting of four accounting quarters determined in accordance with the Company's accounting calendar, the consolidated profit of the Group for such period:
 - (a) before any deduction of tax;
 - (b) before interest or other finance income or expense;
 - (c) before any write off, charge or fair value adjustments on acquisitions;
 - (d) excluding extraordinary or exceptional items;
 - (e) after deducting (to the extent otherwise included) the amount of profit (or adding back the loss) of any member of the Group (other than the Company) which is attributable to any third party (not being a member of the Group) which is a shareholder in such member of the Group;
 - (f) after deducting (to the extent otherwise included) any gain over book value arising in favour of a member of the Group on the disposal of any asset (not being any disposals made in the ordinary course of trading) during such period and any gain arising on any revaluation of any asset during such period;
 - (g) after adding back (to the extent otherwise deducted) any loss against book value incurred by a member of the Group on the disposal of any asset (not being any disposals made in the ordinary course of trading) during such period and any loss arising on any revaluation of any asset during such period;
 - (h) without taking into account any movements recorded within the statement of recognised income and expenses;
 - (i) adding back depreciation, amortisation and any other non-cash write-off or impairment; and
 - (j) disregarding (for the avoidance of doubt) any dividend payable by the Company; and

- (k) for the purposes of Article 137 calculated on a pro forma basis to exclude the portion of consolidated EBITDA attributable to any member of the Group, business or asset disposed of during such period and to include the portion of consolidated EBITDA for the relevant period attributable to any company, business or asset acquired during such period; and
- (iv) the **Group** means the Company and its subsidiary undertakings for the time being.”

By Order of the Board

Helen Grantham

Company Secretary

4 April 2006

Registered Office:

Greenside House

50 Station Road

Wood Green

London N22 7TP

Registered Number 4212563

Notes to the Resolutions:

- (1) The directors must present the report of the directors and the accounts of the Company for the 52 weeks ended 27 December 2005 to shareholders at the Annual General Meeting. The report of the directors, the accounts, and the report of the Company's auditors on the accounts and on those parts of the directors' remuneration report that are capable of being audited are contained within the annual report and accounts.
- (2) In line with best practice in corporate governance, as now reflected in the Remuneration Report Regulations 2002, the Board has presented its Directors' Remuneration Report to shareholders in the annual report and accounts. The Directors' Remuneration Report gives details of the directors' remuneration for the 52 weeks ended 27 December 2005 and sets out the Group's overall policy on directors' remuneration. As required by the Remuneration Report Regulations, the Company's auditors have audited those parts of the Directors' Remuneration Report capable of being audited and their report may be found in the annual report and accounts. The Board considers that appropriate executive remuneration plays a vital part in helping to achieve the Group's overall objectives and, accordingly, and in compliance with the Remuneration Report Regulations, shareholders will be invited to approve the Directors' Remuneration Report.
- (3) Subject to the declaration of the final dividend at the meeting, the dividend will be payable to shareholders on the Company's register of members at 6.00 pm on 5 May 2006 for payment on 6 June 2006.
- (4) The Company's Articles of Association state that one third of the directors should retire at each Annual General Meeting. Information on the directors who served in 2005, including David Harding and Barry Gibson who are offering themselves for re-election, is provided in the section of the annual report and accounts on the Board of Directors. In addition to the biographical details found in the annual report and accounts enclosed with this notice and made available to enable shareholders to make an informed decision on the election and re-election of directors, the Chairman confirms that, following formal performance evaluation, the performance of David Harding and Barry Gibson continues to be effective and demonstrates commitment to their roles, including commitment of time for Board and Committee meetings and any other duties.
- (5) The Company's Articles of Association state that any director appointed by the board should retire at the next Annual General Meeting following his appointment. In accordance with these provisions Simon Lane, (appointed by the board as Group Finance Director on 20 March 2006), is offering himself for election. Biographical details on Mr Lane are provided at Appendix 1 to this Notice of Annual General Meeting. The Board is therefore of the opinion that Mr Lane should be elected to the Board.
- (6) The auditors of a company must be re-appointed at each general meeting at which accounts are laid. The resolution proposes the re-appointment of the Company's existing auditors, Deloitte & Touche LLP, until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.
- (7) This resolution, if passed, will renew the authority conferred on the directors at the Annual General Meeting on 19 May 2005 which expires at the end of the forthcoming Annual General Meeting. This resolution will authorise the directors to allot the Company's unissued shares up to a maximum nominal amount of £12,503,202. This amount represents one-third of the Company's authorised and issued ordinary share capital (calculated exclusive of treasury shares) as at 30 March 2006. The Company held 9,651,710 shares in treasury as at 30 March 2006. If this resolution is passed, this authority will expire at the end of the next Annual General Meeting of the Company which takes place the year after it is passed.

The directors have no present intention to exercise this authority other than in connection with the Company's share incentive schemes.
- (8) The Political Parties, Elections and Referendums Act 2000 ("PPERA") prohibits a company and its subsidiaries from making donations to EU political organisations or incurring EU political expenditure unless approved in advance by the company's shareholders in general meeting. The Company's policy is that neither it nor its subsidiaries will make donations to, or incur expenditure on behalf of, EU political parties. However, these terms are very widely defined in the legislation and activities which are in the shareholders' interests between the Company and other bodies concerning, for example, law reform, policy review and other business matters affecting the Company may be included in the definitions. The Company is proposing resolutions 10 and 11 to ensure that it does not commit any technical breach when furthering its legitimate business interests.
- (9) This resolution, which will be proposed as a special resolution, if passed, will update the authority conferred on the directors at the Annual General Meeting on 19 May 2005 to issue equity securities of the Company for cash without application of the pre-emption rights pursuant to section 89 of the Companies Act 1985. Other than in connection with a rights, scrip dividend, or other similar issue, the authority contained in this resolution will be limited to an aggregate nominal value of £1,875,480 which represents 5% of the issued ordinary share capital (calculated exclusive of treasury shares) of the Company as at 30 March 2006. If this resolution is passed, this authority will expire at the end of the next Annual General Meeting of the Company after it is passed.

In accordance with the guidelines issued by the Pre-Emption Group, the directors confirm their intention that no more than 7.5% of the issued share capital will be issued for cash on a non pre-emptive basis during any rolling three-year period.
- (10) This resolution, which will be proposed as a special resolution, will renew the Company's authority granted at the last Annual General Meeting which expires on the date of the forthcoming Annual General Meeting. The resolution gives the Company authority to buy back its own Ordinary Shares in the market as permitted by the Companies Act 1985. The authority limits the number of shares that could be purchased to a maximum of 37,509,606 (representing 10% of the issued share capital of the Company as at 30 March 2006, excluding treasury shares). The maximum price per share for any purchase (exclusive of any expenses) would be the higher of (i) 5% above the average of the middle market values for an Ordinary Share of the Company derived from the London Stock Exchange Daily Official List for

each of the five business days immediately preceding the day on which the Ordinary Shares are purchased or (ii) an amount equal to the higher of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System (SETS). The minimum price (exclusive of any expenses) would be 10 pence being the nominal value of each Ordinary Share. This authority will expire at the conclusion of the Annual General Meeting of the Company next year.

The directors' decision to exercise this authority to purchase the Company's Ordinary Shares will depend on and take into account a number of factors including the Company's share price and other investment opportunities. The authority will be exercised only if the directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally.

Any purchases of Ordinary Shares would be by means of market purchases through the London Stock Exchange.

Under The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 which came into force on 1 December 2003 companies are allowed to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. Such shares may subsequently be cancelled, sold for cash or used to satisfy options issued and share awards to employees pursuant to the Company's share based incentive schemes. Pursuant to authority given at previous Annual General Meetings, the Company holds 2.5% of the issued shares as at 30 March 2006 in treasury. The Company intends to hold up to one-quarter of any shares that it purchases pursuant to the authority conferred by this new resolution in treasury. Subsequent transfers of treasury shares to satisfy the requirements of share based incentive schemes will be made within the 10% anti-dilution limit for such share issues.

As at 30 March 2006 there were options over 11,527,318 Ordinary Shares in the capital of the Company which represent 3.1% of the Company's issued Ordinary Share capital (excluding treasury shares). If the authority to purchase 10% of the Company's Ordinary Shares was exercised in full, these options would represent 3.4% of the Company's issued ordinary share capital (calculated exclusive of treasury shares).

The authority will only be valid until the conclusion of the next Annual General Meeting in 2007.

- (11) This resolution proposes the adoption of a formula limiting the Company's borrowing powers such that its consolidated net debt does not exceed the greater of £2,000,000,000 and five times its consolidated Earnings Before Taxation Depreciation and Amortisation (EBITDA) adjusted on a pro forma basis for the full year effect of any material acquisitions and disposals.

The Company believes that this formula protects the interests of shareholders and enables the Company to adopt an efficient and flexible capital structure. These limits on borrowing powers support the Company's stated strategy of: (i) enhancing traditional earnings and maximizing organic growth opportunities; (ii) profitably exploiting new platforms; (iii) capitalizing on opportunities from regulatory, fiscal and technological change; and (iv) selectively pursuing value-enhancing acquisitions.

The Board is of the view that the £2,000,000,000 is the appropriate monetary limit at this time providing sufficient headroom over the Group's current committed borrowing facilities of up to £1,200,000,000 to accommodate an increase in the Group's size at current forecast rates of growth over the medium term.

End Notes

- (a) The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members entered in the register of members of the Company at 11.00 am on 16 May 2006, or if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to the entries in the register of members after 11.00 am on 16 May 2006 or, if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (b) The accompanying proxy form invites members to vote in one of three ways: “for”, “against” and “vote withheld”. Please note that a “vote withheld” has no legal effect and will count neither for nor against a resolution.
- (c) A member entitled to attend and vote at the Annual General Meeting may appoint a proxy (who need not be a member of the Company) to attend and, on a poll, to vote on his or her behalf. Lodging a form of proxy will not prevent a member from attending the meeting and voting in person. In order to be valid an appointment of proxy must be returned by one of the following methods:
- sending the Form of Proxy enclosed with this document by post or (during normal business hours only) by hand to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time of the meeting; or
 - electronically, by logging on to Capita Registrars’ website at www.capitaregistrars.com. Members’ IVC numbers (the code number printed on a member’s admission card/form of proxy) will be required. Full details of the procedure are given on the website. The proxy appointment and/or voting instructions must be received by the Company’s registrars not later than 11.00 am on 16 May 2006.
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
- To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer’s agent, Capita Registrars, (under CREST participant ID RA10) by not later than 11.00 am on 16 May, 2006. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST Sponsored Members, and those CREST Members who have appointed voting service provider(s), should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual. We 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.
- (d) The following documents are available for inspection during normal business hours on any weekday at the Company’s registered office at Greenside House, 50 Station Road, Wood Green, London N22 7TP until the conclusion of the Annual General Meeting. They will also be available for inspection at the New Connaught Rooms on 18 May 2006 for at least fifteen minutes prior to and until the conclusion of the Annual General Meeting.
- (i) the register of directors’ interests;
 - (ii) copies of the service contracts between the Company and the executive directors and the terms of appointment of non executive directors;
 - (iii) the biographies of directors seeking re-election;
 - (iv) the Articles of Association; and
 - (v) draft amended Articles of Association.

Appendix 1

Simon Lane

Group Finance Director
(appointed 20 March 2006)

Responsibilities

Finance, Strategic Planning, Investor Relations, Security and Internal Audit

Former Roles

Finance Director, Center Parcs (UK) Group plc
Group Finance Director, Albert Fisher Group plc
Director of Corporate Finance, Safeway plc
UK Financial Controller, Mars Confectionery

Qualifications

Chartered Accountant

Age: 43