

Notice of Annual General Meeting 2007

11:00 a.m. on 24 May 2007, Hilmore House, Gain Lane, Bradford, West Yorkshire BD3 7DL.

THIS DOCUMENT IS IMPORTANT and requires your immediate attention. If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your registered holding of ordinary shares or preference shares in the Company, please pass this document and accompanying form of proxy to the stockbroker, bank manager or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Wm Morrison Supermarkets PLC

Registered office:
Hilmore House
Gain Lane
Bradford
West Yorkshire
BD3 7DL
Registered in England no. 358949
Telephone: 0845 611 5000



27 March 2007

Dear Shareholder,

I am pleased to enclose with this letter the notice of the 2007 Annual General Meeting of Wm Morrison Supermarkets PLC which will be held at Hilmore House, Gain Lane, Bradford BD3 7DL at 11:00 a.m. on 24 May 2007 ("the Notice"). The Notice appears on pages 7 to 9 of this letter.

The Annual General Meeting is an important occasion for the Company's shareholders to express their views by attending, raising questions and voting at the meeting. The Board would welcome your participation at the Annual General Meeting. This year's meeting will be held at the Company's headquarters at Hilmore House in Bradford and a map appears at the end of this letter indicating the location.

Whether or not you will be attending the Annual General Meeting, I would urge you to complete, sign and return the form of proxy enclosed with this letter or, alternatively, register your proxy electronically in accordance with the instructions on the proxy form.

The detailed business to be considered at the Annual General Meeting is set out in the Notice. The following explanatory notes will assist in understanding the business to be conducted at the Annual General Meeting:

ORDINARY BUSINESS

The Ordinary Business of the meeting consists of seven ordinary resolutions (requiring a simple majority of votes to be passed).

Resolution 1 is to receive and consider the Directors' Report and Audited Financial Statements for the 53 weeks ending 4 February 2007. The Directors are required to present these documents to the Annual General Meeting.

Resolution 2 is a resolution to approve the Directors' remuneration report for the 53 weeks ended 4 February 2007. The Company is required to seek shareholders' approval of the Directors' remuneration report which appears in summary on pages 31 to 35 of the Annual review summary financial statement sent with this letter and in full on pages 29 to 35 of the Annual report and financial statements.

Resolution 3 is to approve a final dividend of 3.375p per share payable on 29 May 2007 to ordinary shareholders on the register of members at the close of business on 27 April 2007. The proposed final dividend will bring the total dividend for the year to 4.0p per ordinary share. Dividend warrants will be posted on 29 May 2007 to those ordinary shareholders registered at the close of business on 27 April 2007. Participants in the dividend reinvestment plan will receive their statements and, if applicable, share certificates by 19 June 2007.

Resolutions 4, 5 and 6 are separate resolutions to re-elect Roger Owen, Marc Bolland and Martyn Jones as Directors. The Board believes that each of Roger Owen, Marc Bolland and Martyn Jones continues to perform effectively with full commitment to his role.

Resolution 4 is a resolution to re-elect Roger Owen as a Director on his retirement by rotation (as required by the Articles of Association of the Company ("the Articles")). Roger Owen has been with the Company since 1975 and was appointed Building and Services Director in 1979. He joined the Board in 1987 as Property Director and has full responsibility for site acquisition, construction and estate management.

Resolution 5 is a resolution to re-elect Marc Bolland as a Director. He is required by the Articles to retire and submit himself for re-election as a Director at the first Annual General Meeting following his appointment. Marc Bolland joined the Company on 1 September 2006 from Heineken N.V., based in The Netherlands, where he was most recently Chief Operating Officer and Executive Board Member. He held a number of senior roles at Heineken over the last 20 years having had responsibility for brand and marketing strategies. He is also currently a Non-Executive Director of Manpower Inc.

Resolution 6 is a resolution to re-elect Martyn Jones as a Director. He is also required by the Articles to resign and submit himself for re-election at the first Annual General Meeting following his appointment. Martyn Jones is Trading Director of the Company and joined the Company in 1990 as Manager for frozen food before being promoted to Trading Operations Director in 1993. He was appointed Grocery Director in 1997 then Senior Trading Director in 2002.

Resolution 7 is a resolution to re-appoint KPMG Audit Plc as Auditors of the Company, until the conclusion of the next Annual General Meeting, at remuneration to be fixed by the Directors.

SPECIAL BUSINESS

Resolutions 8 to 13 (inclusive) constitute special business. Resolutions 9, 11 and 12 are proposed as ordinary resolutions and resolutions 8, 10 and 13 are special resolutions (which require a 75% majority of votes to be passed).

Resolution 8 is a special resolution to renew until the close of the next Annual General Meeting the authority given at the Annual General Meeting held on 25 May 2006 to buy ordinary and preference shares in the Company on the London Stock Exchange up to a maximum of 151,900,000 ordinary shares of 10 pence each and 28,266 5¼% cumulative redeemable preference shares of £1 each representing approximately 5.7% and 10% respectively of the issued share capital of each class of shares. The minimum/maximum price to be paid for the shares is as stated in the resolution. Shares purchased may be cancelled or held in treasury, sold for cash or used to meet the Company's obligations under its employee share schemes. There is no present intention on the part of the Directors to make use of this authority and the resolution has only been proposed to ensure the Directors have the flexibility to act in the Company's best interests if the requirement arises. No purchase will be made unless the expected effect will be to increase earnings per share. At 27 March 2007, options to subscribe for shares in respect of 38,599,984 ordinary shares of 10p each in the Company were outstanding, representing approximately 1.4% of the

issued ordinary share capital at that date and approximately 1.5% of the issued ordinary share capital assuming exercise in full by the Company of its authority (both current and that being the sought at the Annual General Meeting) to purchase its own shares and cancellation of such shares on purchase.

Resolution 9 is an ordinary resolution to enable the Directors to continue to exercise their existing powers to allot unissued shares. It replaces the authority granted at the Annual General Meeting of the Company held on 25 May 2006 and will run until the close of the next Annual General Meeting. The intention is to renew and roll the authority forward by one year at each future Annual General Meeting. Under this resolution the Directors will be authorised to allot up to £80,300,000 of the unissued share capital of the Company representing approximately 30% of the issued ordinary share capital on 27 March 2007. The Company held no treasury shares on 27 March 2007. Save for shares issued in connection with the Company's share option and incentive schemes, there is no present intention of exercising this authority.

Resolution 10 is a special resolution to enable the Directors to continue to exercise the power to allot unissued shares for cash otherwise than to existing shareholders pro-rata to their respective holdings. The intention is to renew and roll the authority forward by one year at each future Annual General Meeting. They may do so only in respect of £13,387,561 of ordinary share capital (representing 5% of the issued ordinary share capital on 27 March 2007) or in connection with rights issues of ordinary shares.

Resolutions 11 and 12 are ordinary resolutions to approve the introduction of new long-term incentive arrangements; the Wm Morrison Supermarkets Long-Term Incentive Plan ("the Plan") and the grant of a one-off share incentive award to the Chief Executive Marc Bolland in order to honour the terms on which he was appointed in 2006. Following a review of the long-term incentive arrangements for executives and managers of the Company and its subsidiaries, the Remuneration Committee of the Board ("the Remuneration Committee") has concluded that shareholder approval should be sought at the Annual General Meeting for the Plan.

The proposed new long-term incentive plan

The 1995 Senior Executive Share Option Scheme came to the end of its ten-year life on 25 May 2005. Following consultation with the Company's major shareholders, the Plan has been designed to reward management appropriately for achieving the Company's objectives and to provide an appropriate level of potential long-term performance pay, taking into account investor guidelines, existing remuneration packages and market relativities.

Awards made under the Plan will normally vest three years after they are awarded, subject to the satisfaction of performance conditions measured over a three-year period and continued service. A summary of the principal terms of the Plan is contained in the Appendix to this letter.

It is intended that the initial awards will be made shortly after the Annual General Meeting to certain Executive Directors and management tiers below, including supermarket store managers (around 600 in total). In later years, awards normally will be made following the announcement of results.

The Plan's individual annual limit will be 300% of salary. Initially, an award over shares worth 250% of salary will be made to the Chief Executive, with 200% for the other Executive Directors who participate. Below Main Board level, it is intended that awards will be made up to a maximum of 100% of salary, depending on seniority.

Performance will be measured over three financial years. Therefore, for the first awards proposed to be made in May/June 2007, performance will relate to the three-year period ending at the end of the financial year 2009/10. The Remuneration Committee proposes that the initial awards should be based as to 75% on earnings per share ("EPS") and 25% on like-for-like non-fuel sales (excluding VAT) growth for the following reasons:

- these criteria are directly linked to the objectives set out in the Company's strategy – improving EPS and sales performance reflect the need for basic profit recovery and should flow through to increased shareholder value;
- they are relatively easy to understand and communicate; and
- there is a clear line of sight between performance and reward.

To guard against the possibility of individuals receiving value from the Plan as a result of sales targets being hit but EPS targets being missed, no awards will vest under the sales targets unless the threshold EPS target has been met. The details of the initial performance targets are set out in the Appendix to this letter. These targets are considered demanding.

Proposed share incentive award for Marc Bolland

As mentioned above, shareholder consent is also being sought at the Annual General Meeting for a one-off share incentive award to Marc Bolland relating to the five months he worked for the Company during the 2006/07 financial year.

When Marc Bolland was recruited, he was promised a Plan award equal to 5/12ths of his normal Plan award (250% of salary) in the event that no Plan award was made to him by the end of the 2006/07 financial year. The 5/12ths fraction reflects the five months Marc worked for the business in 2006/07.

Since the Company was designing its strategy over the second half of the financial year, it was not practicable to set performance targets and implement the Plan in 2006/07. Therefore, Marc Bolland is entitled to this additional award. The award will be subject to performance conditions so that 25% of the award will be dependant on like-for-like non-fuel sales growth over the financial years 2007/08 and 2008/09 and 75% will be dependant on EPS targets for 2008/09. Details of the performance targets, which are considered demanding, are set out in the

Appendix to this letter. The award will vest on 1 September 2009 subject to the satisfaction of these performance conditions and Marc Bolland's continued service. This vesting date will be the third anniversary of when Marc joined the Company. A summary of the terms of the award is set out in the Appendix to this letter.

Resolution 13 is a special resolution to seek shareholder approval to the Company taking advantage of recent changes introduced by the Companies Act 2006 by amending the Articles to permit the supply of documents or information to shareholders via a website.

The Company wishes to take advantage of these recent legislative changes which now permit it to communicate with shareholders by means of a website where shareholders have agreed or been deemed to agree to such arrangements. This would enable shareholders to receive Company documentation in a user-friendly format whilst reducing costs and the consumption of natural resources.

The Company can only send or supply information to a shareholder via a website if the shareholder has agreed or is deemed to have agreed to that method of communication.

The amendments to the Articles specifically permit the use of a website and make certain ancillary amendments to ensure that any use of electronic communication (including website communication) will apply to all documents passing between a shareholder and the Company, that electronic notices are deemed to be received 24 hours after they are sent providing the guidance recommended by the Institute of Chartered Secretaries and Administrators ("ICSA") is followed and that the Company can accept the instructions of the first named joint holder of any share rather than requiring the agreement of all joint holders. The Guidance issued by the ICSA recommends best practice for companies in ensuring that, so far as practicable, shareholders are properly notified when communications are sent electronically including the recommendation that if a prompt message back is received that any delivery has proved unsuccessful, the Company should deliver the communication in hard copy. A copy of the ICSA Guidance is available upon request.

The Company will be writing to you in due course seeking consent and explaining how electronic communication between the Company and its shareholders will be implemented in practice.

Recommendation

The Board considers that the proposals described in this letter and each of the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of each of the resolutions.

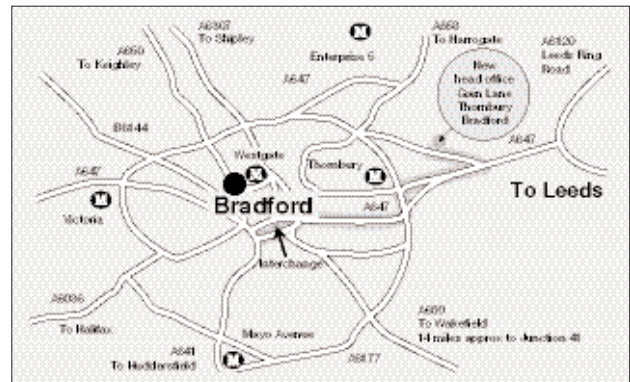
The Executive Directors who are due to participate in the Wm Morrison Supermarkets Long-Term Incentive Plan will not vote on the resolution to approve the plan due to their personal interest in it.

I and my Board colleagues look forward to seeing you at the Annual General Meeting.

Yours sincerely,



Sir Kenneth Morrison
Chairman



Appendix

SUMMARY OF THE PRINCIPAL TERMS OF THE WM MORRISON SUPERMARKETS PLC LONG-TERM INCENTIVE PLAN (the “Plan”)

Operation

The Remuneration Committee will supervise the operation of the Plan.

Eligibility

Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the Plan at the discretion of the Remuneration Committee. The current Chairman of the Company will not participate in the Plan.

Grant of awards

The Remuneration Committee may grant awards to acquire ordinary shares in the Company (“Shares”) within six weeks of shareholder approval of the Plan. It is intended that the first awards will be made shortly following shareholder approval of the Plan to the Executive Directors (other than David Hutchinson (who will be leaving the business shortly) and the Chairman) and other managers totalling approximately 600 persons. The Remuneration Committee may also grant awards within six weeks following the Company’s announcement of its results for any period or at any other time when the Remuneration Committee considers there are exceptional circumstances which justify the granting of awards.

The Remuneration Committee may grant awards as conditional shares, a nil (or nominal) cost option with a short exercise period or as forfeitable shares. The Remuneration Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

Awards may not be granted more than 10 years after shareholder approval of the Plan. No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

Individual limit

An employee may not receive awards in any financial year over Shares having a market value in excess of 300% of his annual base salary in that financial year.

Initially, an award over shares worth 250% of salary will be made to the Chief Executive, with awards worth 200% of salary for the other Executive Directors. Below Board level, awards will be made up to a maximum of 100% of salary, depending on seniority.

Performance conditions

The vesting of awards will be subject to performance conditions set by the Remuneration Committee.

The performance conditions applying to initial awards granted following shareholder approval of the Plan will be based as to 75% on the Company’s earnings per share (“EPS”) for the 2009/10 financial year and as to 25% on compound like-for-like non-fuel sales growth over a single three-year period starting with the 2007/08 financial year. No awards will vest under the sales target unless the threshold EPS target has been met. The targets are set out below.

EPS performance condition

The vesting of the 75% of an award subject to EPS will be on the following basis:

Company’s EPS for 2009/10 financial year	Percentage of 75% of an award subject to the EPS condition that will vest
Less than 15.8p	Nil
15.8p	25%
19p	100%
Between 15.8p and 19p	Between 25% and 100%
	on a straight-line basis

EPS will be adjusted to exclude items considered exceptional, and property gains and losses. The Company will report EPS in this way in its annual report.

Sales growth performance condition

The vesting of the 25% of an award subject to sales growth will be on the following basis:

Compound like-for-like non-fuel sales growth over 2007/08 to 2009/10	Percentage of 25% of an award subject to the sales growth condition that will vest
Less than 3% per annum	Nil
3% per annum	25%
5% per annum	100%
Between 3% and 5%	Between 25% and 100%
	on a straight-line basis

Sales will be defined as the reported sales from existing space (excluding VAT), less total fuel sales.

The Remuneration Committee may set different performance conditions from those described above for future awards provided that, in the reasonable opinion of the Remuneration Committee, the new targets are not materially less challenging in the circumstances than those described above.

The Remuneration Committee may also vary the performance conditions applying to existing awards if an event has occurred which causes the Remuneration Committee to consider that it would be appropriate to amend the performance conditions, provided the Remuneration Committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

Vesting of awards

Awards normally vest three years after grant to the extent that the applicable performance conditions (see above) have been satisfied and provided the participant is still employed in the Company's group.

Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or be a Director within the Company's group. However, if a participant ceases to be an employee or a Director because of his death, injury, disability, retirement or in other circumstances at the discretion of the Remuneration Committee, then his award will normally vest on the date when it would have vested if he had not ceased such employment or office (i.e. normally the third anniversary of the date of grant). The extent to which an award will vest in this case will depend upon: (i) the extent to which the performance conditions have been satisfied at vesting; and (ii) the pro-rating of the award to reflect the reduced period of time between its grant and cessation, although the Remuneration Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

If a participant ceases to be an employee or Director in the Company's group for one of the "good leaver" reasons specified above, the Remuneration Committee can decide, in exceptional circumstances, that his award will vest when he leaves subject to: (i) the extent that the performance conditions have been satisfied at that time (or the Remuneration Committee considers they would have been satisfied at the normal vesting date); and (ii) normally pro-rating by reference to the time of cessation as described above.

Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time (or the Remuneration Committee considers they would have been satisfied at the normal vesting date); and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting, although the Remuneration Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Remuneration Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Remuneration Committee, would affect the market price of Shares to a material extent, then the Remuneration Committee may determine that awards will vest on the basis which would apply in the case of a takeover as described above.

Participants' rights

Awards of conditional Shares and options will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Shares. Holders of awards of forfeitable Shares will have shareholder rights from when the awards are made except they may be required to waive their rights to receive dividends.

The Remuneration Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting of their awards, of an amount equivalent to the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest or have their awards increased as if dividends were paid on the Shares subject to their award and then reinvested in further Shares.

Overall Plan limits

The Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any 10 calendar year period, the Company may not issue (or grant rights to issue) more than:

- (a) 10% of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company; and
- (b) 5% of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of these limits unless institutional investors decide that they need not count.

Rights attaching to Shares

Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Remuneration Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

Alterations to the Plan

The Remuneration Committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

Overseas Plans

The shareholder resolution to approve the Plan will allow the Board to establish further plans for overseas territories, any such plan to be similar to the Plan, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the Plan.

SUMMARY OF THE PRINCIPAL TERMS OF THE ONE-OFF INCENTIVE AWARD FOR MARC BOLLAND (the "Award")

The Award will be granted on the same terms as the Plan described above except for the differences described below.

The Award will be granted as soon as practicable following shareholder approval of the Award at the Annual General Meeting.

The Award will be granted over Shares having a market value equal to 5/12ths of the value of 250% of his salary as at the date he joined the Company (such value being £729,167) using the average closing share prices on the announcement of the Company's interim results for 2006/07 and the next four business days.

The Award will vest on 1 September 2009 subject to the satisfaction of the performance conditions described below and Marc Bolland's continued employment or directorship with a member of the Company's group. This date will be the third anniversary of when Marc Bolland joined the Company and so treats the award as if it had been granted when Marc joined the Company on 1 September 2006.

The performance conditions applying to the Award will be based 75% on the Company's EPS for the 2008/09 financial year and 25% on compound like-for-like non-fuel sales growth. The Award cannot vest under the sales target unless the threshold EPS target has been met. The targets are set out below.

EPS performance condition

The vesting of the 75% of an award subject to EPS will be on the following basis:

Company's EPS for 2008/09 financial year	Percentage of 75% of an award subject to the EPS condition that will vest
Less than 13.3p	Nil
13.3p	25%
16p	100%
Between 13.3p and 16p	Between 25% and 100%

on a straight-line basis

EPS will be adjusted to exclude items considered exceptional, and property gains and losses. The Company will report EPS in this way in its annual report.

Sales growth performance condition

The vesting of the 25% of an award subject to sales growth on the following basis:

Compound like-for-like non-fuel sales growth over 2007/08 and 2008/09	Percentage of 25% of an award subject to the sales growth condition that will vest
Less than 3% per annum	Nil
3% per annum	25%
5% per annum	100%
Between 3% and 5%	Between 25% and 100%

on a straight-line basis

Sales will be defined as the reported sales from existing space (excluding VAT), less total fuel sales.

Notice of Meeting

The sixty seventh Annual General Meeting of the Company will be held at Hilmore House, Gain Lane, Bradford, West Yorkshire BD3 7DL on 24 May 2007 at 11:00 a.m. for the following purposes:

Ordinary Business

To consider and if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and consider the Directors' Report and audited financial statements for the 53 weeks ended 4 February 2007.
2. To approve the Directors' Remuneration Report for the 53 weeks ended 4 February 2007.
3. To declare a final dividend of 3.375p per share payable on 29 May 2007 to ordinary shareholders on the register of members at the close of business on 27 April 2007.
4. To re-elect R Owen as a Director.
5. To re-elect M Bolland as a Director.
6. To re-elect M Jones as a Director.
7. To re-appoint KPMG Audit Plc as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company at remuneration to be fixed by the Directors.

Special Business

To consider and if thought fit, to pass the following resolutions, of which resolution 9, 11 and 12 will be proposed as ordinary resolutions and resolutions 8, 10 and 13 will be proposed as special resolutions:

8. That the Company be generally and unconditionally authorised to make market purchases (as defined in Section 163(3) of the Companies Act 1985 (the "Act")) on the London Stock Exchange of ordinary shares of 10p each in the capital of the Company ("ordinary shares") and/or 5¼% cumulative redeemable preference shares of £1 each in the capital of the Company ("preference shares") where such purchase is, in the opinion of the Directors, in the best interest of the Company at the time of any purchase provided that:
 - (i) the maximum aggregate numbers of ordinary shares and preference shares hereby authorised to be purchased are 151,900,000 ordinary shares and 28,266 preference shares representing approximately 5.7% and 10% respectively of the issued share capital of each class of shares at the date of this notice;

- (ii) the minimum price which may be paid for the ordinary shares and the preference shares are their respective par values from time to time and the maximum prices which may be paid for the ordinary shares and the preference shares respectively are amounts equal to 5% above the average of the middle-market quotations for such shares as derived from the London Stock Exchange Daily Official List for the five business days before the purchase is made;

- (iii) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting; and

- (iv) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of its own shares in pursuance of such contract.

9. That for the purposes of the authority conferred by Article 7(2) of the Company's articles of association (authority to allot relevant securities) the prescribed period shall be from the date of passing of this resolution until 30 June 2008 or, if earlier, the expiry of the next Annual General Meeting of the Company and the Section 80 of the Act amount shall be £80,300,000 (representing approximately 30.0% of the issued ordinary share capital of the Company at 27 March 2007).
10. That for the purposes of the power conferred by Article 7(3) of the Company's articles of association (power to allot equity securities for cash) the prescribed period shall be from the date of passing of this resolution until 30 June 2008 or, if earlier, the expiry of the next Annual General Meeting of the Company and the Section 89 of the Act amount shall be £13,387,561 (representing 5% of the issued ordinary share capital at 27 March 2007).
11. That the rules of the Wm Morrison Supermarkets Long-Term Incentive Plan (the "Plan") referred to in the Chairman's letter to shareholders dated 27 March 2007 and produced in draft to this meeting and, for the purposes of identification, initialled by the Chairman, be approved and the Directors be authorised to:
 - (i) make such modifications to the Plan as they may consider appropriate for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
 - (ii) establish further plans based on the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Plan.

12. That the share incentive award (the “Award”) for Marc Bolland referred to in the Chairman’s letter to shareholders dated 27 March 2007 and produced in draft to this meeting and, for the purposes of identification, initialled by the Chairman, be approved and the Directors be authorised to do all such acts and things as they may consider appropriate to implement the Award.

13. That the Company may supply documents or information to its members via a website and that the Articles of Association be amended as follows:

(i) by the insertion of Article 163 (3) of the words “or by making them available on the website” after the words “delivered electronically”.

(ii) by the deletion of the words “notice or document” in each place in which reference to such words is made in Articles 166, 171, 172 and 173 and the substitution therefore in each of such places of the words “notice, document or other information”;

(iii) by the insertion in Article 166 of the words “or by making them available on a website” before the words “or by any other means of electronic communication” in the first sentence of that Article; and

(iv) by the deletion of the final sentence of Article 171 and the substitution for that sentence of the following sentence:

“Any notice, document or information contained in an electronic communication served by the Company on any member shall be deemed to have been served at of the expiration of 24 hours after the time it was sent and in proving such service it shall be sufficient to prove that the notice, document or information contained in the electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators”; and

(v) by the addition of the following new Article 174 and the consequent renumbering of existing Articles 174 to 177 as Articles 175 to 178 accordingly:

“174 In the case of any notification, instruction, agreement or authority from the joint holders of a share, the Company may rely on any notification, instruction, agreement or authority received from only one joint holder if that joint holder is the first named in the Register of Members”.

By Order of the Board
Jonathan Burke
Secretary
27 March 2007

Registered Office
Hilmore House
Gain Lane
Bradford BD3 7DL

Notes

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company. To be valid the form of proxy must be completed and lodged with the registrars of the Company not later than 11:00 a.m. on 22 May 2007. A proxy should either be submitted by post on the enclosed form of proxy using the pre-paid envelope or via the internet at www.capitaregistrars.com/shareholders/products/proxy-voting.asp where full instructions are given. This address is given only for the filing of proxies for the Annual General Meeting and not for any other purpose. If you choose to appoint a proxy electronically you will need your unique investor code which is printed on the form of proxy notes section.
2. CREST members who wish to appoint a proxy or proxies by utilising CREST electronic appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those 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 on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (CREST proxy instruction) must be properly authenticated in accordance with CRESTCo’s specifications 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 instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent Capita Registrars (ID RA10) by the latest time for receipt of proxy appointments specified in the notice of Annual General Meeting (Note 2). For this purpose, the time of receipt shall be taken as the time (as determined by the timestamp applied to the message by the CREST applications host) from which the Company’s agent (Capita Registrars) 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 appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation 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 procure his/her CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by a particular time. In this connection, CREST members and, where applicable, CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5) of the Uncertified Securities Regulations 2001.

3. Pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the meeting (and also for the purpose of calculating how many votes a person entitled to attend and vote may cast) a person must be entered on the register of holders of the ordinary shares of the Company no later than 48 hours before the time appointed for the meeting. Changes to entries on the register after this time will be disregarded in determining the rights of any person to attend or vote at the meeting.
4. The total issued share capital of the Company at the date of this notice was 2,677,512,262 ordinary shares of 10p each and 282,666 5¼% cumulative redeemable preference shares of £1 each.
5. Details of the Directors' remuneration and other benefits are contained in the Directors' Remuneration Report and the Annual Report and Financial Statements. The register of Directors' interests, a statement of all transactions of each Director in the shares of the Company during the previous 12 months, copies of the Directors' service contracts, appointment letters and the standard terms of employment will be available for inspection at the Annual General Meeting and at the registered office of the Company during normal business hours on any weekday, except Saturdays and English public holidays.
6. A copy of the draft rules of Wm Morrison Supermarkets Long-Term Incentive Plan and the draft share incentive award for Marc Bolland, and the guidance of the Institute of Chartered Secretaries and Administrators relating to electronic communication will be available for inspection at New Bridge Street Consultants LLP at 20 Little Britain, London EC1A 7DH and at the registered office of the Company during normal business hours on any weekday, except Saturdays and English public holidays, until the close of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.



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Wm Morrison Supermarkets PLC