

HYDRO HOTEL, EASTBOURNE, PLC

MINUTES OF THE 112th ANNUAL GENERAL MEETING OF THE COMPANY

held at HYDRO HOTEL, EASTBOURNE on WEDNESDAY 18th APRIL 2007 at 11.30am

PRESENT

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| Mr G C King | Chairman |
| Mr G Bean | Director |
| Mr C P Freeman | Director |
| Mrs M R Peck | Director |
| Mr J M S Piper | Director |

In addition to the above 5 Directors, 168 Members or their proxies were present in person at the Meeting and signed the attendance sheet

Also attending Mr S J Barnsdall of P K F (UK) LLP, the Company's auditors, and Mrs S A Gausden of Perkins Copeland, the Company's registrars.

APOLOGIES FOR ABSENCE

Received from 16 shareholders.

NOTICE OF MEETING

The Secretary read the notice convening the 112th Annual General Meeting.

MINUTES

Copies of the Minutes of 111th Annual General Meeting held on 21 April 2006, which had been previously approved by the Board, were provided to shareholders and after discussion were noted by the meeting and signed and dated by the Chairman.

AUDITORS' REPORT

Mr S J Barnsdall of PKF (UK) LLP, the Company's auditors, read the opinion paragraph from the audit report on the financial statements for the year ended 31 October 2006.

THE BOARD

The Chairman introduced the members of the Board and gave brief details of their backgrounds.

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st OCTOBER 2006

The Chairman read his Statement in the Financial Statements for the year ended 31st October 2006. He then proposed that the Financial Statements for the year ended 31 October 2006 and the Reports of the Directors and the Auditors thereon be and are received. Mr P Davis seconded the resolution. The Chairman invited questions and comments from shareholders. These were answered, and the Chairman undertook that the Board would review the shareholders' comments at its next Board meeting. The Chairman then put the resolution to the meeting and declared it carried.

DIVIDEND

The Chairman proposed that the final dividend at the rate of 19.5p per share is declared payable on 10th May 2007 to shareholders on the register on 10th April 2007. Mr A Hollands seconded the resolution which was put to the meeting and declared carried.

DIRECTORS' REMUNERATION

The Chairman proposed that the directors' remuneration be increased to £39,000 for the current year ending 31 October 2007. Mr R Millett seconded the resolution which was put to the meeting and declared carried.

RE-ELECTION OF AUDITORS

The Chairman proposed that PKF (UK) LLP be and are re-elected as auditors of the company, to hold office until the conclusion of the next general meeting at which annual accounts are laid, and that their remuneration be left in the hands of the Board to agree with them. Mr M Morgan-Jones seconded the resolution which was put to the meeting and declared carried.

PESONNEL

The chairman paid fulsome tribute to the unique contribution made to the company by Mr Graham Bean during his 29 year career with the company, as General Manager for his first 22 years and as a Director for the last 16 years up to his retirement at this AGM.

The Chairman also congratulated Mrs Jackie Wilson on her retirement and thanked her for her contribution as the General Manager's Personal Assistant and Sales & Marketing Co-ordinator during her 23 year career with the company.

The Chairman thanked the Management and Staff of the Hotel for their achievements and dedication during the last year, and for the arrangements made for the day.

There being no further business the meeting closed.