News comes to Leonato, Governor of Messina, of Don Pedro the Prince of Aragon's imminent arrival from the wars in which two brave gentlemen have earned their spurs: Claudio and Benedick. Leonato's niece Beatrice remains unimpressed - she and Benedick are old flames, nowadays exchanging barbed witticisms in their own 'merry war'. On one thing, though, they are agreed: they are perfectly happy being single. But why is Leonato's daughter (Beatrice's cousin) Hero staying so quiet? Because - as Benedick's merciless teasing reveals - Claudio has fallen hopelessly in love with her. Don Pedro takes more pity on Claudio's shyness: he will pose as Claudio at that evening's masked ball, and woo Hero on Claudio's behalf.

The plan works, Pedro winning Hero's hand for Claudio at the ball - where the mischievous deceptions multiply. Beatrice, pretending not to recognize Benedick, ridicules him to his own (masked) face; while Pedro's villainous half-brother Don John (supported by his cronies Borachio and Conrad) spitefully pretends to mistake Claudio for Benedick, telling him that Pedro is genuinely in love with Hero. This throws Claudio into a fit of jealous rage, only defused when Pedro unites the happy couple. Before Hero and Claudio can marry, however, two more convoluted schemes emerge and play out - one warmly comic, the other chillingly malevolent. Firstly, with Claudio's connivance, Benedick is tricked into believing that Beatrice, for all her spiky hostility, is actually in love with him; next, with Hero's connivance, Beatrice is identically tricked into believing that Benedick in fact loves her just as deeply. (The trick works, of course, because Benedick and Beatrice discover that they really are helplessly in love with each other!) The second plot, implemented by Don John, is altogether more sinister. Using the same stage-managed eavesdropping that brings Benedick and Beatrice together, Borachio drives Claudio and Hero apart: Pedro and Claudio overhear a contrived liaison during which Borachio passionately addresses his girlfriend Margaret (Hero's waiting-gentlewoman) by Hero's name...

Hero is violently jilted at the altar by Claudio; even her father Leonato doubts her honesty; and a black cloud descends over Beatrice and Benedick's newly tender relationship: the first test of his love she sets him is to 'kill Claudio'. Disaster is finally averted thanks to Friar Francis (the canny priest who believes in Hero's innocence) and Constable Dogberry (the dim policeman who eventually foils Borachio's plot). It is Friar Francis who devises the story's last piece of deception. It is announced that Hero has been 'slandered to death by villains': shamed into remorse, Claudio agrees instead to marry the daughter of Leonato's brother, Antonio. But when this mystery bride unveils at the altar, she is of course... Hero herself. As the wedding music strikes up for the two couples, news comes of Don John's capture.