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The Morgan Crucible Company plc

Notice of Annual General Meeting 2012

A letter from the Chairman of The Morgan Crucible Company plc is set out on pages 1 and 2 of this document.

Notice of the Annual General Meeting of The Morgan Crucible Company plc to be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Tuesday 8 May 2012 at 12 noon is set out on pages 3 to 6 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy appointment form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 5 and 6. To be valid, the proxy appointment form must be received at the address for delivery specified in the Notes by 12 noon on Thursday 3 May 2012.

The Morgan Crucible Company plc

(Registered in England No. 286773)

Registered Office:
Quadrant
55-57 High Street
Windsor
Berkshire SL4 1LP

21 March 2012

To holders of Ordinary shares and for information only to holders of 5.5% Cumulative First Preference shares and 5.0% Cumulative Second Preference shares.

Dear Shareholder

THE 2012 ANNUAL GENERAL MEETING

I am pleased to be writing to you with details of our Annual General Meeting which we are holding at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED at 12 noon on Tuesday 8 May 2012.

Following the format of previous annual general meetings, our Chief Executive Officer, Mark Robertshaw, will give a 15-minute presentation on the business of the Group and its performance over the last 12 months. Shareholders will then have the opportunity to ask questions relating to the business before moving into the formalities of the Annual General Meeting.

Notice of the Annual General Meeting can be found on pages 3 to 6 of this document and contains the resolutions dealing with the business of the meeting. The business to be proposed includes the declaration of a final dividend, the re-appointment of the auditors of the Company and the re-election of each of the Directors. Further business to be proposed which is set out in the Notice of Annual General Meeting includes resolutions enabling the Company to convene a general meeting on 14 days' notice, renewing the Directors' authority to allot shares, disapplying pre-emption rights in certain circumstances and authorising the Company and its subsidiary companies to make political donations. Only shareholders holding Ordinary shares or their proxies or duly authorised representatives may vote at the Annual General Meeting.

All your votes are important to us and going forward you will be asked to vote on each of the resolutions on a poll, as permitted by the Articles of Association. This is in line with practice increasingly adopted by UK public companies, primarily as a result of the complexities of the law around voting on a show of hands. It also means that the voting results will be a more representative reflection of the views of our shareholder base.

The notes below are intended to explain the Directors' recommendation for the payment of a final dividend in respect of 2011, the re-election of each of the Directors and the other business to be transacted at the Annual General Meeting.

Ordinary resolution 3

Final dividend

The Directors are recommending the payment of a final dividend of 6 pence per share on the Ordinary shares in respect of the year ended 1 January 2012 which, if approved by shareholders, will be payable on 6 July 2012 to shareholders on the register at the close of business on 25 May 2012. The final dividend is to be paid in respect of each Ordinary share other than those shares in respect of which a valid election has been made to receive new Ordinary shares, pursuant to the Company's scrip dividend scheme, instead of the final dividend.

Ordinary resolutions 4 to 10

Re-election of Directors

Once again, the full Board of Directors is standing for re-election in accordance with the provisions of the UK Corporate Governance Code.

Resolutions 4 to 10 are resolutions for the re-election as Directors of Kevin Dangerfield, Martin Flower, Andrew Given, Simon Heale, Andrew Hosty, Mark Robertshaw, and Tim Stevenson.

An externally facilitated performance evaluation has confirmed that the Directors continue to be effective, demonstrating significant commitment to their roles. The Board believes that the considerable and wide-ranging experience of these Directors will continue to be invaluable to the Company, and recommends their re-election.

Biographies of all Directors are set out on pages 52 to 53 of the 2011 Annual Report and Accounts.

Ordinary resolution 13

Political donations and political expenditure

This resolution renews a similar authority given at last year's annual general meeting, which is due to lapse at the Annual General Meeting. The resolution seeks approval from shareholders to enable the Company to make donations or incur expenditure which it would otherwise be prohibited from making or incurring by the Companies Act 2006 (the 'Act'). The Company's policy is not to make donations to political parties and there is no intention to change that policy. However the Act defines political expenditure, political donations and political organisations very widely, such that normal business activities, which might not be thought to be political expenditure or a political donation to a political organisation in the usual sense, may be included. For example, sponsorship of industry forums, funding of seminars and other functions to which politicians are invited, matching employees' donations to certain charities, expenditure on organisations concerned with matters of public policy, law reform and representation of the business community and communicating with the Government and political parties at local, national and European level may fall under the terms of the Act.

Accordingly, the Company, in common with many other companies, proposes to seek authority to incur a level of political donations to political parties, independent election candidates and political organisations as well as political expenditure, to cover these kinds of activities on a precautionary basis, in order to avoid possible inadvertent contravention of the Act. The authority does not purport to authorise any particular donation or expenditure but is expressed in general terms, as required by the Act. Furthermore, as permitted under the Act, the authority has been extended to cover any political donations made or political expenditure incurred by any subsidiaries of the Company. Therefore, as a precautionary measure, you will be asked to give the Company and each of its subsidiaries authority to make political donations to political parties or independent election candidates, to make political donations to political organisations (other than political parties) and to incur political expenditure. These authorities are limited to a maximum aggregate amount of £100,000.

If given, this authority will expire at the conclusion of the Company's next annual general meeting or on 7 November 2013 (whichever is earlier). It is the Directors' intention to renew this authority each year.

Ordinary resolution 14

Authority to allot shares

The Directors currently have an authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to lapse at the Annual General Meeting. The Board is seeking to renew that authority over a maximum of 92,600,692 Ordinary shares having an aggregate nominal amount of £23,150,173, representing one third of the issued Ordinary share capital of the Company as at 5 March 2012 and also to give the Directors authority to allot a maximum of 185,201,384 Ordinary shares having an aggregate nominal amount of £46,300,346, representing two thirds of the issued Ordinary share capital of the Company as at 5 March 2012 by way of a rights issue. For the avoidance of doubt, the maximum number of Ordinary shares that could be allotted pursuant to this resolution is 185,201,384 Ordinary shares. The authority will lapse on 7 November 2013 or at the next annual general meeting, whichever shall first occur. The authority sought under this resolution is standard for most UK companies. The Directors have no present intention to issue any shares under the authority being sought. The Company holds no treasury shares.

Special resolution 15

Disapplication of pre-emption rights

This resolution renews a similar authority given at last year's annual general meeting and, if approved, would enable the Board to allot Ordinary shares for cash other than to existing shareholders in proportion to their existing holdings. Otherwise than in connection with a rights or similar issue or scrip dividend (where difficulties arise in offering shares to certain overseas shareholders and in relation to fractional entitlements), the authority contained in this resolution will be limited to 13,890,100 new Ordinary shares, having an aggregate nominal amount of £3,472,525, representing approximately 5% of the Company's issued Ordinary share capital as at 5 March 2012.

The authority sought under this resolution is standard for most UK companies. In accordance with the recommendations of the Association of British Insurers, the Directors confirm their intention that no more than 7.5% of the Company's issued Ordinary share capital will be issued for cash on a non pre-emptive basis during any three-year period without appropriate consultation. The Directors have no present intention to exercise this authority. The authority will lapse on 7 November 2013 or at the next annual general meeting, whichever shall first occur.

Special resolution 16

Enabling the Company to call a general meeting on 14 days' notice

This resolution renews an authority given at last year's annual general meeting and is required as a result of section 307A of the Act coming into force. The Company currently has power under its Articles of Association to call general meetings (other than an annual general meeting) on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must first approve the calling of meetings on 14 days' notice. This resolution seeks such approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole.

Action to be taken

You are requested (whether or not you intend to be present at the meeting) to complete and submit a proxy appointment form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 5 and 6. To be valid, the proxy appointment form must be received at the address for delivery specified in the Notes by 12 noon on Thursday 3 May 2012. Completion and return of a proxy appointment form will not preclude a shareholder from attending and voting at the meeting.

Recommendation

Your Directors consider all the resolutions to be put to the meeting to be in the best interests of the Company and its shareholders as a whole and accordingly unanimously recommend you to vote in favour of them as they intend to do so in respect of their own beneficial shareholdings.

Yours faithfully



Tim Stevenson
Chairman

The Morgan Crucible Company plc

(Registered in England No. 286773)

('the Company')

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the seventy-eighth Annual General Meeting of the Company will be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Tuesday 8 May 2012 at 12 noon to transact the business set out below. Resolutions 1 to 14 will be proposed as ordinary resolutions and resolutions 15 and 16 will be proposed as special resolutions.

1. To receive the audited accounts and the auditors' and directors' reports for the year ended 1 January 2012.
2. To approve the directors' remuneration report of the Remuneration Committee.
3. To declare a final dividend of 6 pence per Ordinary share.
4. To re-elect Kevin Dangerfield as a Director.
5. To re-elect Martin Flower as a Director.
6. To re-elect Andrew Given as a Director.
7. To re-elect Simon Heale as a Director.
8. To re-elect Andrew Hosty as a Director.
9. To re-elect Mark Robertshaw as a Director.
10. To re-elect Tim Stevenson as a Director.
11. To re-appoint KPMG Audit Plc as auditors of the Company.
12. To authorise the Directors to determine the auditors' remuneration.
13. That, from the date of this resolution until the earlier of 7 November 2013 and the conclusion of the Company's next annual general meeting, the Company and all companies which are its subsidiaries at any time during such period are authorised:
 - a) to make donations to political parties and/or independent election candidates;
 - b) to make donations to political organisations other than political parties; and
 - c) to incur political expenditure,

up to an aggregate total amount of £100,000, with the amount authorised for each of paragraphs (a) to (c) above being limited to the same total. Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such rate as the Board may decide is appropriate.

Terms used in this resolution have, where applicable, the meanings that they have in Part 14 of the Companies Act 2006 on 'Control of political donations and expenditure'.

14. That the Directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company:
 - a) up to an aggregate nominal amount of £23,150,173, (such amount to be reduced by the aggregate nominal amount of any equity securities that may be allotted pursuant to paragraph (b) below in excess of £23,150,173); and
 - b) comprising equity securities (as defined in section 560(1) of the Act), up to an aggregate nominal amount of £46,300,364 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights granted pursuant to paragraph (a) above) in connection with a rights issue (as defined in the listing rules published by the Financial Services Authority):
 - (i) to holders of Ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of Ordinary shares held by them; and
 - (ii) to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed), this authority shall expire on 7 November 2013 or, if earlier, at the conclusion of the Company's next annual general meeting, save that the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or rights to be granted after such expiry. All authorities vested in the Directors on the date of the notice of this meeting to allot shares or to grant rights that remain unexercised at the commencement of this meeting are revoked.

15. That the Directors are empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities, as defined in section 560 of that Act, pursuant to the authority conferred on them by resolution 14 in the notice of this meeting or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment, provided that this power is limited to:

- a) the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the Financial Services Authority's listing rules) or any other pre-emptive offer that is open for acceptance for a period determined by the Directors to the holders of Ordinary shares on the register on any fixed record date in proportion to their holdings of Ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and
- b) the allotment of equity securities (other than pursuant to paragraph (a) above) with an aggregate nominal amount of £3,472,525,

and shall expire when the authority conferred on the Directors by resolution 14 in the notice of this meeting expires, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.

16. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

Registered office:
Quadrant
55-57 High Street
Windsor
Berkshire SL4 1LP

By Order of the Board
Paul Boulton
Company Secretary
21 March 2012

The Morgan Crucible Company plc

(‘the Company’)

Notes

1. A member of the Company entitled to attend, speak and vote at the Annual General Meeting (‘the meeting’) is also entitled to appoint a proxy or proxies to attend, speak and vote in their stead provided that if more than one proxy is appointed, each proxy is appointed to exercise rights attaching to different shares. A proxy need not be a member of the Company.
2. All resolutions to be proposed at the meeting will be put to vote on a poll. This will result in a more accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the votes of those shareholders who are unable to attend but who have appointed a proxy for the meeting. On a poll, each shareholder has one vote for every share held.
3. Members (and any proxies or representatives they appoint) agree, by attending the meeting, that they are expressly requesting and that they are willing to receive any communications (including any communications relating to the Company’s securities) made at the meeting.
4. A pre-paid form of proxy is enclosed with this document. The form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, should be sent to the Company’s registrars Capita Registrars, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or returning the proxy form in an envelope to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU (no stamp required) so as to arrive not later than 12 noon on Thursday 3 May 2012 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting.
5. (a) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using 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.
(b) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a ‘CREST Proxy Instruction’) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’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 instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA10) by the latest time for receipt of proxy appointments specified in Note 4 above. 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 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.
(c) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their 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.
(d) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. Members who have returned forms of proxy in accordance with Note 4 or who register the appointment electronically in accordance with Note 5 are not thereby precluded from attending the meeting and voting in person if they so wish.
7. A shareholder that is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.
8. The Company specifies that only those holders of Ordinary shares registered in the register of members of the Company at 6.00pm on Thursday 3 May 2012 (or, in the event that the meeting is adjourned, in the register of members at 6.00pm on the day that is two days (excluding any part of a day that is not a working day) before the day of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of Ordinary shares registered in their names at that time. Changes to entries on the register of members after 6.00pm on Thursday 3 May 2012 (or, in the event that the meeting is adjourned, in the relevant register of members after 6.00pm on the day that is two days (excluding any part of a day that is not a working day) before the day of the adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
9. Membership of any Company share scheme or share option scheme does not give any entitlement to attend or vote at the meeting.
10. This Notice is sent for information only to holders of any class of preference shares of the Company, such holders not being entitled to attend or vote at the meeting.
11. Total voting rights: As at 5 March 2012 (being the last practicable date prior to the publication of this document) the Company’s issued share capital consists of 277,802,078 Ordinary shares carrying one vote each, 125,327 5.5% Cumulative First Preference shares which carry no voting rights and 311,954 5.0% Cumulative Second Preference shares which carry no voting rights. Therefore, the total voting rights in the Company as at 5 March 2012 are 277,802,078.
12. Data protection statement: Your personal data includes all data provided by you, or on your behalf, that relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company’s Registrars) may process your personal data for the purposes of compiling and updating the Company’s records, fulfilling its legal obligations and processing the shareholder rights you exercise.
13. Nominated Persons: Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (‘a Nominated Person’) may have a right, under an agreement between him and the shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in these notes can only be exercised by shareholders of the Company.

14. A shareholder or shareholders having a right to vote at the meeting and holding at least five per cent of the total voting rights of the Company (see Note 11), or at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, may require the Company to publish on its website a statement setting out any matter that such shareholders propose to raise at the meeting relating to the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting in accordance with section 527 of the Companies Act 2006. The Company cannot require the shareholders concerned to pay its expenses in complying with sections 527 and 528 of that Act. The Company must forward any such statement to its auditors by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.
15. Shareholders have the right to ask questions at the meeting relating to the business being dealt with at the meeting in accordance with section 319A of the Act. The Company must answer any such question unless:
 - (a) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
16. The information required by section 311A of the Act to be published in advance of the meeting, which includes the matters set out in this notice and information relating to the voting rights of shareholders, is available at www.morgancrucible.com. A shareholder may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than expressly stated in it.



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