

THE COMPANIES ACT 2006

RESOLUTIONS OF BABCOCK INTERNATIONAL GROUP PLC

PASSED ON MONDAY 21 JULY 2014

**Special Resolutions**

Disapplication of Pre-emption Rights

21. That, in substitution for all such existing powers, and subject to the passing of Resolution 20, the Directors of the Company be and are hereby generally empowered, pursuant to sections 570 and 573 of the 2006 Act to:

- (a) allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authorities conferred by Resolution 20; and/or
- (b) sell ordinary shares (as defined in section 560(1) of the 2006 Act) held by the Company as treasury shares for cash, in each case free of the restriction in section 561 of the 2006 Act, provided that such powers shall be limited to:

- (i) to the allotment of equity securities and sale of treasury shares for cash in connection with or pursuant to an offer of, or an invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 20, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only):

- (A) to ordinary shareholders in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale; and

- (B) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such limits, exclusions, restrictions or other arrangements as the Directors may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical difficulties which may arise under the laws or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and

- (ii) to the allotment of equity securities pursuant to the authority granted by paragraph (a) of Resolution 20 and/or sale of treasury shares for cash (in each case otherwise than in the circumstances set out in paragraph (a) of this Resolution 21), up to an aggregate nominal amount of £15,039,993.60 calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such powers to apply (unless previously renewed, varied or revoked by the Company in General Meeting) until the end of the Company's next Annual General Meeting (or, if earlier, until 30 September 2015) but, in each case, so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted or rights to subscribe for or to convert any security into shares to be granted after the power expires and the Directors of the Company may allot equity securities or grant such rights under any such offer or agreement as if the power conferred hereby had not expired.

Authority to Purchase Own Shares

22. That the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693(4) of the 2006 Act) of its ordinary shares of 60p each ('ordinary shares') in the capital of the Company on such terms and in such manner as the Directors of the Company may from time to time determine provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased shall be 50,133,313 shares, representing approximately 10% of the issued share capital of the Company at 10 June 2014 (being the latest practicable date prior to the publication of this document);
- (b) the minimum price which may be paid for each ordinary share is not less than the nominal value thereof exclusive of the expenses of purchase;

- (c) the maximum price which may be paid for each ordinary share (exclusive of the expenses of purchase) shall not exceed the higher of (i) 105% of the average middle market quotation for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) an amount equal to the higher of the price of an ordinary share quoted for the last independent trade and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out;
- (d) the authority hereby conferred shall (unless previously renewed, varied or revoked by the Company in general meeting) expire at the end of the Company's next Annual General Meeting (or, if earlier, 30 September 2015); and
- (e) the Company may, before this authority expires, make a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares in pursuance of any such contract as if this authority had not expired.

#### Notice for General Meetings

- 23. That a General Meeting of the Company (other than an Annual General Meeting) may be called on not less than 14 clear days' notice.

#### Amendment of Articles

- 24. That the articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the articles of the Company ('Articles') in substitution for, and to the exclusion of, the existing Articles, with effect from the conclusion of this Annual General Meeting.

M J Turner

21 July 2014