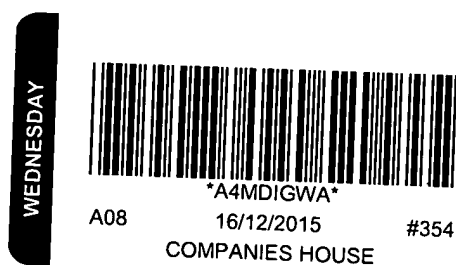

Birchill Investment Co. Limited
Directors' report and financial statements

For the year ended 31 March 2015

Company registration number:
1201437



Birchill Investment Co. Limited

Directors and advisor

Directors

I Urquhart	(appointed 17 December 2014)
F Martinelli	
W Tame	(resigned 17 December 2014)

Company Secretary

Babcock Corporate Secretaries Limited

Registered office

33 Wigmore Street
London
W1U 1QX
United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Birchill Investment Co. Limited

Strategic report

The directors present their Strategic report of the Company, for the year ended 31 March 2015.

Principal activities

The principal activity of the Company is that of an investment holding company.

Results

The result for the financial year was a loss of £982,593 (2014: loss £330,435) and this will be deducted from reserves

Key performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

Principal risks and uncertainties

The management of the business is subject to a number of risks. Procedures are in place across the Group to identify, assess and mitigate major business risks. The management of risk is an integral part of our operational review process and is supplemented at Group level by independent challenge and review by the Group Risk Manager and the Audit and Risk Committee. Further discussion of these risks and uncertainties, in the context of the Group as a whole, is provided on pages 60 to 69 of the annual report of Babcock International Group PLC, which does not form part of this report.

By order of the Board on 9 December 2015:



I Urquhart
Director

Birchill Investment Co. Limited

Directors' report

The directors present their Directors report and the audited financial statements of the Company, for the year ended 31 March 2015.

Future directions of the Company

There are no plans to alter significantly the business of the Company.

Dividends

Dividends declared and paid in the current financial year were £nil (2014: £nil). There are no plans for a final dividend.

Financial risk management

All treasury transactions are carried out only with prime rated counter-parties. Financial risk is managed in accordance with Group policies and procedures. For further information refer to note 2 of the Babcock International Group PLC financial statements.

Qualifying third party indemnity provisions

Under their respective Articles of Association, the directors of the Company are, and were during the financial year to 31 March 2015, entitled to be indemnified by the Company against liabilities and costs incurred in connection with the execution of their duties or the exercise of the powers, to the extent permitted by the Companies Act 2006.

Babcock International Group PLC also provides protections for directors of companies within the Group against personal financial exposure they may incur in their capacity as such. These include qualifying third party indemnity provisions (as defined by Companies Act 2006) for the benefit of directors of Babcock International Group PLC, including, where applicable, in their capacity as a director of the Company and other companies within the Group. These indemnities came into force in 2014 and remain in force.

Directors of the Company

The directors who held office during the year and up to the date of signing the financial statements were as follows:

I Urquhart	(appointed 17 December 2014)
F Martinelli	
W Tame	(resigned 17 December 2014)

Birchill Investment Co. Limited

Directors' report (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors and the disclosure of information

So far as the directors are aware, there is no relevant audit information, being information required by the auditors in connection with the preparation of the auditors' report, of which the auditors are unaware. Having made enquiries of fellow directors, each director has taken all steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Reappointment of independent auditors

A resolution proposing to reappoint PricewaterhouseCoopers LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board on 9 December 2015:



I Urquhart
Director

Birchill Investment Co. Limited

Independent auditors' report to the members of Birchill Investment Co. Limited

Report on the financial statements

Our opinion

In our opinion, Birchill Investment Co. Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the Balance sheet as at 31 March 2015;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Birchill Investment Co. Limited

Independent auditors' report to the members of Birchill Investment Co. Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



John Baker (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

9 December 2015

Birchill Investment Co. Limited**Profit and loss account****For the year ended 31 March 2015**

	Notes	2015 £	2014 £
Income from shares in group undertakings		-	-
Operating result		-	-
Amounts written off investments	6	(638,000)	-
Interest payable and similar charges	2	(344,593)	(330,435)
Loss on Ordinary activities before taxation	3	(982,593)	(330,435)
Tax on loss on Ordinary activities	5	-	-
Loss for the financial year	11	(982,593)	(330,435)

There is no difference between the loss on Ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents.

There were no other recognised gains or losses aside from those shown in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented.

All results derive from continuing operations.

The accompanying notes form an integral part of these financial statements.

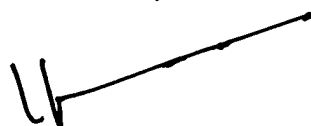
Birchill Investment Co. Limited

Company registration number: 1201537

Balance sheet as at 31 March 2015

	Notes	2015 £	2014 £
Fixed Assets			
Shares in group undertakings	6	15,836,000	16,474,000
Current assets			
Debtors	7	30,200,000	30,200,000
Creditors: amounts falling due within one year	8	(27,629,685)	(27,285,092)
Net current assets		2,570,315	2,914,908
Total assets less current liabilities		18,406,315	19,388,908
Net assets		18,406,315	19,388,908
Capital and reserves			
Called up share capital	10	10	10
Profit and loss account	11	18,406,305	19,388,898
Total shareholders' funds	11	18,406,315	19,388,908

The financial statements on pages 8-20 were approved by the board of directors and signed on its behalf by:



I Urquhart
Director

9 December 2015

Birchill Investment Co. Limited

Notes to the financial statements

1. Accounting policies

The principle accounting policies are summarised below. They have been applied consistently throughout the year.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards.

Investments in subsidiary undertakings

Fixed asset investments are stated at cost less provision for impairment. Any impairment is recognised in the profit and loss account in the period in which it arises.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. The taxation liabilities of certain Group companies may be reduced, wholly or in part, by the surrender of losses by fellow Group companies. The decision to charge Group relief is made on a case by case basis.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Group financial statements

The Company has taken advantage of Section 400 of the Companies Act 2006 and has not prepared group financial statements as it is a wholly owned subsidiary of Babcock International Group PLC which prepares consolidated financial statements which are publicly available.

Notes to the financial statements (continued)**1. Accounting policies (continued)***Cash flow statement*

The Company has taken advantage of the exemption in Financial Reporting Standard 1 (revised 1996) to dispense with the requirement to prepare a cash flow statement in its financial statements, as a consolidated cash flow statement is included in the financial statements of the ultimate parent company, which are publically available.

Dividends

Dividends payable that are unapproved at the year end are not recognised as a liability. Similarly dividend income is recognised at the same time as the paying company recognises the liability to pay a dividend.

2. Interest payable and similar charges

	2015 £	2014 £
Interest payable and similar charges:		
Bank interest	-	-
Loan interest payable to Group undertakings	(344,593)	(330,435)
	<u>(344,593)</u>	<u>(330,435)</u>

3. Loss on Ordinary activities before taxation

Auditors' remuneration in respect of audit services is borne by Babcock International Group PLC.

4. Staff costs and directors remuneration

There were no staff employed during the current or prior year and none (2014: none) of the directors received remuneration in respect of their services to the Company.

5. Tax on loss on Ordinary activities

	2015 £	2014 £
Current tax:		
UK corporation tax on loss for the financial year	-	-

The current tax assessed for the financial year is higher (2014: higher) than the standard rate of corporation tax in the UK of 21% (2014: 23%).

The differences are explained below:

	2015 £	2014 £
Loss on Ordinary activities before tax	(982,593)	(330,435)
Loss on Ordinary activities at standard rate of corporation tax of 21% (2014: 23%)	(206,345)	(76,000)
Expenses not deductible for tax purposes	-	-
Group relief for nil consideration	72,366	76,000
Expenses not subject to tax	<u>133,979</u>	-
Total current tax charge for the financial year	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)**5. Tax on loss on Ordinary activities (continued)**

Factors affecting current and future tax charges

A number of changes to the UK Corporation tax system were announced in the March 2012 Budget Statement. Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2015 is included in the Finance Act 2014. Further changes to the UK corporation tax system were announced in the March 2014 Budget Statement. These included further reductions to the main corporation rate from 21% to 20% by 1 April 2015. These further changes have been substantively enacted at the balance sheet date and, therefore the impact is included in these financial statements. As a result of the above all deferred tax balances are restated at 20% at the balance sheet date.

6. Fixed assets – shares in group undertakings

	Total £
Cost	
At 1 April 2014	20,500,000
Additions	-
Disposals	-
At 31 March 2015	<u>20,500,000</u>
Provision for impairment	
At 1 April 2014	(4,026,000)
Disposals	-
Impairment charges	(638,000)
At 31 March 2015	<u>(4,664,000)</u>
Net book value	
At 31 March 2015	<u>15,836,000</u>
At 31 March 2014	<u>16,474,000</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company's directly owned subsidiary undertakings, which is wholly owned, is:

Company	Country of Registration	Principal Activity	Holding
Babcock International Limited	Great Britain	Investment holding	100%

A full list of related undertakings for the Company have been disclosed in note 13.

Birchill Investment Co. Limited

Notes to the financial statements (continued)

7. Debtors

	2015 £	2014 £
Amounts owed by Group undertakings	<u>30,200,000</u>	<u>30,200,000</u>

The £30,200,000 (2014: £30,200,000) owed by Group undertakings is non interest bearing and repayable on demand.

8. Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to Group undertakings	<u>27,629,685</u>	<u>27,285,092</u>

Included in amounts owed to Group undertakings is a loan of £20,500,000 (2014: £20,500,000) repayable on demand and bears interest at UK LIBOR plus one hundred basis points. The remaining £7,129,685 (2014: £6,785,092) is non interest bearing.

9. Deferred tax

	Recognised 2015 £	Recognised 2014 £	Full potential 2015 £	Full potential 2014 £
Capital tax losses			<u>6,950,733</u>	<u>6,950,733</u>

The Company has not recognised any deferred tax on capital losses in the current year and prior year as there is no planned sale of capital assets in the foreseeable future.

10. Called up share capital

	2015 £	2014 £
Authorised		
100 (2014: 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
10 (2014: 10) Ordinary shares of £1 each	<u>10</u>	<u>10</u>

Birchill Investment Co. Limited

Notes to the financial statements (continued)

11. Reconciliation of movements in shareholders' funds and reserves

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 April 2014	10	-	19,388,898	19,388,908
Loss for the year	-	-	(982,593)	(982,593)
At 31 March 2015	10	-	18,406,305	18,406,315
At 1 April 2013	10	-	19,719,333	19,719,343
Loss for the year	-	-	(330,435)	(330,435)
At 31 March 2014	10	-	19,388,898	19,388,908

12. Related party disclosures

The Company, as a wholly owned subsidiary, has taken advantage of the exemption, granted under Financial Reporting Standard 8, Related Party Disclosures, from disclosing details of sales and purchases with other members of the group headed up by Babcock International Group PLC.

The Company's directly owned subsidiary undertakings, all of which are wholly-owned unless otherwise stated are listed in note 6, all related undertakings are as follows:

13. Related undertakings

Company Name	Country	Interest	Direct %	Ultimate %
Babcock International Limited	United Kingdom	100,000,000 Ordinary shares, 5,000,000 Preference shares	100.0000000000%	100.0000000000%
Babcock Contractors Limited	United Kingdom	6,700,000 ORDINARY shares	100.0000000000%	100.0000000000%
Babcock Nominees Limited	United Kingdom	700,000 ORDINARY shares	100.0000000000%	100.0000000000%
Babcock Overseas Investments Limited	United Kingdom	1 ORDINARY shares	0.0000306694%	0.0000306694%
Babcock Australia Holdings Pty Ltd	Australia	150,500,100 Ordinary shares	0.0000306694%	100.0000000000%
Babcock (NZ) Limited	New Zealand	2,000,000 Ordinary shares	0.0000306694%	100.0000000000%
Marine Industrial Design Limited	New Zealand	100 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Defence & Security Pty Ltd	Australia	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock SSD (Australia) Pty Ltd	Australia	50 Ordinary shares	0.0000306694%	100.0000000000%
Bond Helicopters Australia Pty Limited	Australia	28,973,025 Ordinary shares	0.0000306694%	100.0000000000%
INAER Helicopter Australia Pty Ltd	Australia	100,824,631 Ordinary shares	0.0000306694%	100.0000000000%

Notes to the financial statements (continued)

13. Related undertakings (continued)

Company Name	Country	Interest	Direct %	Ultimate %
AUH-Bidco Pty Limited	Australia	335,250 Ordinary shares	0.0000306694%	100.0000000000%
Australian Helicopters Pty Ltd	Australia	200,228 Ordinary shares	0.0000306694%	100.0000000000%
Babcock International Middle East Limited	United Kingdom	100 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Oman LLC	Oman	990,000 Ordinary shares	0.0000303627%	99.0000000000%
Babcock Southern Holdings Limited	United Kingdom	1,438,710,403,785 Ordinary shares	0.0000306694%	100.0000000000%
AirTanker 1 Limited	United Kingdom	8 Ordinary shares	0.0000040893%	13.3333333333%
AirTanker Holdings Limited	United Kingdom	12,000 Ordinary shares	0.0000040893%	13.3333333333%
AirTanker Finance Limited	United Kingdom	50,000 Ordinary shares	0.0000040893%	100.0000000000%
AirTanker Limited	United Kingdom	45,629,001 Ordinary shares	0.0000040893%	100.0000000000%
AirTanker Services Limited	United Kingdom	22,378 Ordinary shares	0.0000068495%	22.3333333333%
Babcock Critical Assets Holdings LLP	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Defence & Security Holdings LLP	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Education & Training Holdings LLP	United Kingdom	Holding Company > Subsidiary Company	0.0000021469%	7.0000000000%
Babcock Education Holdings Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000021469%	100.0000000000%
Babcock 4S Limited	United Kingdom	801 Ordinary-A shares	0.0000017196%	80.1000000000%
Babcock Learning and Development Partnership LLP	United Kingdom	Holding Company > Subsidiary Company	0.0000017196%	80.1000000000%
Babcock Careers Guidance Limited	United Kingdom	1,050 Ordinary shares	0.0000021469%	100.0000000000%
Babcock Careers Guidance (North) Limited	United Kingdom	166,000 Ordinary shares	0.0000021469%	100.0000000000%
Careers Yorkshire and the Humber Limited	United Kingdom	Guarantor > Guarantee	0.0000004294%	20.0000000000%
Guidance Services Limited	United Kingdom	2 Ordinary shares	0.0000021469%	100.0000000000%
Babcock Careers Guidance (South) Limited	United Kingdom	51 Ordinary-A shares, 49 Ordinary-B shares	0.0000021469%	100.0000000000%
Capital Careers Limited	United Kingdom	8,825 Ordinary shares	0.0000018946%	88.2500000000%
Babcock Skills Development and Training Limited	United Kingdom	111 Ordinary shares	0.0000021469%	100.0000000000%
HCTC Limited	United Kingdom	17,621,361 Ordinary shares	0.0000021469%	100.0000000000%
KML (UK) Limited	United Kingdom	10,526 Ordinary shares	0.0000020543%	95.6909090909%
Touchstone Learning & Skills Limited	United Kingdom	2 Ordinary shares	0.0000020543%	100.0000000000%
National Training Institute LLC	Oman	350,000 Ordinary shares	0.0000015028%	70.0000000000%
Skills2Learn Ltd	United Kingdom	100 Ordinary shares	0.0000021469%	100.0000000000%
Babcock Environmental Services Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Group International Limited	United Kingdom	2 Ordinary shares	0.0000306694%	100.0000000000%
Naiad Marine B.V	Netherlands	136,200 Ordinary shares	0.0000306694%	100.0000000000%
Saudi Vosper Thornycroft Company Limited	Saudi Arabia	980 Ordinary shares	0.0000150280%	49.0000000000%
Babcock Project Investments Limited	United Kingdom	5,000,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Emergency Services Limited	United Kingdom	2 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Fire Training (Avonmouth) Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%

Birchill Investment Co. Limited

Notes to the financial statements (continued)

13. Related undertakings (continued)

Company Name	Country	Interest	Direct %	Ultimate %
Babcock Support Services (Canada) Inc.	Canada	1 Common Shares shares	0.0000306694%	100.0000000000%
Cura Classis Canada (Hold Co) Inc.	Canada	631,200 Common shares	0.0000147213%	48.0000000000%
Cura Classis (Canada) Inc.	Canada	1,315,000 Common shares	0.0000147213%	100.0000000000%
Cura Classis UK (Hold Co) Limited	United Kingdom	178,560 Ordinary shares	0.0000147213%	48.0000000000%
Cura Classis (UK) Limited	United Kingdom	372,000 Ordinary shares	0.0000147213%	100.0000000000%
Learning21 Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock2 Limited	United Kingdom	6,000,145 Ordinary shares	0.0000306694%	100.0000000000%
Armstrong Technology Associates Limited	United Kingdom	50,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Defence Systems Limited	United Kingdom	10,000 ORDINARY shares	0.0000306694%	100.0000000000%
Chepstow Insurance Limited	Guernsey	600,000 Ordinary shares	0.0001973360%	100.0000000000%
Vosper Thornycroft (UK) Limited	United Kingdom	23,391,575 Ordinary 20p shares	0.0000306694%	100.0000000000%
Babcock Brisco Limited	United Kingdom	2 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Corporate Services Limited	United Kingdom	181,369,248 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Finance Limited	United Kingdom	1 Ordinary shares	0.0000000031%	0.0100000000%
Babcock Airports Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock B.V.	Netherlands	18,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Critical Services Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Chart Services Limited	United Kingdom	6,345,292 Ordinary shares	0.0000306694%	100.0000000000%
Chart Storage & Transportation Limited	United Kingdom	1,108,960 Ordinary shares	0.0000306687%	100.0000000000%
Babcock Investments (Number Eight) Limited	United Kingdom	1 Ordinary shares	0.0000000000%	0.0000165404%
Chart Distribution Services Limited	United Kingdom	2,000 Ordinary shares	0.0000306687%	100.0000000000%
S.MacNeillie & Son Limited	United Kingdom	92 Ordinary-A shares, 108 Ordinary-B shares, 40 Ordinary-C shares, 4 Ordinary-D shares, 1 Ordinary-E shares, 1 Ordinary-F shares	0.0000306694%	100.0000000000%
Transfleet Distribution Limited	United Kingdom	20,000 Ordinary shares	0.0000306694%	100.0000000000%
Municipal Vehicle Hire Limited	United Kingdom	100 Ordinary shares	0.0000306694%	100.0000000000%
Transfleet Truck Rentals Limited	United Kingdom	2 Ordinary shares	0.0000306694%	100.0000000000%
Airwork Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Airwork Advanced Group Company LLC	United Arab Emirates	98,000 Ordinary shares	0.0000150280%	49.0000000000%
Airwork Technical Services & Partners LLC	Oman	127,500 Ordinary shares	0.0000156414%	51.0000000000%
Babcock Aerospace Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Defence and Security Investments Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
ALC (Superholdco) Limited	United Kingdom	5,000 Ordinary shares	0.0000153347%	50.0000000000%
ALC (FMC) Limited	United Kingdom	1 Ordinary shares	0.0000153347%	100.0000000000%
ALC (Holdco) Limited	United Kingdom	10,000 Ordinary shares	0.0000153347%	100.0000000000%

Birchill Investment Co. Limited

Notes to the financial statements (continued)

13. Related undertakings (continued)

Company Name	Country	Interest	Direct %	Ultimate %
ALC (SPC) Limited	United Kingdom	10,000 Ordinary shares	0.0000153347%	100.0000000000%
Ascent Flight Training (Holdings) Limited	United Kingdom	799,000 Ordinary shares	0.0000153347%	50.0000000000%
Advanced Jet Training Holdings Limited	United Kingdom	68,000 Ordinary shares	0.0000153347%	100.0000000000%
Advanced Jet Training Limited	United Kingdom	68,000 Ordinary shares	0.0000153347%	100.0000000000%
Ascent Flight Training (Management) Limited	United Kingdom	1,500,000 Ordinary shares	0.0000153347%	100.0000000000%
Ascent Flight Training (Services) Limited	United Kingdom	30,000 Ordinary shares	0.0000153347%	100.0000000000%
Fixed Wing Training Holdings Limited	United Kingdom	1 Ordinary shares	0.0000153347%	100.0000000000%
Fixed Wing Training Limited	United Kingdom	1 Ordinary shares	0.0000153347%	100.0000000000%
Rear Crew Training Holdings Limited	United Kingdom	1,000 Ordinary shares	0.0000153347%	100.0000000000%
Rear Crew Training Limited	United Kingdom	1,000 Ordinary shares	0.0000153347%	100.0000000000%
Defence Integrated Supply Chain Solutions Limited	United Kingdom	2 Ordinary shares	0.0000153347%	50.0000000000%
Holdfast Training Services Limited	United Kingdom	740 Ordinary shares	0.0000226954%	74.0000000000%
Babcock Fire Services Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Flagship Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Fast Holdings Limited	United Kingdom	54 Ordinary-B shares	0.0000015306%	4.9908000000%
Fast Training Services Limited	United Kingdom	2 Ordinary shares	0.0000015306%	100.0000000000%
Flagship Fire Fighting Training Limited	United Kingdom	100 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Land Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Land (Whitefleet Management) Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Whitefleet Limited	United Kingdom	25,000 Ordinary-B shares	0.0000153347%	50.0000000000%
Babcock Support Services Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Active Management Limited	United Kingdom	100 Ordinary-A shares, 1 Ordinary-B shares	0.0000306694%	100.0000000000%
Air Power International Limited	United Kingdom	93,840 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Dyncorp Limited	United Kingdom	560 Ordinary-A shares	0.0000171749%	56.0000000000%
Babcock HSPS Trustees Limited	United Kingdom	2 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Money Purchase Trustees Limited	United Kingdom	12 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Partners No 2010 Limited	United Kingdom	50,000 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Support Services s.r.l.	Italy	10,000 Ordinary shares	0.0000306694%	100.0000000000%
Debut Services (Contracts) Limited	United Kingdom	1 Ordinary shares	0.0000027881%	9.0909090909%
Debut Services (South West) Limited	United Kingdom	500 Ordinary shares	0.0000153347%	50.0000000000%
Debut Services Limited	United Kingdom	150 Ordinary shares	0.0000046004%	15.0000000000%
Devonport Management Limited	United Kingdom	2 ORDINARY shares	0.0000306694%	100.0000000000%
Hiberna FM Limited	United Kingdom	2 ORDINARY shares	0.0000306694%	100.0000000000%
Mouchel Babcock Education Investments Limited	United Kingdom	1 Ordinary shares	0.0000153347%	50.0000000000%

Birchill Investment Co. Limited

Notes to the financial statements (continued)

13. Related undertakings (continued)

Company Name	Country	Interest	Direct %	Ultimate %
Hackney Schools for the Future Limited	United Kingdom	40,000 Ordinary shares	0.0000122678%	80.0000000000%
Mouchel Babcock Education Services Limited	United Kingdom	1 Ordinary shares	0.0000153347%	50.0000000000%
Peterhouse GmbH	Germany	25,600 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Support Services GmbH	Germany	25,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Engine Controls Limited	United Kingdom	7,000,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Engineering Limited	United Kingdom	2,500,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Fire Services (SW) Limited	United Kingdom	50,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Infrastructure Holdings LLP	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock Civil Infrastructure Limited	United Kingdom	Holding Company > Subsidiary Company	0.0000306694%	100.0000000000%
Babcock International Support Services Limited	United Kingdom	26,250,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Careers Management Limited	United Kingdom	43,100 A ORDINARY shares, 43,100 B ORDINARY shares, 16,300 C ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Career Progressions Limited	United Kingdom	1,200 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Lifeskills Limited	United Kingdom	10,000 Ordinary shares	0.0000306694%	100.0000000000%
Surrey Careers Services Limited	United Kingdom	18,613 ORDINARY shares	0.0000230283%	75.0857235064%
Sussex Advice and Skills Limited	United Kingdom	Guarantor > Guarantee	0.0000153347%	50.0000000000%
Babcock Education and Skills Limited	United Kingdom	2 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock Training Limited	United Kingdom	1 Ordinary shares	0.0000021469%	100.0000000000%
Babcock Project Services Limited	United Kingdom	25,000 Ordinary-A shares, 25,000 Ordinary-B shares	0.0000306694%	100.0000000000%
Babcock Southern Careers Limited	United Kingdom	15,020 Ordinary-A shares, 3,980 Ordinary-B shares, 1,000 Ordinary-C shares	0.0000306694%	100.0000000000%
Babcock Technical Services Limited	United Kingdom	2 ORDINARY shares	0.0000306694%	100.0000000000%
Babcock West Sussex Careers Limited	United Kingdom	80,100 Ordinary-A shares	0.0000245662%	80.1000000000%
Vosper ManTech Limited	United Kingdom	30,000 Ordinary-A shares, 20,000 Ordinary-B shares	0.0000306694%	100.0000000000%
Westminster Education Consultants Limited	United Kingdom	10,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Investments (Fire Services) Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Leaseco Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Malta Limited	Jersey	141 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Marine Products Limited	United Kingdom	5,500,000 Ordinary shares	0.0000306694%	100.0000000000%
Form Land Support Limited	United Kingdom	191,287 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Partner No 6 Limited	United Kingdom	45,309,880 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Partner No 7 Limited	United Kingdom	500,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Porchester Limited	United Kingdom	1 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Trustees Limited	United Kingdom	2 Ordinary shares	0.0000306694%	100.0000000000%
Vosper Thornycroft (Malaysia) Sdn Bhd	Malaysia	9 Ordinary shares	0.0000306694%	100.0000000000%
VT Insurance Services Limited	Guernsey	20,999,999 Ordinary shares	0.0000306694%	99.9999952381%

Birchill Investment Co. Limited

Notes to the financial statements (continued)

13. Related undertakings (continued)

Company Name	Country	Interest	Direct %	Ultimate %
Babcock US Investments Limited	United Kingdom	2,610 Ordinary shares	0.0000306694%	100.0000000000%
Babcock US Investments Inc.	United States	100 Ordinary-A shares, 100 Ordinary-B shares	0.0000306694%	100.0000000000%
Babcock US Investments (Number Two) LLC	United States	100 Ordinary-A shares, 100 Ordinary-B shares	0.0000306694%	100.0000000000%
Babcock Group (US Investments) Limited	United Kingdom	2,000 Ordinary shares	0.0000306694%	100.0000000000%
Babcock International US Inc	United States	1,000 Ordinary shares	0.0000306694%	100.0000000000%
Vosper Thornycroft Controls Inc	United States	1,000 Ordinary shares	0.0000306694%	100.0000000000%
VT Maritime Dynamics, Inc	United States	325,500 Ordinary shares	0.0000306694%	100.0000000000%
Babcock Holdings (USA) Incorporated	United States	5,292 Redeemable Preference shares, 3,712 Common shares	0.0000306694%	100.0000000000%
Babcock Support Services (USA) LLC	United States	1 Ordinary shares	0.0000306694%	100.0000000000%
Context Information Security LLC	United States	50 Ordinary-A shares, 50 Ordinary-B shares	0.0000306694%	100.0000000000%
Cura Classis (US) Hold Co LLC	United States	1 Ordinary shares	0.0000306694%	100.0000000000%
Cura Classis (US) LLC	United States	1 Ordinary shares	0.0000306694%	100.0000000000%
Gibraltar Investments (No. 7) Limited	United Kingdom	1,000 Ordinary shares, 1,000,000 Ordinary-B shares	0.0000306694%	100.0000000000%
Babcock International Guarantee Company	United Kingdom	100,000 Ordinary shares	0.0000306694%	100.0000000000%
Tyneham Investments Limited	United Kingdom	36 ORDINARY shares	0.0000081184%	26.4705882353%
Birchill Investment Co. Limited	United Kingdom	8 ORDINARY shares	100.0000000000%	80.0000000000%
PHG Insurance Limited	Guernsey	99,999 Ordinary shares	0.0000306691%	99.9990000000%
Babcock UK Finance	United Kingdom	10 ORDINARY shares	0.0024723713%	0.0024723713%
Babcock Woodall-Duckham (Overseas) Limited	United Kingdom	108,485 'B' ORDINARY shares, 51,515 ORDINARY shares, 180,000 6% CUMULATIVE PREFERENCE shares	99.9990000000%	99.9990000000%
Babcock-Moxey Limited	United Kingdom	20,447 ORDINARY shares	100.0000000000%	100.0000000000%
BMH (2002) Limited	United Kingdom	129,572 ORDINARY shares	100.0000000000%	100.0000000000%
Hiberna Contract Services Limited	United Kingdom	8,614,327 ORDINARY shares	100.0000000000%	100.0000000000%
Hiberna Limited	United Kingdom	100 ORDINARY shares	100.0000000000%	100.0000000000%
St Helen's Securities Limited	United Kingdom	11,361,934 ORDINARY shares	100.0000000000%	100.0000000000%
The Stirling Boiler Company Limited	United Kingdom	15,000 ORDINARY shares	100.0000000000%	100.0000000000%

Notes to the financial statements (continued)

14. Parent undertaking

The Company's immediate parent company is Tyneham Investments Limited, a company registered in England and Wales. The Company's ultimate parent company and ultimate controlling party is Babcock International Group PLC, a company registered in England and Wales. The only Group in which the results of the Company are consolidated is that headed by Babcock International Group PLC.

Copies of Babcock International Group PLC financial statements are available from the following address:

The Company Secretary
Babcock International Group PLC
33 Wigmore Street
London
W1U 1QX