

CHFP025

Please do not write in this margin **COMPANIES FORM No. 155(6)a**

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

Note
Please read the notes
on page 3 before
completing this form.

- * insert full name of company
- ø insert name(s) and address(es) of all the directors

To the Registi	ar of Companies	2
(Address ov	erleaf - Note 5)	١

Company number	
03975999	

Name of company

* ALSTEC LIMITED (THE "COMPANY")

XWe ø PLEASE SEE APPENDIX 1.

t delete as appropriate

\$ delete whichever is inappropriate The business of the company is:

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the XXXXXXIX [company's holding company ALSTEC GROUP LIMITED

XXXXXXXXX

The number and class of the shares acquired or to be acquired is: 170,146 A Ordinary Shares of £0.10 each & 370,000 B Ordinary Shares of £0.10 each

Presentor's name address and reference (if any):
Eversheds LLP
Cloth Hall Court
Infirmary Street
Leeds
LS1 2JB

DX 12027 Leeds - 27 Ref. SLB/1239014 For official Use General Section



The assistance is to be given to: (note 2) BABCOCK INTERNATIONAL GROUP PLC (CRN: 02342138) ("BIG plc")	Please do not write in this margin
•	Please complete legibly, preferably in black type, or bold block lettering
The assistance will take the form of:	_
PLEASE SEE APPENDIX 2.	
The person who [has acquired] [XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	† delete as appropriate
The principal terms on which the assistance will be given are:	_
PLEASE SEE APPENDIX 3.	
The amount of cash to be transferred to the person assisted is £ NIL	_
The value of any asset to be transferred to the person assisted is £ <u>NIL</u>	_

WITHIN 8 WEEKS OF THE DATE HEREOF

The date on which the assistance is to be given is

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

* delete either (a) or (b) as appropriate We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

- (a) KWe have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

And X/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at

Combindaje Road Whaters Leicests

	Day	Month	Year
on	1 1	רןט	2006
befo	re me	من ۲۵۰۰	Elhto

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths. Declarants to sign below

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies Companies House Crown Way Cardiff CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies 37 Castle Terrace Edinburgh EH1 2EB

Appendix 1 to Form 155(6)a

Names and Addresses of all directors of Alstec Limited (number 03975999)

Albert Norman Dungate

15 Priory Gardens

Old Basing Basingstoke Hants

RG24 7DS

Kevin Richard Thomas

Barleymow Cottage

37 Mill Street

Kingston-upon-Thames

Surrey KT1 2RG

Archibald Anderson Bethel

50 Avondale Avenue

East Kilbride Glasgow G74 1NS

Iain Stewart Urquhart

22 Wallace Place Bishopbriggs Glasgow G64 1GD

Martin Dennis Austick

59 Chestnut Drive Stretton Hall Great Glen Leicester LE2 4QX

Appendix 2 to Form 155(6)a

The form of the financial assistance to be given by Alstec Limited (number 03975999)

The entering into by the Company of the documents listed and described below (or of documents referred to therein or relating thereto) as the same may be amended, increased, novated and/or replaced, varied, supplemented or substituted from time to time, which will be entered into, directly or indirectly, in connection with reducing or discharging liabilities incurred with respect to the acquisition of the whole of the issued share capital of the Company's direct parent, Alstec Group Limited ("AGL"), from AGL's former shareholders: (i) Barrington House Nominees Limited (as nominee for The South Place Eagle Star Partnership 2000); (ii) Barrington House Nominees Limited (as nominee for The South Place Gresham Partnership 2000); (iii) Mervyn Miller; (iv) Alstec Group Trustee Limited; (v) Pierre Marol; (vi) Société Civile de L'Almandy; (vii) Stuart Doughty; (viii) Philip Green; (ix) Peter Drew; (x) Martin Austick; (xi) Gary Wesley; and (xii) Martin Melling, (together, the "Seller") by Babcock International Group plc ("BIG") pursuant to a Sale and Purchase Agreement dated 09 May 2006 and made between the Seller and BIG (the "Acquisition"):

- 1. a deed of accession (the "RBS Accession Deed") to be entered into by BIG and the Company (as the proposed guarantor) in favour of The Royal Bank of Scotland PLC ("RBS") (as facility agent) pursuant to which the Company will become a party to a £140,000,000 multi-currency revolving credit facility (the Facility") agreement (and incorporated guarantee (the Guarantee")) dated 22 March 2004 made between (1) BIG (as borrower) (2) certain subsidiaries of BIG (as guarantors) (3) RBS, Barclays Capital and The Governor and Company of the Bank of Scotland ("BoS") (4) HSBC Bank plc, RBS and Allied Irish Bank plc (5) Danske Bank A/S and (6) RBS (as facility agent) (as amended and restated pursuant to the terms of an amendment and restatement agreement dated 20 July 1995 made between BIG (and others) and RBS (as facility agent) (the "RBS Facility Agreement") as an Additional Guarantor (as defined therein), guaranteeing all monies, liabilities and payment obligations of BIG under the Finance Documents (as defined therein, but which includes the RBS Facility Agreement) jointly and severally with each other Guarantor (as defined therein) and Additional Guarantor from time to time;
- an accession agreement (the "BoS Accession Agreement") to be made between (among others) (1) BoS and (2) the Company to which the Company will become a party to a £20,000,000 working capital and ancillary facilities (the "BoS Facility") agreement dated 31 July 2004 made between (1) Peterhouse Group PLC (2) the companies listed in Schedule 3 thereto (being other group companies) and (3) BoS (the "BoS Facility Agreement") as a Borrower, (as defined therein); and
- 3. a deed of accession (the "BoS Accession Deed") to be made between (1) BoS and (2) the Company, pursuant to which the Company will become a party to an unlimited composite cross-guarantee dated 28 September 2004 made between (1) the Original Guarantors (as defined therein, and being other group companies) (2) BIG and (3) BoS (the "BoS Guarantee") as a Guarantor (as defined therein).

Appendix 3 to Form 155(6)a

Principal terms on which financial assistance will be given by Alstec Limited (number 03975999)

Defined terms in this Appendix 3 take the same meaning as those defined in Appendix 2.

- 1. By executing the RBS Accession Deed and thereby becoming a party to the RBS Guarantee as if it was an original party thereto, the Company will:
- 1.1 guarantee as principal obligor and not merely as surety the prompt performance by each relevant obligor of all obligations to RBS including under the RBS Facility Agreement and the other finance and security documents referred to therein (which includes the RBS Facility Agreement) (the "Finance Documents") and the payment of all sums payable under or in connection with the Finance Documents as and when the same shall become due (including sums due from BIG to RBS in connection with the Acquisition);
- 1.2 undertake that it will on demand upon a default in the payment of any sum due under or in connection with the Finance Documents pay such sum, as if it was expressed to be the primary obligor, together with interest payable thereon;
- 1.3 give an indemnity to RBS against any loss or liability suffered by it under the Finance Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal; and
- 1.4 make certain representations and give certain warranties;
- 2. By executing the BoS Accession Agreement and thereby becoming a party to the BoS Facility Agreement as if it was an original party thereto, the Company will become an additional borrower of the BoS Facility and will be able to utilise and draw down the BoS Facility for its general working capital requirements whilst also enabling the netting off of inter-company balances; and
- 3. By executing the BoS Accession Deed and thereby becoming a party to the BoS Guarantee as if it was an original party thereto, the Company will:
- guarantee as principal obligor and not merely as surety the prompt performance by each relevant obligor of all obligations to BoS including under the BoS Facility Agreement and the other finance and security documents referred to therein (which includes the BoS Facility Agreement) (the "BoS Finance Documents") and the payment of all sums payable under or in connection with the BoS Finance Documents as and when the same shall become due (including sums due from the Buyer to BoS in connection with the Acquisition);
- 3.2 undertake that it will on demand upon a default in the payment of any sum due under or in connection with the BoS Finance Documents pay such sum, as if it was expressed to be the primary obligor, together with interest payable thereon;
- 3.3 give an indemnity to BoS against any loss or liability suffered by it under the BoS Finance Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal; and
- 3.4 enable the netting off of inter-company balances.



PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH Telephone +44 (0) 20 7583 5000 Facsimile +44 (0) 20 7822 4652 www.pwc.com/uk

The Directors Alstec Limited Cambridge Road Whetstone Leicester LE8 6LH

11 July 2006

Dear Sirs

Auditors' report to the directors of Alstec Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration (the "Statutory Declaration") dated 11 July 2006 with respect to the proposal that the Company should give financial assistance in connection with reducing or discharging liabilities incurred in relation to the purchase by Babcock International Group plc of 170,146 A ordinary shares of £0.10 each and 370,000 B ordinary shares of £0.10 each of the Company's holding company, Alstec Group Limited. This report, including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, 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.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the Statutory Declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their Statutory Declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

PricewaterhouseCoopers LLP

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Chartered Accountants and Registered Auditors

London