

Babcock Holdings Limited

Annual report

For the year ended 31 March 2018

Company registration number:

02955502

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COMPANIES HOUSE

Babcock Holdings Limited

Directors and advisors

Current directors

I Urquhart
F Martinelli
N Borrett

Company secretary

Babcock Corporate Secretaries Limited

Registered office

33 Wigmore Street
London
W1U 1QX

Independent auditors

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

Strategic report for the year ended 31 March 2018

The directors present their Strategic report on Babcock Holdings Limited ("the company") for the year ended 31 March 2018

Principal activities

The principal activity of the Company continues to be that of a holding company. The directors do not anticipate any change in the nature of the Company's activities during the financial year.

Review of the business

	2018	2017
	£000	£000
Profit for the financial year	914,703	108,030

During the financial year the Company received £990,906,000 (2017: £170,313,000) in dividends from subsidiary undertakings.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks and uncertainties. These are managed through the operational review process 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 68 to 79 of the Annual Report of Babcock International Group PLC, which does not form part of this report.

Key performance indicators

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

On behalf of the Board



I Urquhart
Director

19th December 2018

Directors' report for the year ended 31 March 2018

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2018.

Dividends

Dividends declared and paid during the financial year were £531,467,000 (2017: £170,313,000). There are no plans for a final dividend.

Future developments

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

Going concern

The financial statements have been prepared on a going concern basis as Babcock International Group PLC, intends to support Babcock Holdings Limited to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Babcock International Group PLC, intends to support the Company for at least one year after the financial statements were approved.

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 which are discussed on pages 33 to 37 and Note 2 of the Annual Report of Babcock International Group PLC, which does not form part of this report.

Directors

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

I Urquhart
F Martinelli
N Borrett

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). 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.

Directors' report for the year ended 31 March 2018 *(continued)*

Statement of directors' responsibilities *(continued)*

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, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Qualifying third party indemnity provisions

Babcock International Group PLC 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 members 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 2012 and remain in force.

Statement of disclosure of information to auditors

Each director, as at the date of this report, has confirmed that in so far as they are aware there is no relevant audit information of which the Company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of this information.

Reappointment of Independent auditors

PricewaterhouseCoopers LLP were reappointed as auditors at the Annual General Meeting.

On behalf of the Board



I Urquhart
Director

19th December 2018

Independent auditors' report to the members of Babcock Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Babcock Holdings Limited's financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance sheet as at 31 March 2018; the Income statement, the Statement of comprehensive income, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members of Babcock Holdings Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Babcock Holdings Limited

Independent auditors' report to the members of Babcock Holdings Limited

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.

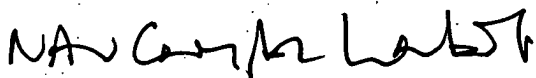
Other required reporting

Companies Act 2006 exception reporting

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- The financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Nicholas Campbell-Lambert (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
19 December 2018

Babcock Holdings Limited**Income statement***For the year ended 31 March 2018*

	Note	2018 £000	2017 £000
Administrative income/(expenses)		21,620	(99,614)
Other operating income		<u>26,505</u>	<u>30,930</u>
Operating profit/ (loss)	4	48,125	(68,684)
Income from shares in Group undertakings		<u>990,906</u>	<u>170,313</u>
Profit before interest and taxation		1,039,031	101,629
Finance income	5	28,425	94,344
Finance costs	5	<u>(152,752)</u>	<u>(90,083)</u>
Profit before tax		914,703	105,890
Income tax credit	8	<u>-</u>	<u>2,140</u>
Profit for the financial year		<u>914,703</u>	<u>108,030</u>

All of the above results derive from continuing operations.

Statement of comprehensive income*for the year ended 31 March 2018*

	2018 £000	2017 £000
Profit for the financial year	<u>914,703</u>	<u>108,030</u>
Total comprehensive income for the year	<u>914,703</u>	<u>108,030</u>

Babcock Holdings Limited

Balance sheet as at 31 March 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	9	6,888,198	6,888,198
Trade and other receivables – amounts falling due after more than one year	10	120,565	117,626
		7,008,763	7,005,824
Current assets			
Cash and cash equivalents		627	2,367
Trade and other receivables - amounts falling due within one year	10	1,006,558	1,040,989
		1,007,185	1,043,356
Current liabilities			
Trade and other payables - amounts falling due within one year	11	(3,040,053)	(3,498,034)
Net current liabilities		(2,032,868)	(2,454,678)
Total assets less current liabilities		4,975,895	4,551,146
Trade and other payables - amounts falling due after more than one year	11	(618,840)	(684,294)
Net assets		4,357,055	3,866,852
Equity			
Called up share capital	13	34,574	34,574
Share premium account		1,957,476	1,850,509
Retained earnings		2,365,005	1,981,769
Total shareholders' funds		4,357,055	3,866,852

The notes on pages 11 to 40 are an integral part of these financial statements.

The financial statements on pages 8 to 10 were approved by the Board of directors and signed on its behalf by:


I Urquhart
Director

19th December 2018

Registered number 02955502

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Babcock Holdings Limited**Statement of changes in equity**
for the year ended 31 March 2018

	Called up share capital £000	Share premium account £000	Retained earnings £000	Total shareholders' funds £000
Balance at 1 April 2016	34,574	1,850,509	2,044,052	3,929,135
Profit for the financial year	-	-	108,030	108,030
Dividends paid	-	-	(170,313)	(170,313)
Balance at 31 March 2017	34,574	1,850,509	1,981,769	3,866,852
Profit for the financial year	-	-	914,703	914,703
Issue of Share Capital	-	106,967	-	106,967
Dividends paid	-	-	(531,467)	(531,467)
Balance at 31 March 2018	34,574	1,957,476	2,365,005	4,357,055

Babcock Holdings Limited

Notes to the financial statements

1 General information

Babcock Holdings Limited is a private company which is incorporated and domiciled in the UK. The address of the registered Office is 33 Wigmore Street, London W1U 1QX.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through profit and loss in accordance with the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £000.

The Company is a wholly-owned subsidiary of Babcock Holdings Limited and is included in the consolidated financial statements of Babcock International Group PLC which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- a) Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share based payments'
- b) IFRS 7, 'Financial instruments: Disclosures'
- c) Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- d) Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information in respect of:
 - paragraph 79(a) (iv) of IAS 1 Share capital and reserves;
 - paragraph 73(e) of IAS 16 Property, plant and equipment; and
 - paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- e) The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), 10(f), 16, 38, 40, 111, and 134-136
- f) IAS 7, 'Statement of cash flows'
- g) Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'
- h) Paragraph 17 of IAS 24, 'Related party transactions' in respect of key management compensation
- i) The requirements of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

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Notes to the financial statements *(continued)*

2 Summary of significant accounting policies *(continued)*

Basis of preparation *(continued)*

The financial statements have been prepared on a going concern basis as Babcock International Group PLC, intends to support Babcock Holdings Limited to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Babcock International Group PLC, intends to support the Company for at least one year after the financial statements were authorised.

Investments

Fixed asset investments are stated at cost less provision for impairment in value.

Trade receivables

Trade receivables are stated at their cost less provision for bad debts. A provision for bad debt is established when there is objective evidence that the collection of the debt is no longer probable.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the Ordinary course of business from suppliers. Trade payables are initially recognised at fair value, which is usually original invoice amount and are subsequently held at amortised cost using the EIR method (although, in practice, the discount is often immaterial). If payment is due within one year or less payables are classified as current liabilities. If not, they are presented as non-current liabilities.

Taxation

(a) Current income tax

Current 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.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tax is recognised in the income statement except to the extent that it relates to items recognised directly in either other comprehensive income or in equity.

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Notes to the financial statements (continued)

3 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4 Operating profit/ (loss)

Operating profit/ (loss) is stated after charging / (crediting):

	2018 £000	2017 £000
Auditors' remuneration		
- audit fees	2	2
Operating lease rentals		
- land and buildings	1,404	1,296
Staff costs (note 6)	17,131	17,994
Foreign exchange loss/(gain)	56,395	(67,559)
Management fees	33,121	30,624

5 Finance income and Finance costs

	2018 £000	2017 £000
Finance income:		
Bank interest	-	1
Interest receivable from Group undertakings	28,425	34,524
Fair value gain on derivative financial instruments	-	59,819
	<u>29,121</u>	<u>94,344</u>
Finance costs:		
Loan interest payable to Group undertakings	(82,716)	(90,083)
Fair value loss on derivative financial instruments	(70,036)	-
	<u>(152,752)</u>	<u>(90,083)</u>

6 Staff costs

The average monthly number of employees (including directors) was:

	2018	2017
Administration	<u>100</u>	<u>89</u>

Babcock Holdings Limited

Notes to the financial statements (continued)

6 Staff costs (continued)

Their aggregate remuneration comprised:

	2018 £000	2017 £000
Wages and salaries	14,045	12,732
Social security costs	991	1,026
Other pension costs	804	761
Share-based payments	1,291	3,475
	17,131	17,994

7 Directors' remuneration

The remuneration of the directors which was paid by the Company was as follows:

	2018 £000	2017 £000
Aggregate remuneration	1,628	1,875
Pension contributions	-	44

The above amounts do not include any gains made on the exercise of share options or the value of any shares or share options received under long-term incentive schemes. Three directors exercised share options in the year (2017: 4). Shares were received or receivable under long-term incentive schemes by 3 directors (2017: 4).

The number of directors who were members of the pension schemes was as follows:

	2018 £000	2017 £000
Defined benefit schemes	-	-

The above amounts for remuneration include the following in respect of the highest paid director:

	2018 £000	2017 £000
Aggregate remuneration	775	772
Accrued benefit entitlement under the group's defined benefit scheme	63	61

The accrued pension entitlement under the Company defined benefit scheme of the highest paid director at 31 March 2018 was £nil (2017: £nil).

The highest paid director did not participate in a Group pension scheme during the year to 31 March 2018 (2017: none). He received a supplement equal to 25% of his base salary in lieu of pension benefits. The highest paid director exercised share options in the current and prior financial year.

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Notes to the financial statements (continued)

8 Income tax credit

	2018 £000	2017 £000
Current tax:		
Group relief for consideration	-	(2,456)
Current tax credit for the year	-	(2,456)
Deferred tax:		
Origination and reversal of temporary differences	(1)	1
Adjustment in respect of prior years	1	-
Impact of change in UK tax rate	-	315
Total deferred tax charge	-	316
Tax on profit	-	(2,140)

Tax credit for the year is lower (2017: lower) than the standard effective rate of corporation tax in the UK for the year ended 31 March 2018 of 19% (2017: 20%). The differences are explained below:

	2018 £000	2017 £000
Profit before taxation	914,703	105,890
Profit multiplied by standard UK corporation tax rate of 19% (2017: 20%)	173,794	21,178
Effects of:		
Income not subject to tax	(182,115)	(28,316)
Adjustment in respect of prior years	1	-
Impact of change in UK tax rate	-	315
Group relief for nil consideration	8,320	7,139
Group relief for consideration	-	(2,456)
Total tax credit for the year	-	(2,140)

In the UK 2015 Budget it was announced that the UK corporation tax rate will reduce to 19% for April 2017. It was announced in the 2016 UK Budget that it will be further reduced to 18% from April 2020. It was subsequently announced in 2017 UK Budget that it will be reduced to 17% from April 2020. As a result of this change, UK deferred tax balances have been remeasured at 17% as this is the tax rate that will apply on reversal. tax balances have been remeasured at 17% as this is the tax rate that will apply on reversal.

Babcock Holdings Limited

Notes to the financial statements (continued)

9 Investments

	2018 £000	2017 £000
Shares in group undertakings		
Cost		
At 1 April	6,993,198	6,533,759
Additions	-	459,439
At 31 March	6,993,198	6,993,198
Accumulated impairment		
At 1 April and 31 March	(105,000)	(105,000)
Net book value		
At 31 March	6,888,198	6,888,198

Dividends of £990,906,000 (2017: £170,313,000) were received from Group undertakings. The directors believe that the carrying value of the investments is supported by their underlying net assets. A full list of related undertakings for the Company is disclosed in note 18.

10 Trade and other receivables

	2018 £000	2017 £000
Amounts falling due within one year:		
Amounts due from Group undertakings	946,570	893,730
Derivative financial instruments	49,241	134,107
Group relief receivable	5,387	7,792
Deferred tax (note 12)	5,360	5,360
	1,006,558	1,040,989

Amounts due from Group undertakings are unsecured, repayable on demand and include:

- The debenture loan stock due from a subsidiary undertaking of £22,500,000 (2017: £22,500,000) is non-interest bearing for the foreseeable future;
- £30,739,000 (2017: 30,739,000) bearing interest at six month UK LIBOR plus 1%;
- £31,000,000 (2017: £31,000,000) bearing interest at one month UK LIBOR plus 1%;
- £367,458,000 (2017: £367,458,000) bearing interest at six month UK LIBOR plus 4%; and
- The remaining £494,873,000 (2017: £442,033,000) is interest free.

	2018 £000	2017 £000
Amounts falling due after more than one year:		
Preference shares in a subsidiary undertaking	120,565	117,626

Preference shares include:

- £120,565,000 (2017: £117,626,000) (€137,516,215) maturing on 29 July 2019 bearing interest at EURIBOR +4% (2017: EURIBOR + 4%);

Babcock Holdings Limited

Notes to the financial statements (continued)

10 Trade and other receivables (continued)

The Company held the following interest rate derivatives at 31 March 2018 and at 31 March 2017:

	Amount US\$000	Amount at swapped rates £000	Swap %	Maturity
Cross currency and interest rate swap	200,000	122,850	Fixed 5.64% US\$ to fixed 5.95% GBP	17/3/2021
Cross currency and interest rate swap	300,000	184,275	Fixed 5.64% US\$ to floating 3 month LIBOR +margin GBP	17/3/2021
Total cross currency and interest rate swaps	500,000	307,125		

Included in derivative financial instruments:

	2018		2017	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Non- current cross-currency interest rate swaps	49,241	-	134,107	-

11 Trade and other payables

	2018 £000	2017 £000
Amounts falling due within one year:		
Amounts due to group undertakings	3,035,791	3,376,640
Preference shares in a subsidiary undertaking	-	119,968
Accruals and deferred income	4,262	1,426
	3,040,053	3,498,034

Amounts due to group undertakings are repayable on demand and:

- £113,935,000 bears interest at UK LIBOR plus 1% (2017: £113,935,000);
- £906,106,000 bears interest at six months UK LIBOR plus 4% (2017: £906,106,000);
- £3,041,000 bears interest at three month UK LIBOR (2017: £3,111,000);
- £3,850,000 bears interest at UK LIBOR plus 400 basis points (2017: £3,850,000);
- £58,300,000 bears interest at UK LIBOR plus 4.06250 basis points (2017: £158,300,000);
- £6,500,000 bears interest at 5.06338% (2017: £5,850,000); and
- The remaining £1,944,059,000 (2017: £2,185,488,000) is non-interest bearing.
- Preference shares of £nil (2017: £119,968,000 (US\$150,000,000)) as they matured on March 2018.

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Babcock Holdings Limited

Notes to the financial statements (continued)

11 Trade and other payables (continued)

	2018 £000	2017 £000
Amounts falling due after more than one year:		
Amounts due to Group undertakings	141,845	166,845
Preference shares in a subsidiary undertaking	476,995	517,449
	<u>618,840</u>	<u>684,294</u>

Amounts due to Group undertakings are repayable on demand and:

- £19,661,000 bears interest at six month UK LIBOR plus 4% (2017: £19,661,000);
- £77,500,000 bears interest at six month UK LIBOR plus 1% (2017: £102,500,000); and
- The remaining £44,684,000 (2017: £44,684,000) is non-interest bearing.

Preference shares include:

- £120,565,000 (2017: £117,625,000) (€137,516,215) maturing on 29 July 2019 bearing interest at EURIBOR +4% (2017: EURIBOR + 4%); and
- £356,430,000 (2017: £399,824,000) (US\$500,000,000), maturing on 17 March 2021 bearing a fixed interest of 5.64% (2017: 5.64%).

12 Deferred taxation

The major components of the deferred tax liabilities and deferred tax assets are recorded as follows:

	Accelerated capital allowances £000	Other £000	Total £000
Deferred tax (assets)			
At 1 April 2017 and at 31 March 2018	(5)	(5,355)	(5,360)

13 Called up share capital

	2018 £000	2017 £000
Allotted and fully paid		
34,574,605 (2017: 34,574,605) Ordinary shares of £1 each	34,574	34,574
900 (2017: nil) B Ordinary shares of 10 pence each	-	-

Notes to the financial statements (continued)

14 Share-based payments

The charge to the income statement has been based on the assumptions below and is based on the binomial model as adjusted, allowing for a closed form numerical-integrated solution, which makes it analogous to the Monte Carlo simulations, including performance conditions. The detailed description of the plans below is included within the Remuneration report.

During the year the total charge relating to employee share-based payment plans was £6.4 million (2017: £15.0 million), for the Group as a whole and the charge relating to Babcock Holdings Limited was £1,291,000 (2017: £3,475,000).

After tax, the income statement charge was £5.2 million (2017: £12.0 million).

The fair value per option granted and the assumptions used in the calculation are as follows:

DBMP, PSPs and DBP¹

	Options awarded Number	Share price at grant or modification date Pence	Expected volatility %	Option life Years	Expectations of meeting performance criteria – EPS/ROCE %	Fair value per option – TSR Pence	Fair value per option – EPS/ROCE Pence	Correlation %	Grant or modification date
2017 PSP	902,424	905.5	15.0%	6.0	30%	131.2	905.5	46%	14/06/17
2017 PSP	1,769,338	905.5	15.0%	4.0	30%	131.2	905.5	46%	14/06/17
2017 DBP	186,949	905.5	15.0%	4.0	100%	–	905.5	46%	14/06/17
2017 DBP	103,246	905.5	15.0%	3.0	100%	–	905.5	46%	14/06/17
2016 DBMP Matching	479,065	974.5	14.0%	4.0	17%	379.1	974.5	46%	15/06/16
2016 PSP	2,085,427	974.5	14.0%	4.0	17%	389.9	974.5	46%	15/06/16
2016 DBP	14,714	974.5	14.0%	3.0	100%	–	974.5	46%	15/06/16
2016 DBP	62,845	974.5	14.0%	4.0	100%	–	974.5	46%	15/06/16
2016 PSP	27,578	991.0	14.0%	3.75	17%	396.4	991.0	46%	12/10/16
2015 DBMP Matching	936,197	1,121.0	12.0%	4.0	17%	364.0	1,121.0	46%	11/06/15
2015 PSP	1,688,368	1,121.0	12.0%	4.0	22%	374.0	1,121.0	46%	11/06/15
2015 DBP	3,863	1,121.0	12.0%	4.0	100%	–	1,121.0	46%	11/06/15

Both the vesting period and the expected life of all DBMP, PSP and CSOP awards is three years, but for the DBP it is two years, other than for Executive Directors where the vesting period is three years. The holders of all awards receive dividends, except for CSOP awards.

The DBMP Matching and PSP awards are split evenly between the performance criteria of TSR, EPS and ROCE, except that in 2015 the PSP awards are split evenly between TSR and EPS. There are no performance conditions attached to the DBP.

The expected volatility is based on historical volatility over the last one to three years. The expected life is the average expected period to exercise. The risk free rate of return is the yield on zero-coupon government bonds of a term consistent with the assumed option life.

The Group also operates the Babcock Employee Share Plan which allows employees to contribute up to £150 per month to the fund, which then purchases shares on the open market on the employees' behalf. The Group provides matching shares, purchased on the open market, of one share for every 10 purchased by the employee. During the year the Group bought 79,475 matching shares (2017: 61,292 matching shares) at a cost of £0.6 million (2017: £0.6 million).

The Group also operates the Babcock Employee Share Plan International which reflects the structure of the UK Plan. During the year the Group bought no matching shares (2017: 1,000 matching shares) to be used when vesting is due to begin in 2019.

1. DBMP = 2012 Deferred Bonus Matching Plan, PSP = 2009 Performance Share Plan and DBP = 2012 Deferred Bonus Plan.

Babcock Holdings Limited

Notes to the financial statements (continued)

15 Dividends

Dividends declared and paid were £531,467,000 (2017: £170,313,000). There are no plans for a final dividend.

16 Related party disclosures

The Company has taken advantage of the exemptions within FRS 101 not to disclose transactions and balances with Babcock International Group PLC and its wholly owned subsidiaries, on the grounds that the Company itself is a wholly owned subsidiary of Babcock International Group PLC, for which the consolidated financial statements are publicly available.

17 Guarantees and financial commitments

a) Contingent liabilities

At the year-end date the Company had guaranteed or had joint and several liability for drawn Babcock International Group PLC bank facilities of £nil (2017: £nil) provided to certain Group companies. In addition, the Company had joint and several liabilities for the drawn bank overdraft facilities of other Group companies of £nil (2017: £nil).

b) Operating lease commitments

	2018 £000	2017 £000
Land and buildings		
Annual commitments under non-cancellable operating leases expiring as:		
- within one year	1,470	1,404
- between two and five years	6,257	6,163
- after five years	4,041	5,605
	11,768	13,172

18 Related undertakings

All related undertakings for the Company are as listed below:

Name	Address	Interest	Immediate %	Ultimate %
Babcock Aviation Services (Holdings) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	200 Ordinary shares	100.0000 %	100.0000 %
Babcock Aviation Services (Holdings) SL	Plaza Pablo Ruiz, Picasso 1, Torre Picasso, 28020, Madrid, Spain	3,000 Company Participations shares	100.0000 %	100.0000 %
Babcock Ireland Finance Limited	44 Esplanade, St Helier, Jersey, JE4 9WG, Jersey	121,907 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Topco Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	173,302 Ordinary shares, 57,667 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	279,299 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Holdings, S.L.U.	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	91,060,199 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Mission Critical Services Group, S.A.U.	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	21,775,831 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services, S.A.U.	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	33,650 Ordinary shares	100.0000 %	100.0000 %
Babcock International France SAS	4 rue Lord Byron, 75008 PARIS, Paris, France	1 Ordinary shares	100.0000 %	100.0000 %
Babcock International Italy S.p.A.	Piazza Castello no.26 - 20121 Milan, Italy	50,000 Ordinary shares	100.0000 %	100.0000 %
Babcock International Spain S.L.U.	Mutxamel, Alicante, Aeródromo de Mutxamel, 03110, Partida la Almaina 92, Spain	3,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services International S.A.U.	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	156,144,113 Ordinary shares	100.0000 %	100.0000 %
Babcock Investments (Number Nine) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Asset Management SAU	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	6,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Fleet Management SAU	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	62,058,514 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services España SAU	Partida La Almaina, nro. 92, 03110, Mutxamel, Alicante, Spain	18,588 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Galicia SL	Lugar Lavacolla-Aeropuerto Santiago, S/N, C.P., 15820, Santiago de Compostela, A Coruna, Spain	8,200 Ordinary shares	91.1111%	91.1111%
Babcock Mission Critical Services France SA	Lieu dit le Portaret, 83340, Le Cannet-des-Maures, France	394,550 Ordinary shares	100.0000 %	100.0000 %
Cognac Formation Aero	Lieu dit le Portaret, 83340, Le Cannet des Maures, France	2,000 Ordinary shares	100.0000 %	100.0000 %
Helidax S.A.S.	Route de Tercis, 40100, Dax, France	7,500,000 Ordinary shares	50.0000%	50.0000%
Babcock Mission Critical Services Italia S.p.A	Piazza Castello no. 26, 20121, Milan, Italy	10,378,536 Ordinary shares	100.0000 %	100.0000 %
Babcock MCS Congo SA	Avenue Charles de Gaulle, PB 5871, Pointe-Noire, PB 5871, The Republic of Congo	10,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock MCS Fleet Management S.p.A.	Piazza Castello no. 26, 20121, Milan, Italy	120,000 Ordinary shares	100.0000 %	100.0000 %
Babcock MCS Ghana Limited	2nd Floor, Opeibea House, 37 Liberation Road, P.O. Box CT 9347, Cantonments, Accra, Ghana	180,000 Ordinary shares	90.0000%	90.0000%
European Air-Crane S.p.A.	Via Duca D'Aosta no. 20, 50129, Florence, Italy	490,000 Ordinary shares	49.0000%	49.0000%
S.I.M.A. Società Italiana de Manutenzioni Aeronautiche SpA	Via Duca D'Aosta no. 20, 50129, Florence, Italy	180,000 Ordinary shares	60.0000%	29.4000%
Babcock Mission Critical Services Portugal, Unipessoal, LDA	Heliporto de Salemas, Lousa, 2670-769, Lisboa, Loures, Portugal	89,784 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
INAER Helicopter Chile S.A.	2880 Americo Vespucio Norte Avenue, Suite 1102, Conchali, Santiago, Chile	100,000 Ordinary shares	100.0000 %	100.0000 %
INAER Helicopter Peru S.A.C.	Av. De La Floresta No 497 Int., Lima, Peru	80,886 Ordinary shares	70.0639%	70.0639%
INAER Ireland Finance Limited	Custom House Plaza, Block 6, IFSC, Dublin, DUBLIN 1, Ireland	5 Ordinary shares	100.0000 %	100.0000 %
Bond Aviation Topco Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	17,135,418 Ordinary shares, 27,864,332 Preference shares	100.0000 %	100.0000 %
Babcock Mission Critical Services UK Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	96,891,738 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Germany GmbH	Augsburg Airport, Flughafenstrasse 19, 86169 Augsburg, Germany	25,650 Ordinary shares	100.0000 %	100.0000 %
Heli Aviation China Limited	World Finance Centre, Kowloon Hong Kong/Room 1102-1103 11/F, Kowloon Building, 555 Nathan Road, Mongkok, Kowloon, Hong Kong	10,000 Ordinary shares	100.0000 %	100.0000 %
Heli Aviation (Tianjin) Helicopter Sales Co., Ltd.	Room 514/515, The Aviation Industry Support Center, Comprehensive Free Trade Zone, Airport Industrial Park, 1 Boahang Riad, Tianjin, China	1 Ordinary shares	100.0000 %	100.0000 %
Bond Mission Critical Services PLC	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	140,036,750 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Design and Completions Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1,560,100 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services (Ireland) Limited	24/26 City Quay, Dublin, DUBLIN 2, Ireland	100,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Leasing Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	50,100 Ordinary shares	100.0000 %	100.0000 %
Babcock Malta (Number Two) Limited	44 Esplanade , St Helier , JE4 9WG, Jersey	3,002 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Offshore Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	52,632 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Onshore Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1,666,666 Ordinary shares	100.0000 %	100.0000 %
Bond Aviation Leasing Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services, Scandinavia AB	c/o Ashurst Advokatbyrå AB, PO Box 7124, 10387, Stockholm, Sweden	61,061 Ordinary-A shares, 11,082 Ordinary-B shares	100.0000 %	99.9999%
Babcock Scandinavia Holding AB	Flygstationsvägen 4, 972 54 , Luleå, Sweden	72,143 Ordinary shares	100.0000 %	99.9999%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock SAA FW AB	Flygstationsvägen 4, 972 54 , Luleå, Sweden	4,650 Ordinary shares	100.0000 %	99.9999%
Babcock Scandinavian Air Ambulance AS	Nerstranda 55, 9008 Troms, Norway	100,000 Ordinary shares	100.0000 %	99.9999%
Babcock Scandinavian AirAmbulance AB	Lägervägen 3, 832 56 , Frösön, Sweden	1,000 Ordinary shares	100.0000 %	99.9999%
Falck Air Ambulance A/S	Falck Danmark A/S, Polititorvet 1, 1569, Copenhagen, Denmark	3,000,000 Ordinary shares	50.0000%	50.0000%
World Helicopters Norway AS	c/o Norske Helikopterservice Flyplassvegen 214, Sola, 4055, Norway	155 Ordinary shares	100.0000 %	100.0000 %
Babcock Investments (Number Four) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	698 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine & Technology Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,597 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine (Clyde) Limited	c/o Babcock International, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	1.8100%	100.0000 %
BNS Pensions Ltd	C/O Babcock International Group, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	1 Ordinary shares	100.0000 %	100.0000 %
BNS Pension Trustees Limited	C/O Babcock International Group, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine (Devonport) Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, England	204 Ordinary-A shares, 196 Ordinary-B shares	100.0000 %	100.0000 %
Defence SCS Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Devonport Royal Dockyard Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	5,350,001 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	9.8900%	100.0000 %
Devonport Royal Dockyard Pension Trustees Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Duqm Naval Dockyard SAOC	Wadi Say, Al-Duqm, Al-Wusta'a, 3972 112, Oman	240,000 Ordinary shares	48.0000%	48.9900%
Babcock Marine (Rosyth) Limited	Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	101,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Design & Technology Limited	c/o Babcock International, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	2 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	4.1200%	100.0000 %
Marine Engineering & Fabrications (Holdings) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	60 Ordinary shares	100.0000 %	100.0000 %
Marine Engineering & Fabrications Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Port Babcock Rosyth Ltd	c/o Babcock International, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	10,000 Ordinary shares	100.0000 %	100.0000 %
Rosyth Royal Dockyard Limited	c/o Babcock International, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	49,998 Ordinary 'A' shares, 200,022 Ordinary shares	100.0000 %	100.0000 %
Rosyth Royal Dockyard Pension Trustees Limited	c/o Babcock International, Rosyth Business Park, Rosyth, Dunfermline, Fife, KY11 2YD, Scotland	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	510,214,124 Ordinary shares	100.0000 %	100.0000 %
Babcock Brazil Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	751,000 Ordinary shares	100.0000 %	100.0000 %
Babcock International Holdings BV	Bezuidenhoutseweg 1, 2594 AB The Hague, The Netherlands	18,002 Ordinary-A shares	100.0000 %	100.0000 %
Babcock Africa Investments (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	215,413 Ordinary shares	100.0000 %	100.0000 %
Babcock Africa Holdings (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	235,112 Ordinary shares, 1 Preference shares	90.0426%	90.0426%
Babcock Africa (Pty) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	145,392 Redeemable Preference shares, 1,250,000 Ordinary shares	100.0000 %	90.0425%
Babcock Africa Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	710,000 Ordinary shares	100.0000 %	90.0425%
Babcock Moçambique Limitada	Av. Samora Machel 3380/1,, Mozambique	15,155 Ordinary shares	10.0000%	90.0425%
Babcock Plant Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	16,659 Ordinary shares	71.9953%	64.8264%
Rowmoor Investments 811 (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	49 Ordinary shares	49.0000%	31.7649%
Babcock TCM Plant (Proprietary) Limited	Unit G3, Victoria House, Plot 132, Independence Avenue, Gaborone, Mozambique	1 Ordinary shares, 10 Redeemable Preference shares	1.0000%	90.0425%
Babcock Education and Training (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	85,000 Ordinary shares	100.0000 %	90.0425%
Babcock Financial Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	100 Ordinary shares	100.0000 %	90.0425%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock MCS Mozambique, Limitada	Sala no. 2022, 1 Andar, Terminal A, Aeroporto Internacional do Maputo, Distrito Urbano 2, Mozambique	420,000 Ordinary shares	10.0000%	90.0426%
Babcock Moçambique Limitada	Av. Samora Machel 3380/1,, Mozambique	136,395 Ordinary shares	90.0000%	90.0425%
Babcock Namibia Services Pty Ltd	Unit 5 Ground Floor, Dr Agostinho Neto Road, Ausspann Plaza, Ausspanplatz, Windhoek, Namibia	100 Ordinary shares	100.0000 %	90.0425%
Babcock Ntuthuko Aviation (Pty) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	89 Ordinary shares	74.1667%	66.7816%
Babcock Ntuthuko Engineering (Proprietary) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	300,000 Ordinary shares	75.0000%	67.5319%
Babcock Ntuthuko Powerlines (Proprietary) Limited	Unit G3, Victoria House, Plot 132, Independence Avenue, Gaborone, Mozambique	99 Ordinary shares	99.0000%	67.7570%
Babcock Ntuthuko Powerlines (Proprietary) Limited	Unit G3, Victoria House, Plot 132, Independence Avenue, Gaborone, Mozambique	1 Ordinary shares	1.0000%	67.7570%
Babcock TCM Plant (Proprietary) Limited	Unit G3, Victoria House, Plot 132, Independence Avenue, Gaborone, Mozambique	99 Ordinary shares, 990 Redeemable Preference shares	99.0000%	90.0425%
Babcock Zambia Limited	PO Box 28037, Kitwe, Copperbelt Province, 101010, Zambia	5,000,000 Ordinary shares	100.0000 %	90.0425%
Babcock MCS Mozambique, Limitada	Sala no. 2022, 1 Andar, Terminal A, Aeroporto Internacional do Maputo, Distrito Urbano 2, Mozambique	3,780,000 Ordinary shares	90.0000%	90.0426%
Babcock Africa Investments BV	1 Osborne Lane, Bedfordview, Johannesburg 2007, South Africa	18,000 Ordinary shares	100.0000 %	100.0000 %
Conbras Servicos Tecnicos de Suporte Ltda	Rua Nilo Pecanha no 50, Suites 314 & 315, Centro, Rio de Janeiro, 20020.100, Brazil	7,282,792 Ordinary shares	100.0000 %	100.0000 %
Babcock Malta Holdings Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara , BKR 3000, Malta	1 Ordinary-C shares	0.0000%	100.0000 %
Babcock Management Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	48,001,645 Ordinary shares	100.0000 %	100.0000 %
Babcock Luxembourg Investments S.a.r.l.	12F rue Guillaume Kroll, L - 1882 Luxembourg, Luxembourg	14,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Luxembourg Investments I S.a.r.l.	12F rue Guillaume Kroll, L-1882 Luxembourg, Luxembourg	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Malta Holdings Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara , BKR 3000, Malta	149,997,333 Ordinary-A shares, 149,997,333 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Malta Finance Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara , BKR 3000, Malta	272,155,892 Ordinary-A shares, 272,155,891 Ordinary-B shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Investments (Number Eight) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	6,045,792 Ordinary shares	100.0000 %	100.0000 %
Babcock Malta Finance Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara, BKR 3000, Malta	1 Ordinary-C shares	0.0000%	100.0000 %
Babcock Support Services (Investments) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,307 Ordinary shares	100.0000 %	100.0000 %
Babcock 2010 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Education & Training Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	93.0000%	100.0000 %
Babcock Education Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock 4S Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	801 Ordinary-A shares	80.1000%	80.1000%
Babcock Learning and Development Partnership LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	80.1000%	80.1000%
Babcock Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Careers Guidance Limited	33 Wigmore Street, London, W1U 1QX	1,050 Ordinary shares	100.0000 %	100.0000 %
Babcock Assessments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	166,000 Ordinary shares	100.0000 %	100.0000 %
Capital Careers Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	8,825 Ordinary shares	88.2500%	88.2500%
Babcock Skills Development and Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	111 Ordinary shares	100.0000 %	100.0000 %
HCTC Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	17,621,361 Ordinary shares	100.0000 %	100.0000 %
KML (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Touchstone Learning & Skills Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
National Training Institute LLC	PO Box 267, MadinatQaboos, Sultanate of Oman, 115, Oman	350,000 Ordinary shares	70.0000%	70.0000%
Skills2Learn Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Networks Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,076,900 Ordinary shares	100.0000 %	100.0000 %
Babcock 1234 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
BNS Nuclear Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	12,100 Ordinary shares	100.0000 %	100.0000 %
Babcock Group Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,231 Ordinary shares	100.0000 %	100.0000 %
Eve NCI Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Networks Ireland Limited	Unit 2, Red Cow Interchange Estate, Ballymounth, Dublin, 22, Ireland	2,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Nuclear Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	162,002 Ordinary shares	100.0000 %	100.0000 %
Certas Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Eve Construction Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Eve Developments Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Eve Power Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
First Fire and Rescue Service No 2 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
FW 1B SPV Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares, 100 Deferred shares	100.0000 %	100.0000 %
Hiberna Network Solutions Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	650,000 Ordinary shares	100.0000 %	100.0000 %
Northern Cable Installations Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Services Group Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	586,146 Ordinary shares	100.0000 %	100.0000 %
Alstec Automation Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Alstec Defence Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Power Maintenance Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,900,000 Ordinary shares	100.0000 %	100.0000 %
Cavendish Nuclear (Overseas) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	25,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.9900%	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
Cavendish Nuclear Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	15 Ordinary shares, 50,000 Preference shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	1.6400%	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
BIL Solutions Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,000,000 Ordinary shares	100.0000 %	100.0000 %
British Nuclear Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Cavendish Boccord Nuclear Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	51 Ordinary shares	51.0000%	51.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Cavendish Dounreay Partnership Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	50 Ordinary-A shares	50.0000%	50.0000%
Dounreay Site Restoration Limited	Building D2003, Dounreay, Thurso, Caithness, KW14 7TZ, Scotland	1 Ordinary-A shares	100.0000 %	50.0000%
Cavendish Fluor Partnership Limited	C/O Babcock International Group PLC, 33 Wigmore Street, London, W1U 1QX, United Kingdom	65 Ordinary shares	65.0000%	65.0000%
Magnox Limited	Oldbury Technical Centre, Oldbury Naite , Thornbury, Bristol, United Kingdom	1 Ordinary-A shares, 1 Ordinary-B shares	100.0000 %	65.0000%
Research Sites Restoration Limited	Oldbury Technical Centre, Oldbury Naite , Thornbury, Bristol, United Kingdom	1 Ordinary-A shares	100.0000 %	65.0000%
Cavendish Nuclear Manufacturing Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.0600%	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
INS Innovation Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock SSD Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Merlin Communications Group Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	296,001 Ordinary-B shares, 315,830 Ordinary-A shares	100.0000 %	100.0000 %
Babcock Communications Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Communications & Partners LLC	PO Box 40 , Jalaan, Al Ashkhara, 422, Oman	105,000 Ordinary shares	70.0000%	70.0000%
Babcock Communications Cyprus Limited	10 Diomidous Str. , Alpha Mega Building, 3rd floor, Office 401, CY2024 NICOSIA, Cyprus	10,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	2.5600%	100.0000 %
Babcock Media Services Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	104,824 Ordinary shares	100.0000 %	100.0000 %
VT Communications GmbH	Mainzer Landstrasse 16, 60325, Frankfurt Am Main, Germany	25,000 Ordinary shares	100.0000 %	100.0000 %
Costpool Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Alert Communications Group Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	20.0000%	20.0000%
Alert Communications (Holdings) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	476,000 Ordinary shares	100.0000 %	20.0000%
Alert Communications (2006) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10 Ordinary shares, 4,693,137 Preference shares	100.0000 %	20.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Alert Communications Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	476,000 Ordinary shares	100.0000 %	20.0000%
Merlin Orfordness Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Scimco Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	5,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Rail Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,225 Ordinary shares	100.0000 %	100.0000 %
ABC Electrification Limited	8th Floor, The Place High , Holborn, London , WC1V 7AA	200 Ordinary-B shares	33.3333%	33.3333%
FSP (2004) Limited	Kintail House, 3 Lister Way, Hamilton International Park, Blantyre, G72 0FT, Scotland	50 Ordinary-A shares	50.0000%	50.0000%
SBRail Limited	33 Wigmore Street, London, W1U 1QX	1 Ordinary shares	100.0000 %	100.0000 %
UKAEA Limited	C/O Babcock International Group PLC, 33 Wigmore Street, London, W1U 1QX, United Kingdom	15,050,000 Ordinary shares	100.0000 %	100.0000 %
BMH Technologies (Holdings) GmbH	Berliner Platz 12, 41061, Moenchengladbach, Germany	1 Ordinary shares, 1 Ordinary shares	100.0000 %	100.0000 %
Conbras Servicos Tecnicos de Suporte Ltda	Rua Nilo Pecanha no 50, Suites 314 & 315, Centro, Rio de Janeiro, 20020.100, Brazil	1 Ordinary shares	0.0000%	100.0000 %
Babcock Luxembourg Finance S.a.r.l.	12F rue Guillaume Kroll, L - 1882 Luxembourg, Luxembourg	4,872,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Luxembourg S.a.r.l.	23 Avenue Monterey, L-2086, Luxembourg	4,872,000 Ordinary shares	100.0000 %	100.0000 %
Babcock UK Finance	33, Wigmore Street, London, W1U 1QX, United Kingdom	404,380 Ordinary shares	100.0000 %	100.0000 %
Babcock Malta Holdings (Number Two) Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara , BKR 3000, Malta	1 Ordinary-C shares	0.0003%	0.0003%
Babcock Malta Finance (Number Two) Limited	Verdala Business Centre, Level 1, LM Complex, Brewery Street, Mriehel, Birkirkara , BKR 3000, Malta	322,432 Ordinary-A shares, 1,000 Ordinary-B shares	99.9997%	0.0003%
Babcock Investments (Number Three) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	201 Ordinary shares	100.0000 %	0.0003%
Babcock MSS Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	0.0003%
Babcock Marine Holdings (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,001 Ordinary shares, 150,000,000 Preference shares	100.0000 %	100.0000 %
Appledore Shipbuilders (2004) Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	103,000 Ordinary-A shares, 897,000 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.2400%	100.0000 %
Babcock Information Analytics and Security Holdings Limited	Lincoln House, Wellington Crescent, Fradley Park, Lichfield, Staffordshire, WS13 8RZ, United Kingdom	100,000 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Information Analytics and Security Limited	Lincoln House, Wellington Crescent, Fradley Park, Lichfield, Staffordshire, WS13 8RZ, United Kingdom	349,097 Ordinary shares, 50,000 Preference shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.2800%	100.0000 %
Locam Limited	Lincoln House, Wellington Crescent, Fradley Park, Lichfield, Staffordshire, England, WS13 8RZ, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Integrated Technology Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	40,100 Ordinary shares	100.0000 %	100.0000 %
Babcock Integrated Technology (Korea) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Integrated Technology GmbH	Berliner Platz 12, 41061, Moenchengladbach, Germany	25,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	2.6900%	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
Babcock Support Services (Canada) Inc.	44 Chipman Hill, Suite 1000, P.O. Box 7289, Station "A", Saint John NB E2L 4S6, Canada	3 Common shares	100.0000 %	100.0000 %
Babcock Canada Inc	Norton Rose Fulbright Canada LLP, 45 O'Connor Street, Suite 1500, Ottawa ON K1P 1A4, Canada	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Support Services Canada Investments Inc.	c/o John Alan O'Neill, 45 O'Connor Street, Suite 1500, Ottawa ON K1P 1A4, Canada	100 Common shares	100.0000 %	100.0000 %
Context Information Security Limited	11 Westferry Circus, London, E14 4HD, United Kingdom	7,000 Ordinary shares	100.0000 %	100.0000 %
Context Information Security GmbH	Ernst-Ludwig-Ring 2, Bad Nauheim, 61231, Amtsgericht Friedberge (Hessen), Germany	50,000 Ordinary shares	100.0000 %	100.0000 %
Liquid Gas Equipment Limited	Rosyth Business Park, Rosyth, Dunfermline, Fife, Scotland, KY11 2YD, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
Strachan & Henshaw Canada Inc	45 O'Connor Street, Suite 1500, Ottawa, Ontario K1P 1A4, Canada	1,000 Ordinary shares	100.0000 %	100.0000 %
FBM Babcock Marine Holdings (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,935,244 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	9,999 Ordinary shares	99.9900%	100.0000 %
FBM Babcock Marine Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	921,957 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Brooke Marine Shipbuilders Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
FBM Marine International (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	0.0100%	100.0000 %
FBM Marine International (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	9,999 Ordinary shares	99.9900%	100.0000 %
FBV Designs Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	250,000 'B' Ordinary shares	50.0000%	50.0000%
Frazer-Nash Consultancy Group Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	10,908,600 Ordinary-A shares, 658,500 Ordinary-B shares	100.0000 %	100.0000 %
FNC Group Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
FN Consultancy Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
FNC Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Frazer-Nash Consultancy Limited	Devonport Royal Dockyard, Devonport, Plymouth, PL1 4SG, United Kingdom	115,671 Ordinary shares, 50,000 A Preference shares, 50,000 B Preference shares	100.0000 %	100.0000 %
Frazer-Nash Consultancy (Australia) Pty Ltd	689-695 Mersey Road, Osborne SA 5017, Australia	1 Ordinary shares	100.0000 %	100.0000 %
Strachan & Henshaw Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	3,000,000 Ordinary shares	100.0000 %	100.0000 %
Strachan & Henshaw, Inc	CT Corporation Systems, 155 Federal Street, Suite 700, Boston MA 02110, United States	10,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Overseas Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	3,260,578 Ordinary shares	100.0000 %	100.0000 %
Babcock Australia Holdings Pty Ltd	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	11,432,071,669 Ordinary shares	100.0000 %	100.0000 %
Babcock (NZ) Limited	C/O Babcock Central Office, HMNZ Dockyard, Devonport Naval Base, Queens Parade, Devonport, Auckland, 0744, New Zealand	2,000,000 Ordinary shares	100.0000 %	100.0000 %
Marine Industrial Design Limited	C/O Babcock Central Office, HMNZ Dockyard, Devonport Naval Base, Queens Parade, Devonport, Auckland, 0744, New Zealand	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Offshore Services Australasia Pty Ltd	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	28,973,025 Ordinary shares	100.0000 %	100.0000 %
Babcock Pty Ltd	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	202 Ordinary shares	100.0000 %	100.0000 %
Naval Ship Management (Australia) Pty Ltd	Level 10, 40 Miller Street, North Sydney NSW 2060, Australia	1 Ordinary shares	50.0000%	50.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
INAER Helicopter Australia Pty Ltd	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	100,824,631 Ordinary shares	100.0000 %	100.0000 %
AUH-Bidco Pty Limited	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	335,250 Ordinary shares	100.0000 %	100.0000 %
Babcock Mission Critical Services Australasia Pty Ltd	Level 10, 70 Franklin Street , Adelaide SA 5000, Australia	200,228 Ordinary shares	100.0000 %	100.0000 %
Babcock International Middle East Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Oman LLC	P.O. Box 2315, Ghala, Muscat, 130, Oman	990,000 Ordinary shares	99.0000%	99.0000%
Duqm Naval Dockyard SAOC	Wadi Say, Al-Duqm, Al-Wusta'a, 3972 112, Oman	5,000 Ordinary shares	1.0000%	48.9900%
Babcock Southern Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,438,710,403,785 Ordinary shares	100.0000 %	100.0000 %
AirTanker Holdings Limited	6th Floor, One London Wall, London, EC2Y 5EB, United Kingdom	12,000 Ordinary shares	13.3333%	13.3333%
AirTanker Finance Limited	6th Floor, One London Wall, London, EC2Y 5EB, United Kingdom	50,000 Ordinary shares	100.0000 %	13.3333%
AirTanker Limited	6th Floor, London Wall, London, EC2Y 5EB, United Kingdom	45,629,001 Ordinary shares	100.0000 %	13.3333%
AirTanker Services Limited	Airtanker Hub RAF Brize Norton, Carterton, Oxfordshire, England, OX18 3LX, United Kingdom	22,378 Ordinary shares	22.3333%	22.3333%
Babcock Critical Assets Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	7.0000%	100.0000 %
Babcock Defence & Security Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.8900%	100.0000 %
Babcock Education & Training Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	7.0000%	100.0000 %
Babcock Environmental Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Group International Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Naiad Marine B.V	Prins Bernhardplein 200, 1097 JB, Amsterdam, Netherlands	136,200 Ordinary shares	100.0000 %	100.0000 %
Babcock Infrastructure Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	7.0000%	100.0000 %
Babcock Project Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	5,000,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Emergency Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Fire Training (Avonmouth) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Cura Classis Canada (Hold Co) Inc.	c/o Stewart McKelvey, 44 Chipman Hill, Suite 1000, PO Box 7289, Stn. "A", Saint John, N.B. NB E2L 4S6, Canada	631,200 Common shares, 576,000 Ordinary-A shares	48.0000%	48.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Cura Classis (Canada) Inc.	c/o Stewart McKelvey, 44 Chipman Hill, Suite 1000, PO Box 7289, Stn. "A", Saint John, N.B. NB E2L 2A9 , Canada	1,315,000 Common shares	100.0000 %	48.0000%
Cura Classis UK (Hold Co) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	178,560 Ordinary shares	48.0000%	48.0000%
Cura Classis (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	372,000 Ordinary shares	100.0000 %	48.0000%
Learning21 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock2 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	6,000,145 Ordinary shares	100.0000 %	100.0000 %
Armstrong Technology Associates Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	50,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Defence Systems Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,000 Ordinary shares	100.0000 %	100.0000 %
Chepstow Insurance Limited	St Martin's House, Le Bordage, St Peter Port, GY1 4AU	600,000 Ordinary shares	100.0000 %	100.0000 %
Vosper Thornycroft (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	7,100,000 Ordinary 20p shares	30.3528%	100.0000 %
Vosper Thornycroft (UK) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	16,291,575 Ordinary 20p shares	69.6472%	100.0000 %
Babcock Brisco Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Corporate Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	181,369,248 Ordinary shares	100.0000 %	100.0000 %
Babcock Finance Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Critical Assets Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	93.0000%	100.0000 %
Babcock Airports Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock B.V.	Bezuidenhoutseweg 1, 2594AB, 's-Gravenhage, Netherlands	18,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.7300%	100.0000 %
Babcock Critical Services Limited	C/O DWF LLP , 110 Queen Street , Glasgow , Scotland, G1 3HD, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	1.0700%	100.0000 %
Babcock Vehicle Engineering Limited	33, Wigmore Street, London, England, W1U 1QX, 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	100.0000 %	100.0000 %
Chart Services Limited	C/O DWF LLP , 110 Queen Street , Glasgow , Scotland, G1 3HD, United Kingdom	6,345,292 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Chart Distribution Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	0.0500%	99.9977%
Chart Storage & Transportation Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,108,935 Ordinary shares	99.9977%	99.9977%
Babcock Investments (Number Eight) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	0.0000%	100.0000 %
Chart Distribution Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,999 Ordinary shares	99.9500%	99.9977%
Chart Storage & Transportation Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	25 Ordinary shares	0.0023%	99.9977%
Transfleet Distribution Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	20,000 Ordinary shares	100.0000 %	100.0000 %
Municipal Vehicle Hire Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Transfleet Truck Rentals Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Defence & Security Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	99.1100%	100.0000 %
Airwork Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Airwork Technical Services & Partners LLC	PO Box 248 (located at Muaskar Al Murtafa'a (MAM) Garrison), Muscat, 100, Sultanate of Oman	127,500 Ordinary shares	51.0000%	51.0000%
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	0.0300%	100.0000 %
Babcock Aerospace Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	1.4400%	100.0000 %
Babcock Defence and Security Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
ALC (Superholdco) Limited	The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX4 4DQ, United Kingdom	5,000 Ordinary shares	50.0000%	50.0000%
ALC (FMC) Limited	The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX4 4DQ, United Kingdom	1 Ordinary shares	100.0000 %	50.0000%
ALC (Holdco) Limited	The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX4 4DQ, United Kingdom	10,000 Ordinary shares	100.0000 %	50.0000%
ALC (SPC) Limited	The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX4 4DQ, United Kingdom	10,000 Ordinary shares	100.0000 %	50.0000%
Ascent Flight Training (Holdings) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	814,000 Ordinary shares	50.0000%	50.0000%
Advanced Jet Training Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	68,000 Ordinary shares	100.0000 %	50.0000%
Advanced Jet Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	68,000 Ordinary shares	100.0000 %	50.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Ascent Flight Training (Management) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,500,000 Ordinary shares	100.0000 %	50.0000%
Ascent Flight Training (Services) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	30,000 Ordinary shares	100.0000 %	50.0000%
Fixed Wing Training Holdings Limited	c/o Babcock International Group PLC, 33 Wigmore Street, London, W1U 1QX, United Kingdom	30,000 Ordinary shares	100.0000 %	50.0000%
Fixed Wing Training Limited	c/o Babcock International Group PLC, 33 Wigmore Street, London, W1U 1QX, United Kingdom	30,000 Ordinary shares	100.0000 %	50.0000%
Rear Crew Training Holdings Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares	100.0000 %	50.0000%
Rear Crew Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares	100.0000 %	50.0000%
Rotary Wing Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares	100.0000 %	50.0000%
Holdfast Training Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	740 Ordinary shares	74.0000%	74.0000%
Babcock Fire Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock Flagship Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Flagship Fire Fighting Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Land Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock DSG Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	1.1000%	100.0000 %
Babcock Support Services Limited	C/O DWF LLP , 110 Queen Street , Glasgow , Scotland, G1 3HD, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Active Management Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary-A shares	100.0000 %	100.0000 %
Air Power International Limited	C/O DWF LLP , 110 Queen Street , Glasgow , Scotland, G1 3HD, United Kingdom	93,840 Ordinary shares	100.0000 %	100.0000 %
Babcock Dyncorp Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	560 Ordinary-A shares	56.0000%	56.0000%
Babcock HSPS Trustees Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	4.5500%	100.0000 %
Babcock Partners No 2010 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Support Services s.r.l.	Via Foro Buonaparte, 70 20121, Milano, Italy	10,000 Ordinary shares	100.0000 %	100.0000 %
BMPT Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	12 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Debut Services (Contracts) Limited	142 Northolt Road, Harrow, Middlesex, HA2 0EE, United Kingdom	1 Ordinary shares	9.0909%	9.0909%
Debut Services (South West) Limited	c/o Bovis Lend Lease Limited, 20 Triton Street, Regent's Place, London, England, NW1 3BF	500 Ordinary shares	50.0000%	50.0000%
Debut Services Limited	c/o Bovis Lend Lease Limited, 20 Triton Street, Regent's Place, London, England, NW1 3BF	150 Ordinary shares	15.0000%	15.0000%
Devonport Management Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Hiberna FM Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Peterhouse GmbH	Berliner Platz 12, 41061, Moenchengladbach, Germany	25,600 Ordinary shares	100.0000 %	100.0000 %
Babcock Support Services GmbH	Berliner Platz 12, 41061, Moenchengladbach, Germany	25,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Engineering Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,500,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Fire Services (SW) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	50,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Infrastructure Holdings LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	93.0000%	100.0000 %
Babcock Civil Infrastructure Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	100.0000 %	100.0000 %
Babcock International Support Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	26,250,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Education and Skills Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Training Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	0.0000%	100.0000 %
Babcock Engineering Assessments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	43,100 A Ordinary shares, 43,100 B Ordinary shares, 16,300 C Ordinary shares	100.0000 %	100.0000 %
Babcock Lifeskills Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,000 Ordinary shares	100.0000 %	100.0000 %
Surrey Careers Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	23,328 Ordinary shares	94.1063%	94.1063%
Babcock Project Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	25,000 Ordinary-A shares, 25,000 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Southern Careers Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	15,020 Ordinary-A shares, 3,980 Ordinary-B shares, 1,000 Ordinary-C shares	100.0000 %	100.0000 %
Babcock Technical Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Vosper ManTech Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	30,000 Ordinary-A shares, 20,000 Ordinary-B shares	100.0000 %	100.0000 %
Westminster Education Consultants Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Investments (Fire Services) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Leaseco Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Malta Limited	44 Esplanade, St Helier, Jersey, JE4 9WG, Jersey	141 Ordinary shares	100.0000 %	100.0000 %
Babcock Marine Products Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Form Land Support Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Babcock Partner No 6 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	45,309,880 Ordinary shares	100.0000 %	100.0000 %
Babcock Partner No 7 Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	500,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Trustees Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
VT Insurance Services Limited	St Martins House, Le Bordage, St Peter Port, Guernsey	20,999,999 Ordinary shares	100.0000 %	100.0000 %
Babcock US Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,610 Ordinary shares	100.0000 %	100.0000 %
Babcock US Investments Inc.	c/o National Registered Agents, Inc., 160 Greentree Drive, Suite 101, , Dover, Kent County DE 19904, United States	110 Ordinary-A shares, 110 Ordinary-B shares	100.0000 %	100.0000 %
Babcock US Investments (Number Two) LLC	c/o National Registered Agents, Inc, 160 Greentree Drive, Suite 101, Dover DE 19904, United States	110 Ordinary-A shares, 110 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Group (US Investments) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2,120 Ordinary shares	100.0000 %	100.0000 %
Babcock International US Inc	21001 Great Mills Road, Lexington Park, Maryland DE 20653, United States	804 Ordinary shares	80.4000%	100.0000 %
Babcock Holdings (USA) Incorporated	Prentice Hall Corporation Systems Inc., S32 Loockerman Square, Ste. L-100 Dover Delaware, United States	5,292 Redeemable Preference shares, 3,712 Common shares	100.0000 %	100.0000 %
Babcock Support Services (USA) LLC	251 Little Falls Drive, Wilmington, Delaware 19808, United States	1 Ordinary shares	100.0000 %	100.0000 %
Context Information Security LLC	c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington DE 19808, United States	50 Ordinary-A shares, 50 Ordinary-B shares	100.0000 %	100.0000 %
Cura Classis (US) Hold Co LLC	251 Little Falls Drive, Wilmington, Delaware 19808, United States	552,000 Ordinary shares	48.0000%	48.0000%
Cura Classis (US) LLC	251 Little Falls Drive, Wilmington, Delaware 19808, United States	1 Ordinary shares	100.0000 %	48.0000%

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock International US Inc	21001 Great Mills Road, Lexington Park, Maryland DE 20653, United States	196 Ordinary shares	19.6000%	100.0000 %
Gibraltar Investments (No. 7) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares, 1,000,000 Ordinary-B shares	100.0000 %	100.0000 %
Babcock International Guarantee Company	33, Wigmore Street, London, W1U 1QX, United Kingdom	100,000 Ordinary shares	100.0000 %	100.0000 %
Tyneham Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	36 Ordinary shares	26.4706%	100.0000 %
PHG Insurance Limited	St Martin's House, Le Bordage, St Peter Port, GY1 4AU, Guernsey	99,999 Ordinary shares	99.9990%	99.9990%
Birchill Investment Co. Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	20.0000%	100.0000 %
First Engineering Holdings Limited	Kintail House, 3 Lister Way, Hamilton International Park, Blantyre, G72 0FY, Scotland	371,319 Ordinary shares	100.0000 %	100.0000 %
First Projects Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Peterhouse Group Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	40 Ordinary shares	100.0000 %	100.0000 %
Babcock Managed Security Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	10,000 Ordinary shares, 10,000 Deferred shares	100.0000 %	100.0000 %
Eve Group Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Eve Transmission Ltd	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
First Fire and Rescue Service Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Gaycrete Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Jackson (EBP) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Jackson Management Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1 Ordinary shares	100.0000 %	100.0000 %
Pearson & Raby Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
Peterhouse5 (Shorco) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	50,100 Ordinary-A shares, 50,000 Ordinary-B shares	100.0000 %	100.0000 %
Babcock Corporate Secretaries Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
Babcock Systems Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100,000 Ordinary shares	100.0000 %	100.0000 %
Peterhouse6 (IETG) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	57,147,364 Ordinary shares	100.0000 %	100.0000 %
Babcock Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100,000 Ordinary shares, 73,568 Ordinary-A shares, 632,830 Preference shares	100.0000 %	100.0000 %

Babcock Holdings Limited

Notes to the financial statements (continued)

18 Related undertakings (continued)

Name	Address	Interest	Immediate %	All Parent %
Babcock Transmission Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	1,000 Ordinary shares	0.9901%	100.0000 %
Babcock Transmission Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100,000 Ordinary shares	99.0099%	100.0000 %
Babcock Welbeck Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
BCRA Chesterfield Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	225,000 Ordinary shares, 75,000 Ordinary-A shares, 400,000 Redeemable Preference shares	100.0000 %	100.0000 %
Alstec Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	2 Ordinary shares	100.0000 %	100.0000 %
First Engineering Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	150,000 Ordinary shares	100.0000 %	100.0000 %
Tyneham Investments Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	73.5294%	100.0000 %
Birchill Investment Co. Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	8 Ordinary shares	80.0000%	100.0000 %
Babcock International Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100,000,000 Ordinary shares, 5,000,000 Preference shares	100.0000 %	100.0000 %
Babcock Contractors Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	6,700,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Integration LLP	33, Wigmore Street, London, W1U 1QX, United Kingdom	Holding Company > Subsidiary Company	66.8000%	100.0000 %
Babcock IP Management (Number One) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	10,002 Ordinary shares	99.9500%	100.0000 %
Babcock IP Management (Number Two) Limited	33, Wigmore Street, London, England, W1U 1QX, United Kingdom	10,001 Ordinary shares	100.0000 %	100.0000 %
Babcock Nominees Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	700,000 Ordinary shares	100.0000 %	100.0000 %
Babcock Woodall-Duckham (Overseas) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	108,485 'B' Ordinary shares, 51,515 Ordinary shares, 180,000 6% Cumulative Preference shares	99.9990%	99.9990%
Babcock-Moxey Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	20,447 Ordinary shares	100.0000 %	100.0000 %
BMH (2002) Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	129,572 Ordinary shares	100.0000 %	100.0000 %
Hiberna Contract Services Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	8,614,327 Ordinary shares	100.0000 %	100.0000 %
Hiberna Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	100 Ordinary shares	100.0000 %	100.0000 %
St Helen's Securities Limited	33, Wigmore Street, London, W1U 1QX, United Kingdom	11,361,934 Ordinary shares	100.0000 %	100.0000 %
The Stirling Boiler Company Limited	C/O DWF LLP, 110 Queen Street, Glasgow, Scotland, G1 3HD, United Kingdom	15,000 Ordinary shares	100.0000 %	100.0000 %

Notes to the financial statements *(continued)*

19 Immediate and ultimate parent undertakings

The Company's immediate parent company is Babcock (UK) Holdings 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