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CHFP025

COMPANIES FORM No. 155(6)b

Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

Please do not
write in this
margin

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

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

* insert full name
of company

Ø insert name(s) and
address(es) of all
the directors

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

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

[] [] [] [] [] [] [] []

3979458

Name of company

* ALSTEC NUCLEAR LIMITED

† We Ø Martin Melling of Chinglea, Brook Lane, Ranton, Stafford, ST18 9JY and Gary Wesley of
Hammonsfield, Links Road, Kirby, Muxloe, Leicester, Leicestershire LE9 2BP

† delete as
appropriate

~~the sole director~~ [all the directors] † of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

§ delete whichever
is inappropriate

The business of this company is:

- (a) ~~that of a [recognised bank] [licensed institution] † within the meaning of the Banking Act 1979 §~~
(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom §~~
(c) something other than the above §

This company is ~~the~~ [a] holding company of* ALSTEC LIMITED (NO. 2435397) ("AL")
which is
proposing to give financial assistance in connection with the acquisition of shares
in ~~this company~~ † ALSTEC GROUP LIMITED (NO. 3939840)
the holding company of this company.] †

Presenter's name address and
reference (if any) :
Wragge & Co LLP
55 Colmore Row
Birmingham
B32AS

DX 13036 Birmingham 1
CGB

For official Use
General Section



6982791

The assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred for the purpose of that acquisition~~. † (note 1)

Please do not write in this margin

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

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

The assistance is to be given to: (note 2) ALSTEC HOLDINGS LIMITED (NO. 3975999) ("AHL")

The assistance will take the form of:

The execution of a hive up agreement to be made between AL and AHL pursuant to which the business, assets and certain liabilities of AL will be transferred to AHL. The consideration due for such transfer of £37.8 million stands owing on loan account on the terms of an intra-group loan agreement.

7 

The person who ~~has acquired~~ [will acquire] † the shares is:

BABCOCK INTERNATIONAL GROUP PLC (Company number 2342138)

† delete as appropriate

The principal terms on which the assistance will be given are:

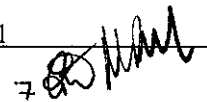
Pursuant to the hive up agreement, AL has agreed to transfer its business, assets and certain liabilities to AHL. The consideration for the business assets and undertaking so transferred in an amount equal to £37.8 million will be left outstanding on intercompany loan account pursuant to the terms of an intra-group agreement, such loan to be interest-bearing and repayable on demand in cash.

AL will also provide certain indemnities and undertake certain other obligations in favour of AHL under the hive up agreement.



The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is nil

The amount of cash to be transferred to the person assisted is £ nil

7 

The value of any asset to be transferred to the person assisted is £ 37.8 million

Please do not
write in this
margin

The date on which the assistance is to be given is within 8 weeks of this declaration

Please complete
glibly, preferably
black type, or
bold block lettering

~~T~~We have formed the opinion, as regards this company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

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

delete either (a) or
(b) as appropriate

(b) ~~It is intended to commence the winding-up of this company within 12 months of that date, and I/we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]* (note 3)~~

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

Declared at

Declarants to sign below

55 Colmore Row, Birmingham

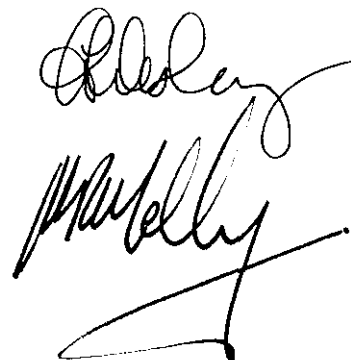
on

Day	Month	Year
08	05	2006

before me



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



NOTES

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

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

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB



KPMG LLP
Transaction Services
1 Waterloo Way
Leicester LE1 6LP
United Kingdom

Tel +44 (0) 116 256 6000
Fax +44 (0) 116 256 6050
DX 719593 Leicester 17

Private & confidential

The Directors
Alstec Nuclear Limited
Cambridge Road
Whetstone
Leicester
LE8 6LH

Our ref ml/kl

Contact Mike Lane
0116 256 6162

Dear Sirs

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

We have examined the attached statutory declaration of the directors dated today in connection with the proposal that Alstec Limited, of which this company is a holding company, should give financial assistance in connection with the purchase of the entire issued share capital of Alstec Group Limited.

This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work under section 156(4) of that Act or for this report.

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

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

Yours faithfully

KPMG LLP
Registered Auditor