

Babcock International Group PLC's Offer to acquire the entire issued and to be issued share capital of Peterhouse Group Plc ("the Offer")

Following receipt of acceptances in respect of more than 50% of Peterhouse's issued shares, Babcock announced on 15th June 2004 that the Offer had been declared unconditional in all respects.

Commenting, Gordon Campbell, Chairman of Babcock said: "We are delighted that the majority of Peterhouse shareholders have chosen to participate in the future growth of a larger and stronger group, which will be better placed to secure the increasingly large and complex projects inherent in the UK support services sector. We look forward to creating value for all shareholders of the enlarged group."

Visit the Peterhouse website: www.peterhouse.co.uk