

Company Babcock International Group PLC
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Babcock International Group PLC

Acquisition of INS Innovation Ltd

On 31 August 2007, Babcock International Group PLC ("Babcock") announced the close of its offer to acquire all the issued shares in International Nuclear Solutions plc ("INS") at which time Babcock had acquired or had received valid acceptances for 63.6 per cent of the issued share capital of INS. After taking into account subsequent market purchases, Babcock now owns approximately 68 per cent. of the issued share capital of INS.

Babcock today announces it has entered into an agreement with INS for the acquisition of 100 per cent of the issued share capital of INS Innovation Limited ("INS Innovation") for £39.8 million to be satisfied in cash and by the assumption by Babcock of certain indebtedness owed to INS Innovation by INS. INS Innovation is the sole operating business of INS. The acquisition is subject to the approval of INS shareholders by ordinary resolution at a general meeting to be held on 15 February 2008. As soon as practicable following the completion of the transaction INS intends to declare a special dividend of approximately £37.2 million, equivalent to approximately 58.8 pence per INS ordinary share.

The Board of INS is also seeking shareholder approval by way of special resolution for the cancellation of the quotation of INS' ordinary shares on AIM following completion of the disposal.

Babcock intends to vote in favour of both resolutions.

Completion of the acquisition of INS Innovation is expected to take place on or around 18 March 2008.

Further details of the proposed disposal are set out in a circular which is being posted to INS shareholders today and which is available on the INS website (www.ins-innovation.com).

Enquiries

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