

Babcock International PLC

21 April 2008

Acquisition of

Weir Strachan & Henshaw

Babcock International Group PLC ("Babcock"), the engineering support services company, today announces it has acquired Weir Strachan & Henshaw ("S&H") from The Weir Group PLC for a net cash consideration of £65 million.

S&H is a leading specialist engineering design, project manager and provider of through-life support for the defence and nuclear industries, with locations in the United Kingdom, Australia, Canada and the United States. S&H is also a principal service provider for the Canadian submarine fleet.

Babcock is a leading provider of support to the Royal Navy's submarine and surface ship fleet. The acquisition will further strengthen Babcock's Marine division, extending its range of marine support services through S&H's expertise in weapons handling and launch systems. The acquisition will also provide an opportunity for Babcock to enhance its geographic and customer footprint.

In the nuclear sector, S&H has expertise in fuel handling and decommissioning and waste handling services. The acquisition will complement Babcock's existing nuclear service capability and enhance its position as a major UK supplier of engineering support services in key areas of this expanding marketplace.

In the financial year ended 31 December 2007, S&H generated gross revenues of £51.8 million.

Peter Rogers, Chief Executive of Babcock said:

"The acquisition of S&H enables us to further expand in two of our key markets - Marine and Nuclear. In Marine, the combination of our existing expertise in submarine support with that of S&H makes us well-placed to build strongly on the international presence that S&H has already established. In both markets the acquisition will extend our range of services to customers, thereby opening up new growth opportunities."

For further enquiries, please contact:

Babcock International Group PLC
Peter Rogers
Bill Tame
Terri Wright

Tel: +44 (0) 20 7291 5000

Financial Dynamics (PR for Babcock)
Andrew Lorenz
Richard Mountain
Sophie Kernon

Tel: +44 (0) 20 7269 7121