



11 July 2013

**Babcock International Group PLC
Interim Management Statement**

Prior to today's Annual General Meeting, Babcock International Group PLC (Babcock or the Group), the UK's leading engineering support services company, is issuing the following Interim Management Statement for the period from 1 April 2013.

The 2013/14 financial year has started well and is in line with our expectations set out at the time of our full year results announcement on 14 May 2013. During the first quarter, business units across the Group traded strongly, maintaining the high activity levels experienced in the previous period. The general economic climate and financial constraints being experienced by many of our customers continue to ensure positive market conditions for our businesses.

The Group's financial position remains robust and cash generation across the Group has remained strong through the period.

Since the results announcement in May, the order book has remained stable at around £12 billion and continues to provide excellent visibility of future revenues, supporting our positive outlook for this year. We currently have around 80% of the Group's anticipated revenue for the 2013/14 financial year contracted.

The bid pipeline has also remained stable at £15.5 billion. The bids currently being progressed in the pipeline, along with the significant opportunities still being tracked, will be the key drivers of growth over the next few years.

Outlook

Our markets remain positive as the current economic environment continues to create new long-term outsourcing opportunities. Against this backdrop we are well positioned to benefit through our business model, the scale of our operations, the depth and breadth of our experience and our track record of delivering operational and financial efficiencies for our customers.

With excellent visibility of future revenue from the strong order book and bid pipeline, the Board is confident that the Group will continue to make further strong progress and that results for the 2013/14 financial year will be in line with its expectations.

Enquiries

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