

COMPANIES FORM No. 363

Annual Return of a Company

Pursuant to Sections 363 and 364 of the Companies Act 1985

363

Note The appropriate fee should accompany this form

To the Registrar of Companies

For official use

Company number

Annual return of

ROLLS-ROYCE plc

The information in this return is as at

13/06/1990

(The Date of this return)

Address of registered office of the company

65 BUCKINGHAM GATE, LONDON SW1E 6AT

Postcode

Total amount of indebtedness of the company
in respect of mortgages and charges

£ 512370.00

If different from the
registered office, state
address where the register
of members or any register
of debenture holders or any
duplicate or part of any
register of debentures is
kept or may be inspected.

Register of members

NATIONAL WESTMINSTER BANK PLC, PO BOX 82

CAXTON HOUSE, REDCLIFFE WAY, BRISTOL, BS99

Register of debenture holders

Particulars of the Secretary

Name RICHARD WEST HENCHLEY

Previous names None

Address 5 ALLEYN PARK LONDON SE18AU

Postcode

We certify this return which comprises pages 1,2,[3,4,5 and 6]

[plus 15 continuation sheets]

Signed

S. Smith

Director, and

AW Harg

Secretary

Presenter's name, address and
reference (if any):

MR W F BOLDISON
ASSISTANT COMPANY SECRETARY
ROLLS-ROYCE plc
PO BOX 31
DERBY DE2 8BJ

For official Use
General Section

Post room
COMPANIES HOUSE
18 JUL 1990
M

MBE20
059968

Particulars of the director(s) of the company

Name TERENCE HARRISON		Business Occupation CHAIRMAN NORTHERN ENGINEERING INDUSTRIES plc
Previous name(s) [None]		Nationality
Address SOUTH LODGE		BRITISH
MARSCOTT MORPETH		Date of birth
NORTHUMBERLAND NE61 6LH	Postcode	07/04/1953
Other relevant past or present directorships		
[See Continuation Sheet]		

Name DR ROBERT HAWLEY		Business Occupation MANAGING DIRECTOR (OPS) NORTHERN ENGINEERING INDUSTRIES plc
Previous name(s) [None]		Nationality
Address TINDAL HOUSE		BRITISH
KILLINGWORTH VILLAGE NEWCASTLE UPON TYNE		Date of birth
	Postcode	23/07/1936
Other relevant past or present directorships		
[See Continuation Sheet]		

Name DR GORDON ROBERT HIGGINSON		Business Occupation VICE CHANCELLOR, UNIVERSITY OF SOUTHAMPTON
Previous name(s) [None]		Nationality
Address BIRCHWOOD		BRITISH
HEATHERLANDS ROAD CHILWORTH		Date of birth
SOUTHAMPTON SO1 7JD	Postcode	08/11/1929
Other relevant past or present directorships		
[See Continuation Sheet]		

Name JAMES OGILVIE KEIR		Business Occupation DIRECTOR SUPPLY ROLLS-ROYCE plc
Previous name(s) [None]		Nationality
Address GRAYRIGG		BRITISH
MILL HILL LANE WINSHILL, BURTON-ON-TRENT		Date of birth
STAFFORDSHIRE DE15 0BB	Postcode	13/04/1939
Other relevant past or present directorships		
[None]		

Particulars of the director(s) of the company

Name Mr DOUGLAS CHARLES LOWE		Business Occupation
		NONE
Previous name(s) [None]		Nationality
Address WESTLAND COTTAGE		BRITISH
MAJOR HOUSE BYLENT		Date of birth
SURREY KT14 7RE	Postcode	14/09/1927
Other relevant past or present directorships		
[See Continuation Sheet]		

Name PETER PROUDE MACFARLANE		Business Occupation
		DIRECTOR FINANCE ROLLS-ROYCE plc
Previous name(s) [None]		Nationality
Address THE OLD CURATAGE		BRITISH
BIRCH GREEN HEREFORDSHIRE SG14 2LR		Date of birth
	Postcode	03/07/1938
Other relevant past or present directorships		
[See Continuation Sheet]		

Name STEWART CRICHTON MILLER		Business Occupation
		DIRECTOR ENGINEERING ROLLS-ROYCE plc
Previous name(s) [None]		Nationality
Address THE OLD SCHOOL HOUSE		BRITISH
BRADBOURNE NR ASHBOURNE		Date of birth
DERBY DE6 1PA	Postcode	02/07/1934
Other relevant past or present directorships		
[See Continuation Sheet]		

Name HAROLD GEORGE MOURGUE		Business Occupation
		CHARTERED ACCOUNTANT
Previous name(s) [None]		Nationality
Address MYTON		BRITISH
8 BASLOW ROAD EASTBOURNE		Date of birth
EAST SUSSEX BN20 7UJ	Postcode	07/09/1927
Other relevant past or present directorships		
[See Continuation Sheet]		

Particulars of the director(s) of the company

Name SIR ROBIN BUCHANAN NICHOLSON		Business Occupation
		DIRECTOR MILKINGTON plc
Previous name(s) [None]		Nationality
Address WHITTINGTON HOUSE		BRITISH
1 PIERWICK ROAD WHITTINGTON, NR LITCHFIELD		Date of birth
STAFFORDSHIRE WS14 9LH	Postcode	12/08/1934
Other relevant past or present directorships		
[See Continuation Sheet]		

Name SIR RALPH HARRY ROBINS		Business Occupation
		DEPUTY CHAIRMAN ROLLS-ROYCE plc
Previous name(s) [None]		Nationality
Address LYNNGARTH		BRITISH
HAZELWOOD ROAD DUFFIELD		Date of birth
DERBY DE6 4AA	Postcode	16/06/1932
Other relevant past or present directorships		
[See Continuation Sheet]		

Name PHILIP SHELBOURNE		Business Occupation
		CHAIRMAN HENRY ANSBACHER HOLDINGS PLC
Previous name(s) [None]		Nationality
Address MYLES PLACE		BRITISH
68 THE CLOSE SALISBURY		Date of birth
WILTSHIRE SP1 2EN	Postcode	15/06/1924
Other relevant past or present directorships		
[See Continuation Sheet]		

Name LORD FRANCIS LEONARD TOMBS OF BRAILES		Business Occupation
		CHAIRMAN ROLLS ROYCE plc
Previous name(s) [None]		Nationality
Address HONINGTON LODGE		BRITISH
HONINGTON SHIPSTON-ON-STOUR		Date of birth
WARWICKSHIRE CV36 5AA	Postcode	17/05/1924
Other relevant past or present directorships		
[See Continuation Sheet]		

Particulars of the director(s) of the company

Name FRANK TURNER		Business Occupation DIRECTOR CIVIL ENGINEERING ROLLS-ROYCE plc
Previous name(s) [None]		Nationality
Address TAMARIND 46 MAIN STREET KINGS NEWTON, M.L. BOURNE		BRITISH
DERBYSHIRE DE7 1BX	Postcode	Date of birth 07/06/1945
Other relevant past or present directorships		
[See Continuation Sheet]		

Name		Business Occupation
Previous name(s)		Nationality
Address		Date of birth
	Postcode	
Other relevant past or present directorships		

Name		Business Occupation
Previous name(s)		Nationality
Address		Date of birth
	Postcode	
Other relevant past or present directorships		

Name		Business Occupation
Previous name(s)		Nationality
Address		Date of birth
	Postcode	
Other relevant past or present directorships		

Particulars of other directorships held or previously held specifying the director in question

Director Name : TERENCE HARRISON

Other relevant current directorships :

BARCLAYS BANK PLC
FEDERATION OF BRITISH ELECTROTECHNICAL AND ALLIED MANUFACTURERS ASSOCIATION
BRITISH MARITIME TECHNOLOGY LIMITED
CENTRE FOR THE EXPLOITATION OF SCIENCE AND TECHNOLOGY
THE NORTH EAST COAST INSTITUTE OF ENGINEERS AND SHIPBUILDERS
THE NORTHERN ENGINEERING CENTRE
NORTHUMBRIAN WATER GROUP PLC

Other relevant past directorships :

AMALGAMATED POWER ENGINEERING plc
CLARKE CHAPMAN LIMITED
CLARKE CHAPMAN (WORKS PENSION TRUSTEES) LIMITED
NATIONAL ENTERPRISE BOARD
NATIONAL NUCLEAR CORPORATION LIMITED
WARGACONE LIMITED

Director Name : DR ROBERT HAWLEY

Other relevant current directorships :

NORTHERN DEVELOPMENT COMPANY
NEI ABB GAS TURBINES LIMITED
NEI WASTE TECHNOLOGIES LIMITED

Other relevant past directorships :

MERSEY BARRAGE COMPANY LIMITED
NEI (PENSION TRUSTEES) LIMITED
NEI COMBUSTION ENGINEERING LIMITED

Director Name : DR GORDON ROBERT HIGGINSON

Other relevant current directorships :

CHILWORTH CENTRE LIMITED
MARINE TECHNOLOGY LIMITED
UNIVERSITY OF SOUTHAMPTON HOLDINGS LIMITED

Director Name : SIR DOUGLAS CHARLES LOWE

Other relevant current directorships :

BAND III HOLDINGS LIMITED

Other relevant past directorships :

BAND III RADIO LIMITED
MERCURY COMMUNICATIONS LIMITED
ROYAL ORDNANCE PLC

Director Name: PETER FROUDE MACFARLANE

Other relevant past directorships:

GEC-ROLLS-ROYCE (POWER GENERATION) LIMITED

Director Name: STEWART CRITCHTON MILLER

Other relevant current directorships:

ROLLS-ROYCE AND JAPANESE AERO ENGINES LIMITED

Other relevant past directorships:

ROLLS-ROYCE TURBOMECA LIMITED

Director Name: HAROLD GEORGE MOUFQUE

Other relevant current directorships:

AB GENERAL PENSION TRUSTEES LIMITED

AB SENIOR PENSION TRUSTEES LIMITED

DOMESTROLL LIMITED

WENWOOD APPLIANCES LIMITED

LAPORTE PENSION FUND TRUSTEES LIMITED

NEW COURT PROPERTY FUND MANAGERS LIMITED

N.M. ROTHSCHILD ASSET MANAGEMENT LIMITED

NU-SWIFT PLC

PATHCHAIN LIMITED

ROLLS-ROYCE PENSION TRUST LIMITED

ROLLS-ROYCE PENSION TRUST (NO.2) LIMITED

T.E.I. PENSION TRUSTEES (IRELAND) LIMITED

THE PENSION TRUST LIMITED

TURNER & NEWALL (HOURLY PAID) PENSION TRUSTEES LIMITED

T & N PLC

TURNER & NEWALL (STAFF) PENSION TRUSTEES LIMITED

TTH LIMITED

THAMES TELEVISION PLC

THAMES TELEVISION STAFF SHARE TRUSTEE LIMITED

WAVEMOOD LIMITED

Other relevant past directorships:

EMI LIMITED

INMOS INTERNATIONAL PLC

METAL INDUSTRIES GROUP TRUSTEES LIMITED

N.M. ROTHSCHILD ASSET MANAGEMENT (HOLDINGS) LIMITED

TEDDINGTON BROADCASTING CONSULTANTS LIMITED

THAMES CABLE AND SATELLITE SERVICES LIMITED

THORN EMI DEATH BENEFIT SCHEME TRUSTEE LIMITED

T.E.I. PROPERTIES LIMITED

THORN EMI PLC

Particulars of other directorships held or previously held specifying the director in question

THORN INTERNATIONAL RENTALS LIMITED

THORN LIGHTING LIMITED

THORN TELEVISION RENTALS LIMITED

Director Name : SIR ROBIN BUCHANAN NICHOLSON

Other relevant current directorships :

THE BRITISH PETROLEUM COMPANY plc

CENTRE FOR THE EXPLOITATION OF SCIENCE AND TECHNOLOGY

PILKINGTON BROTHERS LIMITED

PILKINGTON FINANCE LIMITED

PILKINGTON HOLDINGS LIMITED

PILKINGTON MICRO-ELECTRONICS LIMITED

PILKINGTON OVERSEAS HOLDINGS LIMITED

PILKINGTON plc

Other relevant past directorships :

BARR AND STROUD LIMITED

PILKINGTON P.E. LIMITED

Director Name : SIR RALPH HARRY ROBINS

Other relevant current directorships :

ASW HOLDINGS PLC

NORSEMAN HOLDINGS LIMITED

ROLLS-ROYCE AND JAPANESE AERO ENGINES LIMITED

THE SOCIETY OF BRITISH AEROSPACE COMPANIES LIMITED

SCHRODERS PLC

STANDARD CHARTERED PLC

Other relevant past directorships :

VIKING PROPERTY GROUP LIMITED

Director Name : SIR PHILIP SHELBOURNE

Other relevant current directorships :

ALLIED LYONS PLC

HENRY ANSBACHER HOLDINGS PLC

Other relevant past directorships :

BRITISH NUCLEAR FUELS plc

BRITISH NATIONAL OIL CORPORATION

BRITOL plc

THE CYSTIC FIBROSIS RESEARCH INVESTMENT TRUST plc

THE KAYE ORGANISATION LIMITED

Particulars of other directorships held or previously held specifying the director in question.

Director Name : LORD FRANCIS LEONARD TOMBS OF BRAILLES

Other relevant current directorships :

CEST LIMITED

N M ROTHSCHILD & SONS LIMITED

SHELL UK LIMITED

THE MOLECULE THEATRE LIMITED

Other relevant past directorships :

AB plc

CELLTECH LIMITED

T & N INTERNATIONAL LIMITED

T & N Pic

T & N WELFARE TRUST LIMITED

Director Name : FRANK TURNER

Other relevant current directorships :

GEC ROLLS-ROYCE (POWER GENERATION) LIMITED

ROLLS-ROYCE AND JAPANESE AERO ENGINES LIMITED

Summary of share capital and debentures

Nominal share capital

£ 2564000001.00

divided into:-

	Number of shares	Class	Nominal value of each share
1	1283000000	ORDINARY SHARES	£ 0.20
2	1	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE	1.00

Issued share capital and debentures

1. Number of shares of each class taken up to the date of this return

	Number	Class
1	960463504	ORDINARY SHARES
2	1	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

2. Number of shares of each class issued subject to payment wholly in cash

1	792169359	ORDINARY SHARES
2	1	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

3. Number of shares of each class issued as fully paid up for a consideration other than cash

1	168294145	ORDINARY SHARES
2	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

Amount per share

4. Number of shares of each class issued as partly paid up for a consideration other than cash and extent to which each such share is so paid up

1	£ 0.00	0	ORDINARY SHARES
2	£ 0.00	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

5. Number of shares (if any) of each class issued at a discount

1	0	ORDINARY SHARES
2	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

**Summary of share capital and debentures
continued**

6 Amount of discount on the issue of shares which has not been written off at the date of this return

7 Amount per share called up on a number of shares of each class

8 Total amount of calls received

9 Total amount (if any) agreed to be considered as paid on number of shares of each class issued as fully paid up for a consideration other than cash

10 Total amount (if any) agreed to be considered as paid on number of shares of each class issued as partly paid up for a consideration other than cash

11 Total amount of calls unpaid

12 Total amount of sums (if any) paid by way of commission in respect of any shares or debentures

13 Total amount of the sums (if any) allowed by way of discount for any debentures since the date of the last annual return

14 Total number of shares of each class forfeited

15 Total amount paid (if any) on shares forfeited

16 Total amount of shares for which share warrants to bearer are outstanding

17 Total amount of share warrants to bearer issued and surrendered respectively since the date of the last return

18 Number of shares comprised in each share warrant to bearer, specifying in the case of warrants of different kinds, particulars of each kind

Amount	No. of shares	Class	(Company number (2008042))
Nil			
£ 0.20	792169359	ORDINARY SHARES	1
£ 1.00	1	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARES	2
£ 158433872.20			
£ 33658829.00	168294148	ORDINARY SHARES	1
£ 0.00	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARES	2
£ 0.00	0	ORDINARY SHARES	1
£ 0.00	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARES	2
Nil			
Nil			
Nil			
	0	ORDINARY SHARES	1
	0	SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARES	2
Nil			
Nil			
Nil	ISSUED		
Nil	SURRENDERED		
None			

LIST OF PAST

Folio to register ledger containing particulars	Name and Address	
	SEE ENCLOSED MICROFICHE FOR DETAILS	1
	THE SOLICITOR FOR THE AFFAIRS OF HER MAJESTY'S TREASURY 25 BROADWAY LONDON SW1	2

P. 8c 6

13 June 1990

Rolls-Royce plc

Company Number 1003142

Subsidiary Companies

Percentage
of Equity

Registered in England:

Blackburn Engines Limited	100
Bristol Siddeley Engines Limited	100
Coberrow Limited	100
Deeside Titanium Limited	82.5
Forgerace Limited	100
MatEval Limited	100
Middle East Equity Partners Limited	100
Reflex Manufacturing Systems Limited	100
RNC Nuclear Limited	100
Rolls Limited	100
Rolls ET Turbofans Limited	100
Rolls (UK) Limited	100
Rolls-Royce and Associates Limited	100
Rolls-Royce Business Ventures Limited	100
Rolls-Royce (China) Limited	100
Rolls-Royce Developments Limited	100
Rolls-Royce Diesels Limited	100
Rolls-Royce (Far East) Limited	100
Rolls-Royce Finance Limited	100
Rolls-Royce (France) Limited	100
Rolls-Royce India Limited	100
Rolls-Royce Industries Limited	100
Rolls-Royce Leasing Limited	100
Rolls-Royce MatEval Limited	100
Rolls-Royce Nuclear Partners Limited	100
Rolls-Royce Plant Leasing Limited	100
Rolls-Royce Power and Process (Hartlepool) Limited	100
Rolls-Royce Supplies Limited	100
Sawley Packaging Company Limited	100
Sinfin Freight Forwarding Limited	100
Specialist Parts Suppliers Limited	100
Stresswave Technology Limited	100
The De Havilland Engine Company Limited	100
Technical Support Services (Middle East) Limited	100

Incorporated Overseas:

Australia - Rolls-Royce of Australia Pty Limited	100
Bahrain - Rolls-Royce (Middle East) EC	100
Brazil - Motores Rolls-Royce Limitada	100
Canada - Bristol Aerospace Limited	100 *
- Rolls-Royce (Canada) Limited	100 *
- Rolls-Royce Industries Canada Inc	100
- Rolls-Royce Product Support Canada Inc	100 *
Guernsey - Nightingale Insurance Limited	100
Mexico - Rolls-Royce SA	100
Holland - Rolls-Royce Euro Finance NV	100
Saudi Arabia - Rolls-Royce Industrial Turbines (Saudi Arabia) Limited	51

13 June 1990

Rolls-Royce plc

Company Number 1003142

Spain	- Rolls-Royce de Espana SA	50.5
USA	- Rolls-Royce Holdings Inc	100
	- Rolls-Royce Inc	100 *
	- Rolls-Royce Capital Inc	100 *
	- Rolls-Royce Credit Corporation	100 *
	- RRD Corp	100 *
	- RR Participation Service Inc	100

Note: Interests in companies marked * are held indirectly

<u>Associated Companies</u>	<u>Percentage of Equity</u>
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Registered in England:

Cooper Rolls Limited	50 *
GEC Rolls-Royce (Power Generation) Limited	50
Rolls-Royce and Japanese Aero Engines Limited (100% 'A' Shares)	50
Rolls-Royce and Partners Finance Limited	40
Rolls-Royce Turbomeca Limited (100% 'B' Shares)	50
Turbo-Union Limited (40% Ordinary Shares 37.5 'A' Shares)	40

Registered in Scotland:

Rolls Wood Group (Repair & Overhauls) Limited (100% A Shares)	50
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Incorporated Overseas:

Australia	- Turbine Components Australia Pty Limited	50
Brazil	- Rolls-Royce Turbomeca do Brasil Limitada	50 *
Canada	- Cooper Rolls Corporation	50 *
Egypt	- Arab British Engine Company	30
Germany	- EUROJET Turbo GmbH	33
	- MTR GmbH	33.33
	- MTU Turbomeca Rolls-Royce GmbH	33.33
Holland	- Dayton Process BV	50
Spain	- Industria de Turbo Propulsores SA	45
Switzerland	- IAE International Aero Engines AG	30
USA	- Cooper Rolls Incorporated	50

Note: Interests in companies marked * are held indirectly

13th June 1990 Rolls-Royce plc Company number 1003142

Northern Engineering Industries plc Percentage of Equity
(100% owned by Rolls-Royce plc owned by Northern
at 13.06.90) Engineering Industries
pic - 100% except where
otherwise indicated.

Registered in England

Trading Companies

NEI Control Systems Limited	
NEI International Combustion Limited	65
NEI International Research & Development Limited	
NEI Parsons Limited	
NEI Peebles Limited	
NEI Reyrolle Limited	
NEI Allen Limited	
NEI Clarke Chapman Limited	
NEI Mining Equipment Limited	
NEI Thompson Limited	
NEI Power Projects Limited	
NEI Project (India) Limited	
NEI Overseas Holdings Limited	
NEI International Limited	
NEI (Sales) Limited	
NEI Overseas Limited	
NEI Indemnity Limited	
Northern Engineering Technical Services Limited	
NEI Waste Technologies Limited	55
NEI Brantford International Limited	51
NEI Favco Limited	
NEI Combustion Engineering Limited	65
NEI Mitsubishi Electric Traction Limited	50
Victor Products PLC	
Transtar Limited	
Becorit (Holdings)Limited	90
Becorit Limited	
Robert Hudson Ralettrux (Midlands) Limited	
NEI Syncrolift Limited	
NEI ABB Gas Turbines Limited	50

13th June 1990

Rolls-Royce plc

Company number 1003142

Northern Engineering Industries plc

(100% owned by Rolls-Royce plc
at 13.06.90)

Percentage of Equity
owned by Northern
Engineering Industries
plc - 100% except where
otherwise indicated.

Registered in England

Dormant Companies

NEI Cranes Limited
Wargancone Limited
Clarke Chapman (Works Pension Trustees) Limited
NEI Cochran Limited
Reyrolle Parsons Limited
Clarke Chapman Limited
Clarke Chapman (Services) Limited
John Thompson Beacon Windows Limited
John Thompson (Design & Contracting Division) Limited
NEI Nuclear Systems Limited
A.P.E.-Crossley Limited
A.P.E.-Lee Howl Limited
A.P.E.-Belliss Limited
Parolle Limited
NEI Services Limited
Nusoil Limited
Amalgamated Power Engineering plc
Belliss & Morcom Holdings Limited
A.P.E.-International Limited
The Bushing Company Limited
Baldwin & Francis (Holdings) Limited
DAC Limited
Bardic Engineering Limited
John Thompson Cochran Limited
John Thompson Limited
Clyde Crane & Booth Limited
Sir William Arrol & Co. Limited
CC Structures Limited
Thomas Smith & Sons (Rodley) Limited
Wellman Cranes Limited
NEI Power Engineering (Parolle) Limited
Ashford Controls Limited
C.A. Parsons & Company Limited
Combustion Overseas Investments Limited
A. Reyrolle & Company Limited
BSTS Limited
Moulding Contractors Company Limited
Allen Gwynnes Pumps Limited
A.P.E.-Allen Gears Limited
Belliss & Morcom International Limited
Crossley Premier Engines (Sales) Limited
Valtek Engineering Limited
A.P.E.-Pensions Limited
Allen Overseas Limited

13th June 1990 Rolls-Royce plc Company number 1003142

Northern Engineering Industries plc (100% owned by Rolls-Royce plc at 13.06.90)	Percentage of Equity owned by Northern Engineering Industries plc - 100% except where otherwise indicated.
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Registered in England

Dormant Companies continued

Metropole Industries Limited
IV Pressure Controllers Limited
Baldwin & Francis Limited
Stothert & Pitt Limited
NEI Limited
NEI-A.P.E. Limited
NEI Electronics Limited
Reyrolle Belmos Limited
Munro & Junor Limited
Belmos Peebles Tools Limited
Olympus Welding Supplies Limited
Becorit & Herweg Limited
Becorit Hudson Limited
Wultex Overseas Investments Limited
AFC Wultex Limited
Wultex Machine Company Limited
Designcourt Limited
Victor Beattie Hydraulics Limited
Kracht Hydraulics Limited
Victor Automation Systems Limited
NEI-FP Displays Limited
Northern Engineering Industries (Ireland) Limited
NEI Costain Limited

13th June 1990

Rolls-Royce plc

Company number 1003142

Northern Engineering Industries plc Percentage of Equity
owned by Northern
(100% owned by Rolls-Royce plc Engineering Industries
at 13.06.90) plc - 100% except where
otherwise indicated.

Overseas Companies

Africa

NEI Africa Holdings Limited	53.1
Northern Engineering Industries Africa Limited	
Propower (Proprietary) Limited	
NEI Africa Operations Limited	
Allen-Gwynnes SA (Pty) Limited	
A.P.E. Africa (Pty) Limited	
Belliss & Morcom SA (Pty) Limited	
C.A. Parsons & Company (Pty) Limited	
Combustion Properties (Pty) Limited	
Cummins Diesel (South Africa) (Pty) Limited	
Edoral Properties (Pty) Limited	
Five One Six Prop Street (Pty) Limited	
Five One Seven Prop Street (Pty) Limited	
ICAL Properties (Pty) Limited	
Inland Importers (Pty) Limited	
International Combustion Africa Limited	
International Combustion Engineering (Pty) Limited	
International Cranes & Erection (Pty) Limited	
John Thompson Africa (Proprietary) Limited	
NEI Africa Properties (Pty) Limited	
Parsons Peebles (SA)(Pty) Limited	
Power Engineers (Pty) Limited	
Powerguard (1986)(Pty) Limited	
Propower Diesel Limited	
Probuilt Diesel Limited	
Propower (Namibia)(Pty) Limited	
Sangus Industries Development Company (Pty) Limited	
Specialised Power Systems (1987)(Pty) Limited	
Stem & Valve Specialists (Pty) Limited	
Taycum Properties Limited	
The Bushing Company (SA)(Pty) Limited	
NEI Thompson Kennicott (Pty) Limited	
Thompson (Botswana)(Pty) Limited	
A.G. Walker (Pty) Limited	15.5
Anodizing Industries (Pty) Limited	
Energy Services Africa (Pty) Limited	
H.G. Meissner & Co (Pty) Limited	
ICAL Namibia (Pty) Limited	
ICAL Offshore (Pty) Limited	75
ICAL Onshore Properties (Pty) Limited	
International Combustion (Botswana)(Pty) Limited	
Kilber Automotive Products (Pty) Limited	80
Kilber Marketing (Pty) Limited	80
Reyrolle Switchgear Limited	

<u>13th June 1990</u>	<u>Rolls-Royce plc</u>	<u>Company number 1003142</u>
Northern Engineering Industries plc (100% owned by Rolls-Royce plc at 13.06.90)	Percentage of Equity owned by Northern Engineering Industries plc - 100% except where otherwise indicated.	

Overseas Companies continued

Africa continued

Turmel Investments (Pty) Limited	
#ilcar (Pty) Limited	25
CHI Control Limited	
CHI Control (Babelegi)(Pty) Limited	
CHI Control Properties (Pty) Limited	
Cutler Hammer Zambia Limited	
CHI Properties (Private) Limited	
NEI Investments (Private) Limited	
Victor Industrial Equipment (Pty) Limited	
Doep Engineering Works (Pty) Limited	
Daviesons Property & Investment Company (Pty) Limited	

Central Africa

NEI Central Africa (Private) Limited	
NEI Thomas & Taylor (Zimbabwe) Limited	
A.P.E. Zimbabwe (Private) Limited	
NEI Zimbabwe (Private) Limited	
NEI Zambia Limited	
Cochrane NEI Engineering (Pvt) Limited	14.75

Canada

NEI Canada Limited	
A.P.E. Canada Limited	
Belliss & Morcom Canada Inc	
Ferranti-Packard Electronics Limited	
Ferranti-Packard Transformers Limited	
NEI Parsons Canada Limited	
NEI FP Holdings Inc	
NEI Ferranti-Packard Transformers Inc	
NEI FP Displays Inc	

North America

NEI (USA) Holdings Company	
NEI (USA) Inc	
NEI Capital Inc	
NEI Capital II Inc	
NEI Peables Electric Products Inc	
Belliss & Morcom (USA) Inc	
NEI Thompson Welding Systems Inc	
NEI Syncrolift Inc	
Syncrolift Inc	
Victor Products USA Inc	

may refuse to register the transfer of a share on which the Company has a lien. They may also refuse to register a transfer unless -

(a) it is lodged at the Transfer Office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer. In the case of a transfer by a stock exchange nominee the lodgment of share certificates will only be necessary if, and to the extent that, certificates have been issued in respect of the shares in question,

(b) it is in respect of only one class of shares; and

(c) it is in favour of not more than four transferees.

20 If the directors refuse to register a transfer of a share, whether pursuant to the provisions of Article 29, Article 43 or Article 44, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

31 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.

32. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

33. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

14 The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other documents so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

UNTRACED SHAREHOLDERS

35 (A) The Company shall be entitled to sell at the best price reasonably obtainable the shares of a member or the shares to which a person is entitled by virtue of transmission or death or bankruptcy if and provided that -

- (i) during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the first thereof) at least three warrants and cheques in respect of the dividend on the shares in question sent in the manner authorised by the Articles have remained uncashed;
- (ii) the Company shall on expiry of the said period of twelve years (a) have inserted advertisements, both in two leading national daily newspapers in the United Kingdom and in a newspaper circulating in the area of the registered address, and (b) have sent a letter to that address, giving notice in both cases of its intention to sell the said shares;
- (iii) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received indication neither of the whereabouts nor of the existence of such member or person; and
- (iv) notice shall have been given to the Quotations Department of The Stock Exchange of its intention to make such sale.

(B) To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which

shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the directors may from time to time think fit.

TRANSMISSION OF SHARES

36. If a member dies, the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognized by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

37. A person becoming entitled to a share in consequence of the death or bankruptcy or mental disorder of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.

38. A person becoming entitled to a share in consequence of the death or bankruptcy or mental disorder of a member shall have the rights to which he would be entitled if he were the holder of the share, except

that he shall not, before being registered as the holder of the share be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company. Provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

ALTERATION OF SHARE CAPITAL

39 The Company may by ordinary resolution:-

- (a) increase its share capital by new shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Acts, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others;
- (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

40. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds

of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

41. Subject to the provisions of the Acts, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

42. Subject to the provisions of the Acts, the Company may purchase its own shares (including any redeemable shares). No purchase by the Company of its own shares shall take place unless it has been sanctioned by an extraordinary resolution passed at a separate class meeting of the holders of each class of shares (if any) in issue convertible into equity share capital of the Company.

UNITED KINGDOM CONTROL

43.(A) It is a cardinal principle that the Company should be and remain under United Kingdom control.

(B) In this Article:-

"Corporation under Foreign Control" means any corporation (other than a Foreign Corporation):-

- (a) of which one third or more of the directors (or persons occupying the position of directors by whatever name called) are Foreigners or Foreign Corporations or are accustomed to act in accordance with the suggestions, instructions or directions of Foreigners or Foreign Corporations; or

- (b) of which shares carrying more than thirty per cent of the votes which are ordinarily eligible to be cast on a poll at general meetings of the corporation are for the time being held by Foreigners or Foreign Corporations.

"Depositary" means a person appointed by the Company who holds or is interested in Shares and issues securities which evidence such Shares or the right to receive such Shares and which carry the right to call for delivery of the underlying Shares;

"Depositary Percentage" means such percentage as the directors may determine at any time in accordance with paragraph (D)(v) below;

"Depositary Share" means a Share held by a Depositary or in which such Depositary is interested in his capacity as a Depositary, up to the maximum number of Permitted Depositary Shares;

"Excess Foreign-held Share" means any Foreign-held Share of which particulars are entered in the separate register maintained by the directors pursuant to paragraph (D) of this Article and which the directors decide are Foreign-held Shares carrying votes in excess of the Permitted Maximum as defined in the said paragraph (D);

"Excluded Shares" means shares registered in the name of a Stock Exchange Nominee and shares which, whether or not they are registered in the name of a Stock Exchange Nominee, are for the time being the subject of The Stock Exchange's Talisman Settlement Regulations for the time being in effect by virtue of their having been deposited in the Talisman Settlement System;

"Foreign Corporation" means:-

- (a) any corporation other than a corporation which is incorporated under the laws of any part of and which has its principal place of business and central management and control in the United Kingdom; or

(b) a government or government department or government agency or body other than of the United Kingdom or any part thereof or

(c) any municipal, local, statutory or other authority or any undertaking or body established in any country, other than the United Kingdom,

"Foreigner" means any individual who is not a British citizen, a British Dependent Territories citizen or a British Overseas citizen by virtue of the British Nationality Act 1981;

"Foreign-held Share" means any Share (other than a Qualifying Share, a Scheme Share, a Depositary Share and an Excluded Share) of which any Owner is a Foreigner, Foreign Corporation or Corporation under Foreign Control;

"Owner", in relation to any Share, means:-

- (a) any person who holds, whether alone or jointly with any other person, any Share; or
- (b) any person on whose behalf any Share is, directly or indirectly, held, or with or to whom any holder of any Share has agreed or committed himself or become obliged (whether or not in a manner which is legally binding) to exercise or to refrain from exercising voting rights attaching thereto in accordance with that person's suggestions, instructions or directions;

"Permitted Depositary Shares" means at any time the total number of Ordinary Shares in issue multiplied by the Depositary Percentage (rounded down to the nearest whole number of Ordinary Shares);

"Qualifying Share" means any share in the capital of the Company which is at the material time held by, or by a nominee or custodian trustee for, the trustees of:-

(D) The expression "disposal" for the purposes of this Article shall be deemed to include any reduction in the Group's percentage interest in any corporation or firm (being a corporation or firm which is controlled by the Company by virtue of the ownership of shares or other proprietary interests) where such reduction results from the issue of shares or other proprietary interests therein to any person other than a member of the Group or from any other arrangement or transaction not otherwise covered by the preceding provisions of this Article 9, provided that:-

- (i) no such disposal shall in any event be treated as material unless the Company thereby ceases to control the corporation or firm concerned by virtue of the ownership of shares or other proprietary interests; and
- (ii) in applying the provisions of sub-paragraph (C)(iii) of this Article to determine whether any disposal of the nature referred to in this paragraph (D) is material, the net asset value or average profits (as the case may be) attributable to the Company in respect of the part disposed of shall be deemed to be:-
 - (a) in any case where the corporation or firm concerned is engaged in the Nuclear Business, the net asset value or average profits (as the case may be) of the relevant corporation or firm as attributable to the whole of the Company's interest therein prior to such disposal (irrespective of whether or not any part of that interest is retained); and
 - (b) in any other case, the difference between the net asset value or average profits (as the case may be) of the relevant corporation or firm as attributable to the Company's interest therein prior to such disposal and those so attributable after such disposal.

(E) The Special Shareholder shall be entitled to receive notice of and to attend and speak at any general meeting or any meeting of any class of shareholders of the Company but the Special Share shall carry no right to vote nor any other rights at any such meeting.

(F) In a distribution of capital in a winding-up of the Company, the Special Shareholder shall be entitled to repayment of the capital paid up on the Special Share in priority to any repayment of capital to any other member. The Special Share shall confer no other right to participate in the capital or profits of the Company.

(G) The Special Shareholder may, subject to the provisions of the Act, require the Company to redeem the Special Share at par at any time by serving written notice upon the Company and delivering the relevant share certificate.

SHARE CERTIFICATES

10. Every member (excluding a stock exchange nominee to whom a certificate is not to be issued) upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the Seal or the Securities Seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. Unless the directors otherwise determine, no definitive certificate shall be issued in respect of shares held by a stock exchange nominee.

11. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of any exceptional expenses reasonably incurred by the Company in investigating evidence as the directors may determine, but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

12. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

13. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

14. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

15. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed

upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

16. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

17. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

20. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.

21. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
22. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding twelve per cent. per annum) as the member paying such sum and the directors agree upon.
23. If a call remains unpaid after it has become due and payable, the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
24. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
25. Subject to the provisions of the Acts, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the

directors may authorise some person to execute an instrument of transfer of the share to that person.

26. A person, any of whose shares have been forfeited, shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

27. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

28. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

29. Without prejudice to the provisions of Article 43 or Article 44, the directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they

(a) any retirement benefits scheme for the employees of a business or undertaking carried on (wholly or mainly) in the United Kingdom otherwise than by a Foreigner or Foreign Corporation which is, or is treated by the Commissioners of Inland Revenue as, an exempt approved scheme for the purposes of the Finance Act 1970; or

(b) any charity which is registered under the provisions of the Charities Act 1960, or

(c) any exempt charity within the meaning of that Act

other than (in any such case) a retirement benefits scheme, charity or exempt charity of which the majority of the trustees are Foreigners, Foreign Corporations or Corporations under Foreign Control;

"Scheme Share" means any share in the capital of the Company which at the material time held by the trustees of any profit sharing scheme established by the Company or by any of its subsidiaries and approved by the Board of Inland Revenue in accordance with the provisions of Part I of Schedule 9 to the Finance Act 1978;

"Share" means any share in the capital of the Company which carries the right to vote on a poll at general meetings of the Company whether ordinarily or only in specified circumstances;

"Stock Exchange Nominee" means SEPON Limited or any successor of SEPON Limited (in each case as a nominee of The Stock Exchange); and

"United Kingdom" means Great Britain, Northern Ireland, the Channel Isles and the Isle of Man.

(C) The directors shall not register any person as a holder of a Share (other than (i) an allottee under an issue of Shares by way of capitalisation of profits or reserves made pursuant to the Articles, (ii) a Stock Exchange Nominee and (iii) the trustees of any Scheme Share)

unless there has been furnished to them a declaration (in such form as the directors may from time to time prescribe) signed by or on behalf of such person (or, in the case of a corporation, sealed by the corporation or signed on its behalf by an attorney or duly authorised officer or agent of the corporation), together with such evidence as the directors may require of the authority of any signatory on behalf of such person, stating that, upon registration of such Share in the relevant name or names, either (i) such Share will not be a Foreign-held Share or (ii) such Share will be a Foreign-held Share. The directors shall in any case where they may consider it appropriate require such person to provide such evidence or give such information as to the matters referred to in the declaration as they think fit. The directors shall decline to register any person as a holder of a Share (other than as aforesaid) if such a declaration or further evidence or information is not provided or given

(D) (1) The directors shall maintain a separate register in which shall be entered particulars of any Share which:-

- (a) has been acknowledged by the holder (or by any one of joint holders) to be a Foreign-held Share, or
- (b) has been declared to be a Foreign-held Share by virtue of a declaration of the directors made pursuant to paragraph (F) of this Article;

and in either case which has not ceased to be a Foreign-held Share.

(11) If at any time the aggregate number of Foreign-held Shares of which particulars are entered on such register as aforesaid results either:-

- (a) in more than 29.5 per cent. less the Depositary Percentage ("the Permitted Maximum Percentage") of the votes which

are ordinarily eligible to be cast on a poll at general meetings of the Company or

(b) in more than the Permitted Maximum Percentage of the aggregate of:-

(1) the votes which are attributable to all Shares (other than Scheme Shares) carrying a present right to vote and

(2) the votes which are attributable to all other Shares in respect of which the directors have made a determination under sub-paragraph (J)(i) below

(in each case disregarding the provisions of Article 63(B)) being exercisable in respect of Foreign-held Shares ("the Permitted Maximum"), then the Excess Foreign-held Shares shall be dealt with in accordance with paragraphs (G) and (H) of this Article.

(iii) It shall be for the directors to decide whether or not a Foreign-held Share is an Excess Foreign-held Share but, in making any such decision, the directors shall, so far as practicable, have regard to the order of date in which particulars of Foreign-held Shares have been, or are to be, or are pursuant to sub-paragraph (J)(iii) below deemed to be, entered in the separate register as aforesaid save:-

(a) in circumstances where such would in the opinion of the directors be inequitable, when the directors shall apply such other criterion or criteria as they consider appropriate; and

(b) in the case of Foreign-held Shares of which particulars are registered at or around the same time (including, but without limitation, upon registration in the names of

persons other than the Secretary of State or his nominees following the Offer for Sale of ordinary shares in the Company), when the directors shall be entitled to determine which of those Shares are to be treated as Excess Foreign-held Shares in such manner (whether by scaling-down or otherwise) as they shall in their absolute discretion decide.

- (iv) Subject as hereinafter mentioned, the directors shall remove from such register any Foreign-held Share if there has been furnished to them a declaration (in such form as the directors may from time to time prescribe) signed by or on behalf of the holder of such Foreign-held Share (or, in the case of a corporation, sealed by the corporation or signed on its behalf by an attorney or duly authorised officer or agent of the corporation), together with such evidence as the directors may require of the authority of any signatory on behalf of such holder, stating that such Share is no longer a Foreign-held Share. The directors shall also in any case where they may consider it appropriate require such holder to provide such evidence or give information as to the matters referred to in the declaration as they think fit. The directors shall not remove from such register any Share unless such a declaration is provided (with any further evidence or information so required by them) and they are satisfied that the Share is not a Foreign-held Share.

- (v) (a) The directors may determine and from time to time alter the Depositary Percentage, provided however that the Depositary Percentage shall not be determined or altered in such a way as to cause either:

- (i) any Share registered as a Foreign-held Share at the time the determination or alteration takes effect to become an Excess Foreign-held Share; or

(ii) in the case of an alteration, any Share which is a Depositary Share immediately prior to the alteration taking effect to cease to be a Depositary Share;

(b) The directors shall cause an announcement of the proposed determination or alteration to be made through the Company Announcements Office of The Stock Exchange (and any other stock exchange or market on which Shares or securities evidencing the right to receive Shares are quoted or dealt in) with a copy to the Depositary. In the case of an alteration such announcement shall be made at least 30 days before the alteration becomes effective.

(E) Subject to the provisions of this Article, the directors shall, unless any director has reason to believe otherwise, be entitled to assume without enquiry that all Shares, other than those particulars of which are entered in the separate register maintained by the directors pursuant to paragraph (D) of this Article, are not Foreign-held Shares and the directors shall be entitled to treat all Excluded Shares for all purposes of this Article as not being Foreign-held Shares. Nevertheless, the directors may at any time give notice in writing to the holder (or to any one of the joint holders) of a Share, other than a Stock Exchange Nominee, requiring him to make a declaration (in such form as the directors may prescribe) within such reasonable period as may be specified in the notice as to whether or not the Share is a Foreign-held Share.

(F) Whether or not they have given notice under paragraph (E) of this Article, if at any time it appears to the directors that a Share which they have not treated as a Foreign-held Share may be such a Share, they shall give notice in writing to the holder (or to any one of joint holders) requiring him to show to their satisfaction that such a Share is not a Foreign-held Share. For this purpose failure to make a declaration pursuant to paragraph (E) of this Article shall be sufficient reason for the directors so acting. If within twenty-one days after the giving of such notice (or such extended time as in all the circumstances the

directors shall consider reasonable) they are not so satisfied, the directors shall declare such Share to be a Foreign-held Share

(C) The directors shall give notice in writing to the holder (or to any one of joint holders) of any Share which appears to them to be an Excess Foreign-held Share requiring him within twenty-one days (or such extended time as in all the circumstances the directors shall consider reasonable) to transfer such Share to another person so that it will cease to be a Foreign-held Share. On and after the date of such notice, and until registration of a transfer of the Share to which it relates pursuant to the provisions of this paragraph (G) or paragraph (H) of this Article, the Share shall not confer any right to receive notice of or to attend or vote at general meetings of the Company and of any class of shareholders and the rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll which would have attached to the Share had it not appeared to the directors to be an Excess Foreign-held Share shall vest in the chairman of any such meeting. The manner in which the chairman exercises or refrains from exercising any such rights shall be entirely at his discretion. The chairman of any such meeting as aforesaid shall be informed by the directors of any share becoming or being deemed to be an Excess Foreign-held Share.

(H) If within twenty-one days after the giving of any notice pursuant to paragraph (G) of this Article (or such extended time as in all the circumstances the directors shall consider reasonable) such notice is not complied with to the satisfaction of the directors, the directors shall arrange for the Company to sell such Share at the best price reasonably obtainable to any other person so that the Share will cease to be a Foreign-held Share. For this purpose the directors may authorise in writing any officer or employee of the Company to execute on behalf of the holder or holders a transfer of the Share to the purchaser and may issue a new certificate to the purchaser. The net proceeds of the sale of such Share shall be received by the Company whose receipt shall be a good discharge for the purchase money and shall be paid over by the Company to the former holder or holders (together with interest at