

***COBHAM***

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action you should take you should consult your own independent adviser. If you have sold or transferred all your shares in Cobham plc, please forward this document together with the accompanying documents to the agent through whom the sale or transfer was effected so that they may be passed on to the purchaser or transferee.

**COBHAM PLC**

Incorporated and Registered in England and Wales under number 30470

**Annual General Meeting 6 May 2010**



# COBHAM PLC

(Incorporated and registered in England no. 30470)

## Registered Office

Brook Road  
Wimborne  
Dorset  
BH21 2BJ  
England

To the holders of Ordinary Shares of 2.5p each ("Ordinary Shares") and the holders of 6% second cumulative preference shares of £1 each in the capital of Cobham plc (the "Company").

30 March 2010

Dear Shareholder,

In December 2007, we wrote to all shareholders asking if you wished to continue to receive shareholder documentation by post. If you have not responded to that letter a printed copy of the annual report is not enclosed but is available on our website at [www.cobhaminvestors.com](http://www.cobhaminvestors.com).

Shareholders who have not received a printed copy of the annual report but who wish to receive one should contact the Company's registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, UK.

### Notice of Annual General Meeting

You will find set out on page 6 to 7 of this document, notice of the annual general meeting ("AGM") to be held at 12 noon on Thursday 6 May 2010 at the offices of UBS Investment Bank, 1 Finsbury Avenue, London EC2M 2PP. The purpose of this document is to explain certain business to be transacted at the meeting.

### Re-election of directors (resolutions 4, 5, 6, 7 and 8)

As mentioned in the 2009 annual report and accounts, and in accordance with the Company's articles of association and the Combined Code, Marcus Beresford, Mark Ronald, Andrew Stevens and Warren Tucker will retire and seek re-election at the AGM. In addition, John Devaney, who was appointed by the Board on 1 February and who, subject to his election as a director, will become the Company's Chairman at the end of the AGM, is seeking election by shareholders at the AGM for the first time. Biographical information relating to these directors is contained in Appendix 1 to this document. Biographical information relating to the other members of the Board is contained on page 32 to 33 of the 2009 annual report and accounts.

The Board, on the recommendation of the nomination committee, supports the election of John Devaney and supports the re-election of Marcus Beresford, Mark Ronald, Andrew Stevens and Warren Tucker. I further confirm, as required by the Combined Code, that, following a formal performance evaluation in 2009, Marcus Beresford and Mark Ronald continue to be effective members of the Board and to demonstrate commitment to their non-executive role.

In the case of John Devaney, who has not previously been the subject of a vote by shareholders, the Board believes that his considerable experience will, together with his other attributes as described in his biography in Appendix 1, be of great benefit to the Board and the Company.

### Authority to purchase own shares (resolution 11)

At the AGM held in 2009, shareholders authorised the directors by special resolution, in accordance with the Companies Act 1985, and the Company's articles of association, to purchase Ordinary Shares in the market. In accordance with the directors' current intention to seek annual renewal of this authority, resolution 11 is a special resolution to authorise the directors to purchase Ordinary Shares in the market without the prior consent of shareholders for a period expiring on 1 July 2011 or, if earlier, at the conclusion of the Company's AGM in 2011.

The directors have no current plans to exercise this power, but consider it prudent to be able to act at short notice if the circumstances so warrant. The directors will only exercise the power given by the resolution if they are satisfied that any purchase will increase the earnings per share of the Ordinary Share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders. They will also give careful consideration to gearing levels of the Company and its general financial position and will use distributable profits to meet the cost of any purchase.

The maximum number of Ordinary Shares which may be purchased under the proposed authority is 114,899,393, representing approximately 10% of the issued Ordinary Share capital of the Company at 10 March 2010 (being the latest practicable date prior to publication of this document). The price paid for shares will not be less than their nominal value nor more than the higher of 5% above the average of the middle-market quotations of the Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five business days preceding the day on which the shares are purchased and the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003.

The total number of options to subscribe for Ordinary Shares that were outstanding at 10 March 2010 (being the latest practicable date prior to publication of this document) was 39,359,904. The proportion of issued share capital that they represented at that time was 3.43% and the proportion of issued share capital that they will represent if the full authority to purchase shares is used is 3.81%.

The Companies Act 2006 ("CA2006") permits certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the Company in accordance with the CA2006. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under employees' share schemes.

Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of any treasury shares.

The directors have no current intention to hold any shares purchased pursuant to the proposed authority as treasury shares, but may do so if they believe it to be in the best interests of the Company and its shareholders.

Resolution 11 will be proposed as a special resolution.

# COBHAM PLC

(Incorporated and registered in England no. 30470)

## **Authority to allot shares and grant rights (resolution 12)**

At the AGM held on 6 May 2009, shareholders authorised the directors, under section 80 of the Companies Act 1985, to allot relevant securities without the prior consent of shareholders for a period expiring at the conclusion of the AGM to be held in 2010 or, if earlier, on 1 July 2010. It is proposed to renew this authority and to authorise the directors under section 551 of the CA2006 to allot Ordinary Shares or grant rights to subscribe for or convert any security into shares in the Company for a period expiring no later than 1 July 2011.

Paragraph (a)(i) of resolution 12 will allow the directors to allot Ordinary Shares up to a maximum nominal amount of £9,574,949 representing approximately one third (33.33%) of the Company's existing issued share capital and calculated as at 10 March 2010 (being the latest practicable date prior to publication of this document). In accordance with the latest institutional guidelines issued by the Association of British Insurers ("ABI"), paragraph (a)(ii) of resolution 12 will allow directors to allot, including the Ordinary Shares referred to in paragraph (a)(i) of resolution 12, further of the Company's Ordinary Shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £19,149,899, representing approximately two thirds (66.67%) of the Company's existing issued share capital and calculated as at 10 March 2010 (being the latest practicable date prior to publication of this document). The directors have no present intention of exercising this authority. However, if they do exercise the authority, the directors intend to follow emerging best practice as regards its use (including as regards the directors standing for re-election in certain cases), as recommended by the ABI.

Resolution 12 will be proposed as an ordinary resolution to renew this authority until the conclusion of the next AGM or, if earlier, the close of business on 1 July 2011.

## **Allotment of equity securities for cash (resolution 13)**

Also at last year's AGM, a special resolution was passed, under section 95 of the Companies Act 1985, empowering the directors to allot equity securities for cash without first being required to offer such shares to existing shareholders. It is proposed that this authority also be renewed. If approved, the resolution will authorise the directors to issue shares in connection with a rights issue and otherwise to issue shares for cash up to a maximum nominal amount of £1,436,242 which includes the sale on a non pre-emptive basis of any shares the Company may hold in treasury for cash. The maximum nominal amount of equity securities to which this authority relates represents approximately 5% of the issued share capital of the Company as at 10 March 2010 (being the latest practicable date prior to publication of this document).

The directors do not intend to issue more than 7.5% of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three year period without prior consultation with the shareholders and the Investment Committees of the Association of British Insurers and the National Association of Pension Funds.

Resolution 13 will be proposed as a special resolution to renew this authority until the conclusion of the next AGM or, if earlier, the close of business on 1 July 2011.

## **Adoption of new articles of association (resolution 14)**

It is proposed in resolution 14 to adopt new articles of association ("New Articles") in order to update the Company's current articles of association ("Current Articles"), primarily to take account of the coming into force of the Companies (Shareholders' Rights) Regulations 2009 ("Shareholders' Rights Regulations") and the implementation of the last parts of the CA2006.

The principal changes introduced in the New Articles are summarised in Appendix 2 on page 5 of this document. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the CA2006 or the Shareholders' Rights Regulations have not been noted.

A copy of the proposed New Articles and a copy of the memorandum of association and Current Articles both marked to show all the changes proposed, will be available for inspection at the Company's registered office and at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, during normal business hours from the date of this document to the date of the AGM, and at the place of the AGM from at least 15 minutes prior to the meeting and until the conclusion of the AGM.

## **Renewal of UK all employee share ownership plan ("SIP") (resolution 15)**

We are seeking renewal of the Company's SIP, which was originally approved by shareholders on 15 June 2000, for a further ten year period as the directors believe it is still an appropriate means of allowing employees to acquire Ordinary Shares in a tax efficient manner. Accordingly, resolution 15, which will be proposed as an ordinary resolution, seeks shareholder approval for the renewal of the Company's SIP.

A copy of the rules of the SIP marked to show the change required to renew it and to update the statutory references as appropriate, will be available for inspection at the Company's registered office, during normal business hours from the date of this document to the date of the AGM, and at the place of the AGM from at least 15 minutes before and until the end of the AGM.

**Notice of general meetings (resolution 16)**

Changes made to the CA2006 by the Shareholders' Rights Regulations with effect from 3 August 2009 increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot be less than 14 clear days. (AGMs will continue to be held on at least 21 clear days' notice.) Before the coming into force of the Shareholders' Rights Regulations, the Company was able to call general meetings, other than an AGM, on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, resolution 16 seeks such approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. Note that the changes to the CA2006 mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole.

Resolution 16 will be proposed as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than AGMs.

**Action to be taken**

Even if you are unable to attend the AGM your vote is important. In the case of shareholders receiving this document in hard copy, a proxy form in connection with the AGM is enclosed for your use. Please complete the form in accordance with the instructions thereon and return it to Equiniti Limited, to arrive by no later than 12 noon on Tuesday 4 May 2010.

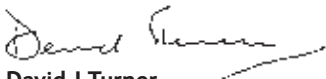
If you prefer, you can register the appointment of your proxy electronically by following the instructions in notes 6 and 7 to the notice of AGM on page 8 of this document.

Submission of a proxy will not prevent you from attending and voting at the meeting should you wish to do so.

**Recommendation**

Your directors believe that the proposals referred to in this document are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of the resolutions to be proposed at the AGM, as they propose to do in respect of their own shareholdings.

Yours sincerely



**David J Turner**  
Chairman

# APPENDIX 1

## Directors' biographical notes

### **Marcus Beresford CBE, MAMechSc, FIET (resolution 4)**

Appointed to the Board as a Non-executive Director in 2004, Marcus Beresford, age 67, was Chairman of Ricardo plc until November 2009 and was a Non-executive Director of Spirent PLC until late 2006. He was an Executive Director of GKN plc from 1992-2002 and Chief Executive from 2001-2002.

He is the Senior Independent Director and is a member of the nomination, audit and remuneration committees.

### **Mark Ronald CBE, BA, BScEE, MScEE (resolution 5)**

Appointed to the Board as a Non-executive Director in 2007, Mark Ronald, age 68, was, until his retirement at the end of 2006, Chief Operating Officer of BAE Systems plc and Chief Executive Officer of BAE Systems Inc, its wholly-owned US subsidiary. Previously he was Vice-President, program management with Litton Industries and Chief Operating Officer of AEL Industries. He is currently a Non-executive Director of ATK Inc and DynCorp International Inc. He ceased to be Non-executive Chairman of BAE Systems Inc in January 2008. He is a senior adviser of Veritas Capital LLC and a management consultant.

He is a member of the nomination and remuneration committees.

### **Andrew Stevens BSc, CEng, FIET, FRAes (resolution 6)**

Appointed to the Board in 2003, Andy Stevens, age 53, joined the Group as Managing Director of the Aerospace Systems Group. Prior to joining he qualified as a chartered engineer at Dowty Group and subsequently became Chief Operating Officer of Messier Dowty International before joining Rolls-Royce as Managing Director, Defence Aerospace. He was appointed Chief Operating Officer of the Technology Divisions in September 2005 and in March 2007 assumed responsibility for operational management, performance and profit and loss accountability for the Group. He became Chief Executive Officer on 1 January 2010.

### **Warren Tucker BSc, ACA, MBA (resolution 7)**

Appointed to the Board in 2003, Warren Tucker, age 47, joined the Group as Chief Financial Officer and is a chartered accountant. Prior to joining, he worked at Arthur Andersen, Lazard, held senior finance positions at British Airways plc, EuroDisney and was Deputy Group Financial Director of Cable and Wireless plc, he was appointed as a Non-executive Director of Reckitt Benckiser Group plc on 24 February 2010.

### **John Devaney BEng, CEng, FIMechE, FIEE (resolution 8)**

Appointed to the Board as a Non-executive Director and Chairman designate in February 2010, John Devaney, age 62, is currently Non-executive Chairman of National Express plc, the passenger transport group, and Non-executive Chairman of NATS, the National Air Traffic Services. He has previously served as Non-executive Director of Northern Rock and Chairman of Marconi plc, later renamed Telent. His executive career was built in engineering companies within the Varsity Group. He was President of Perkins Engines in the mid-1980s and went on to be president of Kelsey-Hayes, the automotive components manufacturer. He was subsequently Chief Executive of Eastern Electricity, the largest regional electricity company in the UK at the time. Following its acquisition by Hanson, he was appointed Executive Chairman.

He is a member of the nomination and remuneration committees.

# APPENDIX 2

Explanatory notes of principal changes to the Current Articles and the memorandum of association

## **The Company's objects**

Prior to 1 October 2009, the provisions regulating the operations of the Company were set out in the Company's memorandum of association and the Current Articles. The Company's memorandum of association contains among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope. The CA2006 significantly reduces the constitutional significance of a company's memorandum, providing that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in a company. Under the CA2006, the objects clause and all other provisions which are contained in a company's memorandum are deemed to be contained in its articles of association, but a company can remove these provisions by special resolution.

Further, the CA2006 states that, unless a company's articles of association provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason, the Company is proposing to remove its objects clause, together with all other provisions of its memorandum which, by virtue of the CA2006, are now treated as forming part of its articles of association. Resolution 14(a) confirms the removal of these provisions although, where appropriate, to preserve the status quo, certain directors' powers that were previously dealt with in the memorandum are proposed added back into the New Articles. As the effect of Resolution 14(a) will also be to remove the statement currently in the Company's memorandum regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

## **Authorised share capital and unissued shares**

The CA2006 abolishes the requirement for a company to have an authorised share capital, and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the CA2006, save in respect of employees' share schemes.

## **Redeemable shares**

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption, whereas the CA2006 enables directors to determine such matters themselves, provided that they are authorised to do so by the articles. The New Articles contain such an authorisation for the directors. The Company has no plans to issue redeemable shares but, if it did so, the directors would need shareholders' authority to issue new shares in the usual way.

## **Suspension of registration of share transfers**

The Current Articles permit the directors to suspend the registration of share transfers. This power is proposed to be removed in the New Articles because it is inconsistent with the CA2006, which requires share transfers to be registered as soon as practicable.

## **Notice of general meetings**

The Shareholders' Rights Regulations amend the CA2006 to require the Company to give 21 clear days' notice of general meetings unless the Company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. AGMs must be held on 21 clear days' notice. The New Articles reflect the new requirements.

## **Adjournments for lack of quorum**

Under the CA2006, as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles reflect this requirement.

## **Chairman's casting vote**

The New Articles do not provide for the chairman to have a casting vote in the event of an equality of votes, as this is no longer permitted under the CA2006.

## **Voting by proxies on a show of hands**

The Shareholders' Rights Regulations have amended the CA2006 so that it now provides that, subject to a company's articles, each proxy appointed by a member has one vote on a show of hands, unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles reflect these changes, and clarify the procedure to be followed if a proxy is appointed by more than one member and is given discretion as to how to vote by one or more of those members.

## **Voting record date and proxy appointment deadline**

Under the CA2006, as amended by the Shareholders' Rights Regulations, the Company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days that are not working days. The CA2006 also allows companies to set a time limit for the receipt of proxy appointments and related documents that is not more than 48 hours before the time for the holding of the meeting, not taking account of days that are not working days. The New Articles reflect these provisions.

## **Voting in accordance with instructions**

Under the Shareholders' Rights Regulations, proxies are expressly required to vote in accordance with instructions given to them by members. The New Articles contain a provision stating that the Company is not obliged to check whether a proxy or corporate representative has voted in accordance with the members' instructions.

## **Directors' fees**

The New Articles provide for directors' fees up to an aggregate limit of £1,000,000 per annum whereas the Current Articles provide for an aggregate limit of £700,000 per annum (in each case subject to an ordinary resolution of the Company determining a larger sum). The increase in the aggregate limit is intended to provide sufficient flexibility in setting the level of directors' fees in the future and to allow for the appointment of additional Non-executive Directors should the Company wish to do so.

## **Change of name**

Prior to 1 October 2009, a company could only change its name by special resolution, but now, under the CA2006, a company is able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company's name.

## **Scrip dividends**

In line with market practice, the New Articles update the Current Articles to provide that the value of shares issued in connection with a scrip dividend may be determined by ordinary resolution, or by reference to the average middle-market quotation for shares of the same class on the London Stock Exchange Daily Official List for the day on which the shares are first quoted "ex" dividend, and the four subsequent dealing days. The New Articles also allow the directors the flexibility at any time before the further shares are allotted to decide that the dividend will be paid in cash instead.

## **General**

Generally, the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles to the language used in the CA2006.

# COBHAM PLC

Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the one hundred and twentieth AGM of the Company will be held at the offices of UBS Investment Bank, 1 Finsbury Avenue, London EC2M 2PP, at 12 noon on Thursday 6 May 2010, for the purposes of considering and, if thought fit, passing the following resolutions of which resolutions 11, 13, 14 and 16 will be proposed as special resolutions and the remaining resolutions will be proposed as ordinary resolutions:

## Resolution 1

THAT the reports of the directors and auditors and the audited financial statements for the year ended 31 December 2009 now laid before the meeting be received.

## Resolution 2

THAT the directors' remuneration report for the year ended 31 December 2009 contained in the 2009 report and accounts now laid before the meeting be approved.

## Resolution 3

THAT the final dividend of 3.97p per Ordinary Share of 2.5p in the capital of the Company recommended by the directors be declared payable on 5 July 2010 to ordinary shareholders on the register as at the close of business on 28 May 2010.

## Resolution 4

THAT M Beresford be re-elected a director.

## Resolution 5

THAT M Ronald be re-elected a director.

## Resolution 6

THAT A Stevens be re-elected a director.

## Resolution 7

THAT W Tucker be re-elected a director.

## Resolution 8

THAT J Devaney be elected a director.

## Resolution 9

THAT PricewaterhouseCoopers LLP be re-appointed as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

## Resolution 10

THAT the remuneration of the auditors be determined by the directors.

## Resolution 11

THAT in accordance with the Company's articles of association and the Companies Act 2006, the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares of 2.5p each in the capital of the Company ("Ordinary Shares") on such terms and in such a manner as the directors of the Company may from time to time determine provided that:

(i) the maximum number of Ordinary Shares that may be purchased under this authority is 114,899,393;

(ii) the maximum price which may be paid for an Ordinary Share purchased under this authority shall not be more than the higher of an amount equal to 105% of the average of the middle market prices shown in the quotations for Ordinary Shares in the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Ordinary Share is purchased and the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003. The minimum price which may be paid per Ordinary Share is the nominal value of such Ordinary Share (in each case exclusive of expenses (if any) payable by the Company in connection with the purchase);

(iii) unless previously renewed, varied or revoked this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2011;

(iv) the Company may make a contract or contracts to purchase Ordinary Shares under this authority before its expiry which will or may be executed wholly or partly after the expiry of this authority and may make purchases of Ordinary Shares pursuant to any such contracts; and;

(v) all existing authorities for the Company to make market purchases of Ordinary Shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which have not yet been executed.

## Resolution 12

THAT:

(a) the directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:

(i) up to a maximum nominal amount of £9,574,949 (such amount to be reduced by the nominal amount of any equity securities (as defined in section 560 of the Companies Act 2006) allotted under paragraph (ii) below in excess of £9,574,949); and

(ii) comprising equity securities (as defined in section 560 of the Companies Act 2006) up to a maximum nominal amount of £19,149,899 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:

(A) to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and

(B) to holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2011;
- (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
- (d) all previous unutilised authorities under section 80 of the Companies Act 1985 and section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

### Resolution 13

THAT:

- (a) the directors be given power:
  - (i) (subject to the passing of resolution 12) to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
  - (ii) to allot equity securities as defined in section 560(3) of that Act (sale of treasury shares) for cash, in either case as if section 561 of that Act did not apply to the allotment but this power shall be limited:
    - (A) to the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under resolution 12(a)(ii), by way of a rights issue only) to or in favour of:
      - I. holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
      - II. holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and
    - (B) to the allotment of equity securities pursuant to the authority granted under resolution 12(a)(i) and/or by virtue of section 560(3) of the Companies Act 2006 (in each case otherwise than under paragraph (A) above) up to a maximum nominal amount of £1,436,242;

- (b) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2011;
- (c) all previous unutilised authorities under section 95 of the Companies Act 1985 and sections 570 and 573 of the Companies Act 2006 shall cease to have effect; and
- (d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

### Resolution 14

THAT, with effect from the conclusion of the annual general meeting:

- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association; and
- (b) the articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

### Resolution 15

THAT the amendments to the Cobham plc Share Incentive Plan ("SIP"), as marked on the copy of the rules of the SIP produced to the meeting and initialled by the chairman of the meeting for the purposes of identification, be and they are hereby approved so that the Company can (subject to obtaining the approval of Her Majesty's Revenue and Customs ("HMRC") to the amendments) continue to operate the SIP until 15 June 2020 and that the Company Secretary be and is hereby authorised to obtain the approval of HMRC to the amendments and make any other amendments required by HMRC in order to maintain the approval of the SIP.

### Resolution 16

THAT a general meeting of the Company, other than an annual general meeting of the Company, may be called on not less than 14 clear days' notice.

By order of the Board  
**Eleanor Evans**  
 Chief Legal Officer & Company Secretary  
 30 March 2010

Brook Road  
 Wimborne  
 Dorset  
 BH21 2BJ  
 England

# COBHAM PLC

## Notes to the Notice of Annual General Meeting

The following notes explain your general rights as a shareholder and your rights to attend and vote at the AGM or to appoint someone else to vote on your behalf.

1. Only those persons entered on the Register of Members of the Company (the "Register") as at 6.00pm on 4 May 2010 (the Specified Time) shall be entitled to attend or vote at the AGM (either in person or by proxy) in respect of the number of shares in the capital of the Company registered in their names at that time. Changes to entries on the Register for certificated or uncertificated shares of the Company after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the AGM.

Should the AGM be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned AGM. Should the AGM be adjourned for a longer period, to be so entitled, members must have been entered on the Register by 6.00pm two days prior to the adjourned AGM or, if the Company gives notice of the adjourned AGM, at the time specified in such notice.

2. Any member of the Company who is unable or does not wish to attend the AGM is entitled to appoint one or more proxies to exercise all or any of his rights to attend and to speak and vote on his behalf at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. Appointing a proxy does not prevent a member from attending and voting in person if he is entitled to do so and so wishes.
3. A Form of Proxy for use by members in connection with the AGM will be posted to all members who appeared on the Register of Members at the close of business on 23 March 2010. Proxies may be appointed by completing a Form of Proxy and returning it in accordance with note 5 below. (Details of how to appoint a proxy are set out in the notes to the Form of Proxy.) As an alternative to completing a hard copy Form of Proxy, proxies may be appointed electronically in accordance with note 6 below. CREST members may appoint proxies using the CREST electronic proxy appointment service (see note 7 below).
4. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by the member. To do this a member must complete a separate Form of Proxy for each proxy or, if appointing multiple proxies electronically, follow the instructions given on the relevant electronic facility (see notes 6 and 7 below). Members can copy their original Form of Proxy, or additional Forms of Proxy can be obtained from Equiniti Limited on telephone no. 0871 384 2163, calls to this number are charged at 8p per minute from a BT landline (other telephone provider costs may vary), or +44 (0) 121 415 7047. A member appointing more than one proxy should indicate on the relevant Forms of Proxy the number of shares for which each proxy is authorised to act on his or her behalf.
5. To be valid any Form of Proxy must be received by hand or by post at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6NR, not less than 48 hours before the time of the AGM or any adjournment thereof. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any power of attorney or any other authority under which the Form of Proxy is signed (or a

certified copy of such authority) must be included with the Form of Proxy. A member must inform the Company's registrars in writing of any termination of the authority of a proxy.

6. As an alternative to completing a hard copy Form of Proxy, a member can appoint a proxy electronically by visiting [www.sharevote.co.uk](http://www.sharevote.co.uk). You will need your Voting I.D., Task I.D. and Shareholder Reference Number (this is the series of numbers printed under your name on the Form of Proxy). Full instructions are given on the website. The proxy appointment and instructions should reach Equiniti Registrars not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. You are advised to read the terms and conditions of use carefully. Any electronic communication found to contain a computer virus will not be accepted.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with CREST specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. Any or all joint holders of shares may attend the AGM, although only one holder may vote in person or by proxy. In the case of joint holders, where more than one of the joint holders purports to vote or to appoint a proxy, only the vote or appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior).
10. If two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
11. A member of the Company which is a corporation can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him or her and the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 2 and 3 above does not apply to Nominated Persons. The rights described in those notes can only be exercised by members of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) in matters relating to the investment of their shares.
13. Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. As soon as practicable following the AGM, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's website [www.cobham.com](http://www.cobham.com).
14. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company cannot require the members requesting such website publication to pay its expenses in complying with section 527 or 528 of the Companies Act 2006. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required, under section 527 of the Companies Act 2006, to publish on its website.
15. A member attending the meeting has the right to ask questions. Pursuant to section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable to the interests of the Company or the good order of the meeting that the question be answered.
16. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website [www.cobham.com](http://www.cobham.com).
17. As at 10 March 2010 (being the last business day prior to the publication of this notice), the Company's issued share capital consists of 1,148,993,935 Ordinary Shares of 2.5p nominal value and 19,700 Preference Shares of £1 nominal value. On a poll, there is one vote for every £1 in nominal value of shares. Therefore, the total number of voting rights in the Company as at 10 March 2010 is 1,149,013,635.
18. The following documents will be available for inspection during normal business hours on Monday to Friday (public holidays excepted) at the registered office of the Company and, in relation to iii only, at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD up to, and including, the date of the AGM, and also at the place of the AGM on the morning of the AGM from 15 minutes prior to the meeting until the conclusion of the meeting:
  - i. copies of the Executive Directors' service contracts;
  - ii. copies of the terms of appointment of Non-executive Directors;
  - iii. a copy of the existing Articles of Association of the Company, marked to show the changes proposed, together with a copy of the new Articles of Association proposed to be adopted by the Company pursuant to Resolution 14 set out in this notice; and
  - iv. a copy of the proposed rules of the SIP to be adopted by the Company pursuant to Resolution 15 set out in this notice.
19. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

