

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISOR DULY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED ALL YOUR SHARES IN THE COMPANY, PLEASE SEND THIS DOCUMENT, AND THE ACCOMPANYING FORM OF PROXY, TO THE PURCHASER OR TRANSFEREE OR THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR ONWARD TRANSMISSION TO THE PURCHASER OR TRANSFEREE.

Notice of Annual General Meeting of QinetiQ Group plc

NOTICE IS HEREBY GIVEN that the Annual General Meeting of QinetiQ Group plc (the 'Company') will be held at The Royal Berkshire Hotel, London Road, Sunninghill, Ascot, Berkshire, SL5 0PP on Thursday, 26 July 2012 at 1.00 pm, or at any adjournment thereof, to consider and, if thought fit, to pass the following 19 resolutions. Resolutions 1 to 15 will be proposed as ordinary resolutions and will be passed if more than 50% of the total votes cast are in favour of each such resolution. Resolutions 16 to 19 will be proposed as special resolutions and will be passed if not less than 75% of the total votes cast are in favour of each such resolution.

Resolutions

Resolution 1 – Report and Accounts

To receive the accounts and the reports of the Directors and the Auditors thereon for the year ended 31 March 2012.

Resolution 2 – Remuneration Report

To receive and approve the Directors' Remuneration Report for the year ended 31 March 2012.

Resolution 3 – Declaration of dividend

To declare a final dividend for the year ended 31 March 2012 of 2.00 pence per ordinary share in the capital of the Company.

Resolution 4 – Re-election of Colin Balmer

To re-elect Colin Balmer as a Director of the Company.

Resolution 5 – Re-election of Admiral Sir James Burnell-Nugent

To re-elect Admiral Sir James Burnell-Nugent as a Director of the Company.

Resolution 6 – Re-election of Noreen Doyle

To re-elect Noreen Doyle as a Director of the Company.

Resolution 7 – Re-election of Mark Elliott

To re-elect Mark Elliott as a Director of the Company.

Resolution 8 – Election of Michael Harper

To elect Michael Harper as a Director of the Company.

Resolution 9 – Re-election of David Mellors

To re-elect David Mellors as a Director of the Company.

Resolution 10 – Re-election of Paul Murray

To re-elect Paul Murray as a Director of the Company.

Resolution 11 – Re-election of Leo Quinn

To re-elect Leo Quinn as a Director of the Company.

Resolution 12 – Re-appointment of Auditor

To re-appoint KPMG Audit plc as auditor of the Company until the conclusion of the Annual General Meeting to be held in 2013 and to authorise the Audit Committee of the Board to determine their remuneration.

Resolution 13 – Political donations

THAT in accordance with Part 14 of the Companies Act 2006 (the "2006 Act"), during the period beginning with the date of the passing of this Resolution 13 and ending at the conclusion of the Annual General Meeting to be held in 2013, the Company and all companies which are subsidiaries of the Company during that period be and are hereby generally and unconditionally authorised:

- a) to make political donations to political parties and/or independent election candidates not exceeding £100,000 in total;
- b) to make political donations to political organisations other than political parties not exceeding £100,000 in total; and
- c) to incur political expenditure not exceeding £100,000 in total,

provided that: (i) in any event, the aggregate amount of political donations and political expenditure made or incurred by the Company and its subsidiaries pursuant to this Resolution 13 shall not exceed £100,000 in total; and (ii) the authorised sum referred to in paragraphs (a), (b) and (c) above may be comprised of one or more amounts in different currencies which, for the

purposes of calculating the said sum, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day on which the Company enters into any contract or undertaking in relation to the same.

For the purposes of this Resolution 13, the terms 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings given to them by sections 363 to 365 of the 2006 Act.

Resolution 14 – Authority to allot new shares

THAT the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the 2006 Act to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or convert, any security into shares in the Company ("Rights"):

- a) up to an aggregate nominal amount of £2,201,587; and
- b) up to a further aggregate nominal amount of £2,201,587 provided that: (i) they are equity securities (within the meaning of section 560(1) of the 2006 Act); and (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter,

provided that this authority shall expire on the date of the next Annual General Meeting of the Company or, if earlier, on 26 October 2013, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares or grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

Resolution 15 – Approval of the QinetiQ Group plc 2012 Performance Share Plan (the "PSP")

THAT the Company:

- a) approve the rules of the PSP, the principal features of which are summarised in Appendix 1, subject to such modification as the Directors may consider necessary or desirable to maintain or obtain any approval of a relevant taxation authority or to take account of the requirements of the Financial Services Authority (or its successor(s)) or the London Stock Exchange or otherwise;
- b) authorise the Directors to do all things necessary and expedient to operate the PSP; and

Resolutions continued and Explanatory notes

- c) authorise the Directors to establish or maintain further plans or sub-plans to apply in overseas territories governed by rules similar to the rules of the PSP but modified to take account of local tax, exchange control or securities laws, regulation or practice provided that any shares made available under any such plan shall be treated as counting against any limits on overall or individual participation in the PSP.

Resolution 16 – Disapplication of pre-emption rights

THAT the Directors be and are hereby empowered pursuant to section 570 and 573 of the 2006 Act to allot equity securities (within the meaning of section 560 of that Act) for cash either pursuant to the authority conferred by Resolution 14 above or by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall be limited to:

- a) the allotment of equity securities in connection with an offer of securities (but in the case of the authority granted under paragraph (b) of Resolution 14 by way of rights issue only) in favour of the holders of ordinary shares on the register of members at such record dates as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
- b) the allotment (otherwise than pursuant to sub-paragraph (a) of this Resolution 16) to any person or persons of equity securities up to an aggregate nominal amount of £330,238 and shall expire upon the expiry of the general authority conferred by Resolution 14 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

Resolution 17 – Authority to purchase own shares

THAT the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 1 pence each of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:

- a) the maximum number of ordinary shares hereby authorised to be acquired is 66,047,637;
- b) the minimum price which may be paid for any such share is 1.00 pence;
- c) the maximum price which may be paid for any such share is the higher of:
(i) an amount equal to 105% of the average of the middle market

quotations for an ordinary share in the Company as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and (ii) the amount stipulated by Article 5(1) of the EU Buyback and Stabilisation Regulation (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 17 will be carried out);

- d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2013 unless previously renewed, varied or revoked by the Company in general meeting; and
- e) the Company may make a contract to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its ordinary shares in pursuance of any such contract.

Resolution 18 – Notice Period for Extraordinary General Meetings

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

Resolution 19 – Adoption of new Articles of Association

THAT the Company adopt new Articles of Association as set out in the form produced to the Meeting, and initialled by the Chairman for the purposes of identification, in substitution for and to the exclusion of all existing Articles of Association of the Company.

By Order of the Board

Jon Messent
Company Secretary

19 June 2012

Registered Office
Cody Technology Park
Ively Road, Farnborough
Hampshire GU14 0LX
Registered in England and Wales No. 4586941

VOTING BY PROXY

A Proxy Form is enclosed with this Notice and instructions for its completion and return by post are shown on the form. Alternatively, you can appoint a proxy online at www.sharevote.co.uk. Further details regarding the appointment of proxies and rights of shareholders to attend and vote at the Annual General Meeting are set out in the 'Important notes to shareholders' section below (and which form part of this Notice).

Explanatory notes

Resolution 1 – Report and Accounts

The Directors are required by law to present to the Meeting the accounts and the reports of the Directors and Auditors for the year ended 31 March 2012.

Resolution 2 – Remuneration Report

It is mandatory for all listed companies to seek the approval of the Directors' Remuneration Report by shareholders at the Annual General Meeting. This report can be found on pages 44 to 52 of the Company's Report and Accounts for the year ended 31 March 2012, copies of which have been sent to those shareholders who elected to receive them and are obtainable from the Company's website – www.QinetiQ.com or from the Registered Office of the Company. The vote is advisory in nature, and not specific to any Director's level or terms of remuneration.

Resolution 3 – Declaration of a dividend

Final dividends must be approved by shareholders but must not exceed the amount recommended by the Directors. If the Meeting approves Resolution 3, a final dividend in respect of the financial year ended 31 March 2012 of

2.00 pence will be paid on 7 September 2012 to the ordinary shareholders on the register of members at the close of business on 10 August 2012 in respect of each ordinary share.

Resolutions 4 to 11 – Election/Re-election of Directors

Each member of the Board has offered himself/herself for election/ re-election in order to comply with best practice in the Company's application of corporate governance. The Board of Directors unanimously recommends that they each be elected/re-elected as Directors of the Company. The Chairman confirms that each of the Non-executive Directors who are seeking re-election at the Annual General Meeting continue to be effective members of the Board and demonstrate their commitment to their roles. This is supported by the performance evaluation that the Board undertook recently. The Chairman himself is also seeking re-election to the Board. Michael Harper, in his capacity as Senior Independent Director, has confirmed that the Chairman continues to be an effective Chairman and demonstrates commitment to his role as Chairman.

Explanatory notes continued

Resolution 4 – Re-election of Colin Balmer

Colin Balmer, who was appointed to the Board on 28 February 2003, offers himself for re-election. Mr Balmer (65) is currently on the Board of the Royal Mint and Chair of its Audit Committee. He has held senior posts in Government, including Managing Director of the Cabinet Office from 2003 until his retirement in 2006. He was previously Finance Director of the MOD, and was responsible for QinetiQ's privatisation. Notwithstanding that Mr Balmer has served on the Board for more than nine years, the Board still considers that he remains independent in character and judgement. The Board considers that Mr Balmer's extensive knowledge of the development of QinetiQ, together with his in-depth understanding of the working of Government, continue to provide the Board with a unique insight into the issues the Government faces in delivering its procurement objectives and in partnering with industry suppliers.

Resolution 5 – Re-election of Admiral Sir James Burnell-Nugent

Admiral Sir James Burnell-Nugent, who was appointed to the Board on 10 April 2010, offers himself for re-election. Sir James (62) commanded the aircraft carrier HMS Invincible and three other ships and submarines during a 37 year career in the Royal Navy that culminated in his appointment as Commander-in-Chief Fleet. Between operational duties he held several positions at the MOD and gained cross-Whitehall experience while on secondment to HM Treasury. The Board considers that Sir James' expertise in the Government contracting domain, particularly with the UK MOD and HM Treasury, is highly beneficial in the context of QinetiQ's Government-sourced operations

Resolution 6 – Re-election of Noreen Doyle

Noreen Doyle, who was appointed to the Board on 26 October 2005, offers herself for re-election. Ms Doyle (63) is a member of the Board of Credit Suisse Group (Zurich) and its UK regulated subsidiaries. She is a Non-executive Director of Newmont Mining Corporation (Denver), where she is Chair of the Audit Committee, and Rexam plc, where she is Chair of the Finance Committee. She was previously First Vice President of the European Bank for Reconstruction and Development (EBRD). Before EBRD, Ms Doyle worked in corporate finance and leveraged financing at Bankers Trust Company (now Deutsche Bank). The Board considers that Ms Doyle's extensive international business experience, particularly in corporate finance, risk management and banking, is of significant benefit to the Board.

Resolution 7 – Re-election of Mark Elliott

Mark Elliott, who was appointed to the Board on 1 June 2009 and as Chairman of the Company on 1 March 2010, offers himself for re-election. Mr Elliott (63) is a Non-executive Director of Reed Elsevier Group PLC (and is also Chairman of its Remuneration Committee), Reed Elsevier NV and G4S plc. He was previously General Manager of IBM Europe, Middle East and Africa and sat on IBM's Worldwide Management Council. The Board considers that Mr Elliott's extensive experience in the technology services sector, in the US and Europe, together with his exposure to a variety of industry sectors on the boards of FTSE listed companies, is a valuable asset to the Group in terms of leadership and of addressing the strategic issues that affect the Group.

Resolution 8 – Election of Michael Harper

Article 115 of the Company's Articles of Association requires any Director newly appointed by the Board to offer himself/herself for reappointment at the first annual general meeting following his/her appointment. Michael Harper, who was appointed to the Board on 22 November 2011 and as Deputy Chairman and Senior Independent Non-executive Director in February 2012, accordingly offers himself for election in accordance with the Company's Articles of Association. Mr Harper (67) was appointed Chairman of BBA Aviation plc in June 2007, having joined the Board in January 2005. He is also Chairman of the Vitec Group plc and of Ricardo plc. He was previously a director of Williams plc where, at the time of the demerger in 2000, he became Chairman of Kidde plc. The Board considers that Mr Harper's wealth of operational and corporate experience will enable him to make a significant contribution to the Board.

Resolution 9 – Re-election of David Mellors

David Mellors, who was appointed to the Board on 20 August 2008, offers himself for re-election. Mr Mellors (43) is the Chief Financial Officer of QinetiQ having previously been deputy Chief Financial Officer of Logica plc. He was also Chief Financial Officer of Logica's international division covering operations in North America, Australia, Middle East and Asia and, before that, was the Group Financial Controller. His earlier experience includes various roles with CMG Plc, Rio Tinto plc and Price Waterhouse. Mr Mellors is a

member of the Institute of Chartered Accountants in England and Wales.

Resolution 10 – Re-election of Paul Murray

Paul Murray, who was appointed to the Board on 25 October 2010, offers himself for re-election. Mr Murray (50) is currently a Non-executive Director and Audit Committee Chair at Royal Mail Holdings plc. He is also a director of Naked Energy Ltd and Knowledge Peers plc and a Trustee of Pilotlight. He was previously Senior Independent Director of Taylor Nelson Sofres plc, a Non-executive Director of Thomson SA and Tangent Communications plc, and has also been Group Finance Director of Carlton Communications plc and LASMO plc. The Board considers that Mr Murray brings a broad range of experience in finance and corporate governance from a cross-section of industries, all of which leverage technology.

Resolution 11 – Re-election of Leo Quinn

Leo Quinn, who was appointed to the Board on 16 November 2009, offers himself for re-election. Mr Quinn (55), QinetiQ's Chief Executive Officer, was Chief Executive Officer of De La Rue plc between 2005 and 2009. He was previously Chief Operating Officer of Invensys plc's Production Management Division and before that he spent 16 years with Honeywell Inc. in a variety of senior management roles in the USA, Europe, the Middle East and Africa. Mr Quinn was formerly a Non-executive Director of Tomkins plc.

Resolution 12 – Re-appointment of auditor and fixing their remuneration

The Company is required to appoint an auditor at each general meeting at which accounts are laid, to hold office until the end of the next such meeting. Resolution 12, which is recommended by the Audit Committee, proposes the re-appointment of the Company's existing auditor, KPMG Audit plc, and follows best practice in giving authority to the Audit Committee to determine their remuneration.

Resolution 13 – Political donations

Resolution 13 is designed to deal with rules on political donations and expenditure contained in Part 14 of the 2006 Act (sections 362 to 379). Under section 378 of the 2006 Act, a company may not make donations to an EU political party, or other EU political organisation, or to an independent election candidate in the EU, of more than £5,000 in total, or incur any EU political expenditure, without first obtaining shareholder approval.

It is the Company's policy not to make donations or other contributions to political parties. There is no intention to change that policy. What constitutes a 'political donation', a 'political party', a 'political organisation' or 'political expenditure' under the 2006 Act is not clear, as the legislation is capable of wide interpretation and may have the effect of covering a number of normal business activities that would not be thought to be political donations in the usual sense. To avoid any possibility of inadvertently contravening the 2006 Act, the Board considers that it would be prudent to follow the procedure specified in the 2006 Act to obtain shareholder approval for the Company and its subsidiaries to make political donations or incur political expenditure in the forthcoming year until the conclusion of the Annual General Meeting of the Company in 2013 (up to a total amount of £100,000 either individually or in aggregate). This authority will not be used to make any political donations as that expression would normally be understood.

Resolution 14 – Authority to allot new shares

Resolution 14 deals with the Directors' authority to allot shares. At the last Annual General Meeting of the Company held on 2 August 2011, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £4,403,174 representing approximately 66% of the Company's issued ordinary share capital as at 31 May 2011. Of this amount 220,158,700 shares (representing approximately 33% of the Company's issued ordinary share capital as at 31 May 2011) could only be allotted pursuant to a rights issue. This authority expires on the date of this year's Annual General Meeting.

Resolution 14 will, if passed, renew this authority to allot.

The ABI guidelines state that ABI members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to one-third of the Company's issued share capital. In addition, they will treat as routine a request for authority to allot shares representing an additional one-third of the Company's issued share capital provided that it is only used to allot shares pursuant to a pre-emptive rights issue.

In light of these guidelines, the Board considers it appropriate that Directors be granted authority to allot shares in the capital of the Company up to a

Explanatory notes continued

maximum nominal amount of £4,403,174 representing the guideline limit of approximately 66% of the Company's issued ordinary share capital as at 31 May 2012 (the latest practicable date prior to publication of this notice). Of this amount 220,158,700 shares (representing approximately 33% of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. The power will last until the conclusion of the next Annual General Meeting in 2013 or, if earlier, 26 October 2013.

The Directors have no present intention of exercising this authority.

As at the date of this Notice, the Company does not hold any ordinary shares in the capital of the Company in treasury.

Resolution 15 – Approval of the QinetiQ Group plc 2012 Performance Share Plan (the "PSP")

Shareholders are being asked to approve the introduction of the PSP. Subject to shareholder approval, this plan will replace the QinetiQ Group plc Performance Share Plan which was established by the Board of Directors and approved by shareholders on 26 July 2007. Further, it will be deployed instead of the Value Sharing Plan ("VSP") which shareholders approved in July 2010 and which was designed for the Company's transformation period. The new PSP will, if approved, be effective for the 2012 awards which will be made after the 2012 AGM.

The PSP is a discretionary share plan under which participants may be granted awards of Company shares, normally subject to continued employment and the satisfaction of agreed performance conditions over a set performance period. Further details can be found at Appendix 1 to this document and the new plan rules are available in full at the Company's registered office and at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA. A copy will also be available for inspection before and during the AGM.

Resolution 16 – Disapplication of pre-emption rights

Resolution 16 will give the Directors authority to allot shares in the capital of the Company, pursuant to the authority granted under Resolution 14 above, for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances. In line with the ABI guidelines described in relation to Resolution 14 above, this authority will permit the Directors to allot:

- a) shares up to a nominal amount of £4,403,174 (representing two-thirds of the Company's issued share capital) on an offer to existing shareholders on a pre-emptive basis. However unless the shares are allotted pursuant to a rights issue (rather than an open offer), the Directors may only allot shares up to a nominal amount of £2,201,587 (representing one-third of the Company's issued share capital) (in each case subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the Directors see fit); and
- b) shares up to a maximum nominal value of £330,238, representing approximately 5% of the issued ordinary share capital of the Company as at 31 May 2012 (the latest practicable date prior to publication of this notice) otherwise than in connection with an offer to existing shareholders.

The Directors have no present intention of exercising this authority.

The Directors confirm their intention to follow the provisions of the Pre-emption Group's Statement of Principles ("Principles") regarding cumulative usage of authorities within a rolling three year period. The Principles provide that companies should not issue shares for cash representing more than 7.5% of the company's issued share capital in any rolling three year period, other than to existing shareholders, without prior consultation with shareholders

Resolution 17 – Authority to purchase own shares

Resolution 17 gives the Company the authority to purchase its own ordinary shares in the market (as permitted by the 2006 Act) up to a maximum of 66,047,637 ordinary shares until the conclusion of the Annual General Meeting to be held in 2013. This represents approximately 10% of the ordinary shares in issue as at 31 May 2012 (the latest practicable date prior to publication of this Notice) and the Company's exercise of this authority is subject to the maximum and minimum prices specified in Resolution 17.

The Directors have no present intention of exercising this authority. The authority will be exercised only if the Directors believe that it will be in the best interests of the Company to purchase ordinary shares to satisfy awards or the exercise of options under employee share schemes or if the Directors otherwise believe that this will improve earnings per share. The current

expectation is that any shares purchased under this authority would either be used to satisfy awards or the exercise of options under employee share schemes or would be held as treasury shares, but the Company would retain the flexibility to cancel any such shares or sell them for cash if it considers this to be in its best interests. The Company is only permitted to hold a maximum of up to 10% of its issued share capital in treasury.

As at 31 May 2012 (the latest practicable date prior to publication of this Notice), there were options outstanding over 22,694,969 ordinary shares, representing approximately 3.44% of the Company's issued share capital. If this authority were exercised in full and the purchased shares were cancelled, then these options would represent approximately 3.82% of the Company's then issued share capital.

Resolution 18 – Notice of meetings

Resolution 18 is a resolution to allow the Company to hold general meetings (other than annual general meetings) on 14 days' notice.

Before the introduction of the Companies (Shareholders' Rights) Regulations 2009 in August 2009, the minimum notice period permitted by the 2006 Act for general meetings (other than annual general meetings) was 14 days. One of the amendments that the Companies (Shareholders' Rights) Regulations 2009 made to the 2006 Act was to increase the minimum notice period for listed company general meetings to 21 days, but with an ability for companies to reduce this period back to 14 days (other than for annual general meetings) provided that: (i) the Company offers facilities for shareholders to vote by electronic means; and (ii) there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days. The Board is therefore proposing Resolution 18 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than annual general meetings. The approval will be effective until the Company's next Annual General Meeting, when it is intended that the approval be renewed. The Company will use this notice period when permitted to do so in accordance with the 2006 Act and when the Directors consider that it is appropriate to do so.

Resolution 19 – Adoption of New Articles of Association

A number of changes are proposed to be made to the Articles of Association, regarding changes in the Special Shareholder rights. These include the removal of the right to veto any transaction or activity and the amendment of the Compliance Regime, to align it with that followed by other defence companies. The Special Shareholder rights are contained in the Company's Articles of Association ('Articles') and the proposed changes have been approved by the MOD. A new set of Articles has been drafted to take account of these changes. A summary of the changes to be made to the Articles is set out in Appendix 2 to this document and the proposed new Articles are available for inspection in full at the Company's registered office and at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London, EC2A 2HS. A copy will also be available for inspection before and during the Annual General Meeting. The Board is therefore proposing Resolution 19 as a Special Resolution to adopt the new Articles in substitution for and to the exclusion of all existing Articles of Association of the Company.

Important notes to shareholders

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

1. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulation 2001, specifies that only those shareholders on the register of members at 6.00 pm on 24 July 2012 are entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time or, if the Meeting is adjourned, as at 6.00pm on the date which is two days prior to the adjourned Meeting (as the case may be). In each case, changes to the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the Meeting.
2. **A shareholder entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a shareholder of the Company) to exercise all or any of his/her rights to attend, speak and vote at the Meeting. A shareholder can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him/her.**

Explanatory notes continued

3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the Meeting for your vote to be counted. As referred to above, details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the Meeting and voting in person. If you attend the Meeting in person, your proxy appointment will automatically be terminated.
4. You may register your proxy appointment and voting directions electronically by visiting the www.sharevote.co.uk website, where full details of the procedure are given. If you return more than one proxy appointment, either by paper or electronic communication, that received last by the registrar before the latest time for receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
5. In order to be valid, an appointment of a proxy must be returned (together with the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated) by one of the following methods:
- (a) deposited with the Company's registrar, by either mailing it to them at the address shown on the proxy form or via www.sharevote.co.uk; or
- (b) in the case of CREST members, lodged using the CREST proxy voting service – see note 10 below,
- and in each case must be received not later than 1.00 pm on Tuesday 24 July 2012 or 48 hours before the time for holding any adjourned Meeting (or in the case of a poll taken subsequently to the date of the Meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll).
6. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day and may also be inspected at The Royal Berkshire Hotel, London Road, Sunninghill, Ascot, Berkshire SL5 0PP from 11.30 am on Thursday, 26 July 2012 until the conclusion of the Meeting:
- a) copies of the Directors' Service Contracts with the Company;
- b) copies of the Non-executive Directors' letters of appointment;
- c) copy of the Company's current and proposed Articles of Association;
- d) a copy of the new PSP rules; and
- e) minutes of the last Annual General Meeting.
7. As soon as practicable following the Annual General Meeting, the results of the voting at the Meeting and the numbers of proxy votes cast in respect of each of the resolutions will be announced via a Regulatory Information Service and also placed on the Company's website www.QinetiQ.com.
8. If you have sold or transferred all your shares, this Notice and the accompanying proxy form should be passed to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.
9. The statement of the rights of shareholders in relation to the appointment of proxies above does not apply to any person who is a person nominated under section 146 of the 2006 Act to enjoy information rights (a "Nominated Person"). The right to appoint proxies can only be exercised by shareholders of the Company and not by a Nominated Person. However, Nominated Persons may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on Thursday 26 July 2012 and any adjournment(s) thereof by using the procedures described in the CREST Manual. The CREST Manual can be viewed at www.euroclear.com/CREST. 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. In order 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 Euroclear UK & Ireland Limited's (EUI) 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 EUI 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. 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. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must be received by Equiniti (ID RA19) no later than 1.00 pm on Tuesday 24 July 2012, or 48 hours before the time for holding any adjourned Meeting (or in the case of a poll taken subsequently to the date of the Meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll).
11. As at 31 May 2012 (being the latest practicable business day prior to the publication of this Notice), the Company's issued ordinary share capital consisted of 660,476,373 ordinary shares. Therefore, the total voting rights in the Company are 660,476,373. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. On a vote by show of hands, every ordinary shareholder who is present has one vote and every proxy present, who has been duly appointed by a shareholder entitled to vote, has one vote. On a vote by poll, every ordinary shareholder who is present, in person or by proxy, has one vote for every ordinary share of which he/she is the holder.
12. 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 Meeting, 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.QinetiQ.com.
13. Any corporation which is a member of the Company may appoint one or more corporate representatives. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that he/she does not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
14. Members satisfying the thresholds in section 527 of the 2006 Act 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

Explanatory notes continued

Annual General Meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the Meeting. The Company cannot require a member requesting the publication to pay its expenses. 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 Meeting includes any statement that the Company has been required to publish on its website.

15. Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business to be dealt with at the Meeting 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 in the interests of the Company or the good order of the meeting that the question be answered.
16. Certain items will not be permitted in the Annual General Meeting. These include bags, cameras, recording equipment, items of any nature with potential to cause disorder and such other items as the Chairman or designated officers of the Meeting may specify.
17. Under sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (a) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which those members intend to move (and which may be properly moved) at the Annual General Meeting; and/or (b) to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (i) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person(s) making it and must be received by the Company not later than 12 June 2012, being the date 6 clear weeks before the Annual General Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
18. The contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting, details of the totals of the voting rights that members are entitled to exercise at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.QinetiQ.com.
19. You may not use any electronic address provided in this notice of meeting to communicate with the Company for any purpose other than those expressly stated.

You could help QinetiQ help the environment

You can do this by electing to receive future Company communications by email rather than in paper form. Simply visit the Shareholders Services page on the QinetiQ website at www.QinetiQ.com.

By making this election you are helping us reduce print, paper and postage costs and the associated environmental impact. You will be able to view the Report and Accounts the day they are published. You will also be able to access your individual shareholding quickly.

Protection from fraud

Protecting your shareholding is important to us. Please read the tips below to help safeguard your shareholding.

- Keep all your certificates safe, or hold your shares electronically in CREST via a nominee.
- Any correspondence received from the Registrar which shows your shareholder reference number should be kept in a safe place, or destroyed by shredding — never just put in the bin.
- If you receive a letter from the Registrar regarding a change of address and you have not recently moved, contact the Registrar immediately as you may be a victim of identity theft.
- Elect to have your dividends paid direct into your bank. This will stop payments being intercepted in, or lost, in the post. Please remember to tell the Registrar if you change your bank account details.
- When buying or selling shares, only deal with brokers in your country of residence or the UK

Attending the Annual General Meeting

The Annual General Meeting will be held at The Royal Berkshire Hotel, London Road, Sunninghill, Ascot, Berkshire, SL5 0PP on Thursday 26 July 2012 at 1.00 pm.

Timetable

11.30 pm	Doors open. Registration, please bring your admission card and register at the registration desk.
11.45 pm	Tea, coffee and cold beverages will be served.
12.45 pm	Take seats in the auditorium.
1.00 pm	The Annual General Meeting will begin.

Summary of the QinetiQ Group plc 2012 Performance Share Plan (the "PSP")

Outline

The PSP is a discretionary share plan under which participants may be granted awards of Company shares, normally subject to continued employment and the satisfaction of agreed performance conditions over a set performance period. The new plan rules are available in full at the Company's registered office and at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London, EC2A 2HA. A copy will also be available for inspection before and during the AGM.

Eligibility

Employees (including executive directors) of the Company and other participating companies may be granted awards under the PSP.

Grant of awards

Awards may be granted within 42 days following approval of the PSP by the shareholders of the Company. Thereafter, awards will normally be granted within 42 days of the announcement of results for any period. Subject to dealing restrictions, they may be granted at other times, for example, if there is a change in tax or share plans legislation or regulations or in exceptional circumstances, as determined by the Board. No grants under the PSP can be made more than ten years after the PSP's approval by shareholders.

The number of shares comprised in an award will be determined by the Board at the time of grant.

Awards will normally be structured as conditional awards but, at the Board's discretion, may alternatively be structured as options (including nil cost options) or phantom awards.

Awards are not assignable or pensionable.

Performance conditions

Awards will be subject to the satisfaction of objective performance conditions which relate to the performance of the Company, any other participating companies and/or the participant. The performance conditions will be set by the Board on or before grant. In relation to the first operation of the PSP, it is currently intended that performance conditions will be based on the following measures:

- 50% of an award will be subject to an Earnings Per Share ("EPS") target set over a three year performance period; and
- 50% of an award will be subject to Total Shareholder Return ("TSR") measured over a three year performance period.

The performance range for the performance conditions will be measured as follows:

- EPS threshold performance will be met where the Company's EPS growth (on an annualised compound basis) is 3% over three years. On achievement of the threshold, 25% of the award relating to EPS will vest, rising with a straight line increase to full vesting when the Company's EPS growth (on an annualised compound basis) is 10% over three years; and
- The TSR measure will be calculated by reference to the FTSE 250 index, excluding investment trusts. TSR threshold performance will be met where the Company's TSR is at median, in which case 30% of the award relating to TSR will vest, rising with a straight line increase to full vesting for upper quartile performance.

Plan limits

In any ten year period, not more than 10% of the issued ordinary share capital of the Company may be issued or be issuable under the PSP and all other employees' share plans operated by the Company. This limit does not include options or awards which have lapsed or been released.

Individual limits

The aggregate market value of shares subject to awards granted to a participant in any financial year may not exceed 200% of his or her annual base salary (excluding variable remuneration and other benefits).

This PSP is not linked to the Company's Deferred Annual Bonus Plan ('DAB'). Accordingly, the "200% of base salary" limit on awards under this PSP is independent of the limits on executive directors and other eligible employees of 50% of bonus deferred into the DAB. Previously, there was a 150% of base salary limit on aggregated PSP awards and deferrals into the DAB.

No award may be granted to a participant if he or she has been, or is to be, granted an award under the QinetiQ Value Sharing Plan or QinetiQ Share Option Scheme in the same financial year.

Vesting

Subject to the satisfaction of the relevant performance condition, an award will normally vest following the end of the performance period.

Shares will be issued or transferred to the participant shortly after vesting, unless the Board decides to satisfy the award in cash.

Participants will not be entitled to vote or to receive dividends in respect of the shares subject to their awards. However, the Board may decide to pay participants a dividend equivalent (in the form of cash or additional shares) on vesting.

Shares issued or transferred under the PSP will rank equally with shares of the same class in issue on the date of allotment/transfer except in respect of rights arising by reference to a prior record date.

Clawback

The Board may reduce (or extinguish) awards or reclaim amounts relating to an award that has already vested if it determines that exceptional circumstances exist (including there being a material misstatement of the Company's accounts or misconduct of the participant between grant and vesting).

Leaving employment

Awards will normally lapse when the participant ceases to hold employment before vesting. However, if employment ends because of death, injury, ill-health, disability, redundancy, retirement, the employing company ceasing to be a participating company, sale of the employing company or business or any other reason as the Board may in its absolute discretion permit, awards will normally vest on the normal vesting date to the extent any applicable performance conditions have been achieved, but reduced pro rata to reflect the period of the performance period during which the employee was not employed.

Change of control, merger or other reorganisation

Awards will generally vest early on a takeover, merger, scheme of arrangement of the Company (not being an internal reorganisation), voluntary winding up of the Company or other corporate reorganisation.

When awards vest in these circumstances, the Board will determine the extent to which the performance condition(s) have been satisfied and, unless the Board decides otherwise, the awards will be reduced pro rata to reflect early vesting.

Variation in share capital

The Board may make adjustments to the number, nominal value, description of shares subject to an award or (in the case of an option) any exercise price following any variation in the share capital of the Company.

Amendment

The Board may amend the PSP as it considers appropriate. However shareholder approval will be required to amend certain provisions to the advantage of the participants. These provisions relate to eligibility, individual and plan limits, the treatment of awards on the variation in the Company's share capital, amendment powers, and whenever so required by legislation.

The Board can make certain minor amendments, without shareholder approval, that may be to the advantage of participants, such as amendments to benefit the administration of the PSP, to take account of a change in legislation or to obtain or maintain favourable tax treatment for participants, the Company or other participating companies.

The Board may establish or maintain further plans or sub-plans to apply in overseas territories governed by rules similar to the rules of the PSP but modified to take account of local tax, exchange control or securities laws, regulation or practice provided that any shares made available under any such plan shall be treated as counting against any limits on overall or individual participation in the PSP.

Articles of Association

The Company proposes to adopt new Articles of Association. A summary of the changes to the Special Shareholder rights is detailed below. A copy of the proposed new Articles of Association is available for inspection at the Company's registered office and at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London, EC2A 2HS. A copy will also be made available for inspection before and during the Annual General Meeting.

Changes to the Special Shareholder Rights

The Special Shareholder has approved the variation of the rights detailed below attaching to the Special Share. If the resolution to adopt new Articles of Association is approved at the Annual General Meeting, the rights attaching to the Special Share will be varied.

Removal of veto right

Article 13(c) of the current Articles of Association will be removed, therefore the Special Shareholder will no longer have the right, pursuant to Article 13(c) of the current Articles of Association, to veto any contract, transaction, arrangement or activity which the Special Shareholder considers:

- a) may result in circumstances which constitute unacceptable ownership, influence or control over the Company contrary to the defence or security interests of the United Kingdom; or
- b) would not or does not ensure the effective application of the Compliance Principles or would be or is otherwise contrary to the defence or security interests of the United Kingdom.

Removal of the requirement for a separate Compliance Committee

A separate Compliance Committee will no longer be required, therefore the provisions of Articles 24 to 29 of the current Articles of Association will be removed. The Special Shareholder's right to remove the Chairman of the Compliance Committee will no longer be applicable, therefore Article 14 of the current Articles of Association will be removed. The Compliance Regime will be aligned with that followed by other defence companies and a number of consequential amendments will be made.

Adoption of the consent requirement in relation to the appointment of the Chief Executive and Chairman

The Special Shareholder's consent will be required:

- a) if at any time when the Chairman is not a British citizen, it is proposed to appoint any person to the office of Chief Executive, who is not a British citizen; and
- b) if at any time when the Chief Executive is not a British citizen, it is proposed to appoint any person to the office of Chairman, who is not a British citizen.

This right, together with associated notification rights, will be incorporated into the new Articles of Association as new Article 13(d) and Article 14.