

AEA Technology plc

(incorporated and registered in England and Wales under number 03095862)

Notice of Annual General Meeting 2010

This document is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in AEA Technology plc, you should send this document together with any accompanying documents, at once to the purchaser or transferee, or to the person who arranged the sale or transfer for transmission to the purchaser or transferee.



Notice is hereby given that the fifteenth Annual General Meeting (“AGM”) of AEA Technology plc (“the Company”) will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ at 14.00 hours on 23 September 2010 for the transaction of the following business:

Ordinary business

To consider and, if thought fit, pass the following Ordinary Resolutions:

1. To receive and adopt the audited accounts of the Company for the year ended 31 March 2010 together with the reports of the Directors and of the auditors.
2. To receive and approve the Report on Directors' Remuneration for the year ended 31 March 2010 set out in the Annual Financial Report.
3. To re-elect Dr Paul Golby as a Director of the Company.
4. To re-elect Rodney Westhead as a Director of the Company.
5. To re-elect Alice Cummings as a Director of the Company.
6. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
7. To authorise the Directors to agree the remuneration of the auditors of the Company.

Special business

To consider and, if thought fit, pass the following Resolutions, of which Resolutions 8 and 12 will be proposed as ordinary resolutions and Resolutions 9, 10 and 11 will be proposed as special resolutions:

8. Resolution to grant the Directors authority to allot shares – Ordinary Resolution

That:

- (a) the authority conferred on the Directors by Article 9.2 of the Company's Articles of Association be renewed for the period ending on the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier, and that for such period the relevant securities may be allotted up to an aggregate nominal amount equal to £9,321,062; and
- (b) the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the “2006 Act”) to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a further nominal amount of £9,321,062 in connection with an offer by way of a rights issue, such authority to expire on the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier, but so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for, or convert other securities into, shares to be granted after the authority ends.

The authorities in this resolution apply in substitution for all previous authorities pursuant to Section 80 of the Companies Act 1985.

For the purposes of the authority in paragraph (b) above, “rights issue” means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) people who are 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,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

9. Resolution to grant the Directors authority to disapply pre-emption rights – Special Resolution

That:

- (a) subject to the passing of Resolution 8 above, the power conferred on the Directors by Article 9.3 of the Company's Articles of Association be renewed for the period ending on the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier, and that for such period the Section 80 Amount shall be £1,398,159; and
- (b) subject to the passing of Resolution 8 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by paragraph (b) of Resolution 8 above in connection with a rights issue as if Section 561(1) of the 2006 Act did not apply to such allotment, such power to expire on the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends.

For the purposes of this Resolution “rights issue” has the same meaning as that set out in Resolution 8 above.

10. Approval to make market purchases of Company shares – Special Resolution

That the Company be and is hereby granted general and unconditional authority (pursuant to Section 701 of the 2006 Act, references to which include any modification or re-enactment thereof for the time being in force) to make market purchases (as defined in Section 693(4) of the 2006 Act) of its Ordinary Shares on such terms and in such manner as the Board of Directors of the Company may from time to time determine, provided that:

- a) unless previously varied, revoked or renewed, this authority shall expire on the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry);
- b) the maximum number of shares which may be purchased is 22,878,971, representing 10% of the Company's issued share capital at 18 August 2010, the latest practicable date before the publication of this Notice;
- c) the minimum price which may be paid for each share is 12 2/9 pence each;
- d) the maximum price which may be paid for a share is an amount equal to the higher of (a) 105 per cent of the average of the closing price of the Company's Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to the date on which the share is contracted to be purchased or (b) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5(1) of Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003); and
- e) this authority is only capable of variation, revocation or renewal by the Company in general meeting.

11. Notice of Meetings – Special Resolution

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

12. Approval to make donations to political parties – Ordinary Resolution

That:

- (a) the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be authorised for the purposes of Part 14 of the 2006 Act during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011:
 - (i) to make political donations to political parties, and/or independent election candidates;
 - (ii) to make political donations to political organisations other than political parties; and
 - (iii) to incur political expenditure,up to an aggregate amount of £100,000, and the amount authorised under each of paragraphs (i) to (iii) shall also be limited to such amount;
- (b) all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the 2006 Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (c) words and expressions defined for the purpose of the 2006 Act shall have the same meaning in this resolution.

The Directors believe that all the proposals serve to promote the success of the Company and are in the best interests of shareholders as a whole. They recommend that you vote in favour of the proposed resolutions as the Directors themselves intend to do in respect of their own shareholdings in the Company.

By order of the Board of Directors

Jenny Owen

Secretary

AEA Technology plc

329 Harwell

Didcot

Oxfordshire OX11 0QJ

Registered in England and Wales No. 03095862

20 August 2010

Notes

1. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the Annual General Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A Form of Proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
3. To appoint a proxy, the Form of Proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be either (a) sent to the Company's Registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6GN or (b) be lodged using the CREST Proxy Voting Service – see Note 9 below, in each case so as to arrive no later than 48 hours before the time for holding the meeting.
4. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the 2006 Act ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
5. Copies of all contracts of service of Directors of the Company, the terms and conditions of appointment of all Non-Executive Directors

and the current Articles of Association of the Company are available for inspection at the Company's registered office, at 329 Harwell, Didcot, Oxfordshire OX11 0QJ and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ during business hours on any weekday (weekends and public holidays excluded) up to and including the date of the AGM and will also be available for inspection at the place of the meeting for 15 minutes before and during the AGM.

6. Holders of Ordinary Shares are entitled to attend and vote at general meetings of the Company. The total number of issued Ordinary Shares in the Company on 18 August 2010, which is the latest practicable date before the publication of this Notice is 228,789,714. On a vote by show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every Ordinary Share of which he is the holder.
7. Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 6pm on 21 September 2010 or, if the meeting is adjourned, 6pm two days before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.
8. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being 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.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournments of the meeting) by following 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, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
10. 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's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST). 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 for receipt of proxy appointments specified in Note 3 above. 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 issuer's agent through other means.
11. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear 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, to procure that his CREST sponsor or voting service provider takes) 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.

12. 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.
13. Any corporation which is a member 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.
14. Shareholders should note that, on a request made by members of the Company under Section 527 of the 2006 Act, the Company may be required to publish on a website a statement setting out any matter relating to:
- (i) 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 Annual General Meeting; or
 - (ii) any circumstance 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 2006 Act.
- The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the 2006 Act. Where the Company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business that may be dealt with at the Annual General Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the 2006 Act to publish on a website.
15. A copy of this Notice and other information required by Section 311A of the 2006 Act can be found at www.aeat.com.
16. You may not use any electronic address provided either in this Notice or any or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Explanatory notes on the Resolutions

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 8 and 12 are proposed as ordinary resolutions.

This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 9, 10 and 11 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Annual Financial Report and Accounts

This relates to the 2010 Annual Financial Report. Shareholders will note that there is no resolution on payment of a dividend because the Directors do not recommend payment of a dividend in respect of the 2009/10 financial year.

Resolution 2: Remuneration report

This proposes approval of the Directors' Remuneration Report within the 2010 Annual Financial Report. In accordance with company law, the vote on this resolution is advisory and no Director's remuneration is conditional upon the passing of this resolution.

Resolutions 3 to 5 (inclusive) – Directors

Under the Company's Articles of Association, Directors are required to offer themselves for election by shareholders at the first AGM after their appointment to the Board and for re-election thereafter at intervals of no more than three years. In line with recommended practice in the Combined Code, Non-Executive Directors who have served longer than nine years will also be subject to annual re-election.

In accordance with recommendations in the Combined Code about Non-Executive Directors, the Chairman of the Board confirms that he is satisfied, after formal performance evaluation (as described in the 2010

Annual Financial Report) that the current other Non-Executive Director continues to be effective and to demonstrate commitment to the role.

In the case of Dr Paul Golby, the Senior Independent Director confirms that, following performance evaluation involving the other Directors, the Chairman continues to be effective and to demonstrate commitment to the role and that the Board is satisfied that he continues to have sufficient time to devote to the role of Chairman of the Company.

Dr Paul Golby, Rodney Westhead and Alice Cummings were re-appointed in 2007 and they are therefore standing for re-election at this year's AGM. Their biographies are set out below.

Dr Paul Golby

Chairman, Chairman of Nomination Committee

Paul Golby was appointed Non-Executive Chairman to the Board of AEA Technology plc on 24 September 2009. Paul joined the Board in August 2003 and is the Chairman of the Nomination Committee and a member of the Audit and Remuneration Committees. Since 2002, he has been Chief Executive of E.ON UK plc and is an Executive Committee member of E.ON AG, its parent company. After training as a mechanical engineer, he had a series of management appointments with Dunlop and BTR before becoming an Executive Director of Clayhithe plc. Paul is a Fellow of the Royal Academy of Engineering, the Institution of Engineering and Technology, the Institution of Mechanical Engineers and the Energy Institute.

Rodney Westhead

Senior Independent Director, Chairman of Audit Committee, Chairman of Remuneration Committee

Rodney Westhead, Non-Executive Director, was initially appointed to the Board in August 2003. He is the Senior Independent Director, chairs the Audit Committee and the Remuneration Committee and is a member of the Nomination Committee. From 1996 until his retirement in 2005, he was Chief Executive of Ricardo plc, a leading automotive engineering consulting company. He is the Senior Independent Director of Mouchel Group plc, a former Chairman of Carter and Carter (in administration), Chairman of Clean Air Power and a Director of Transense Technologies plc. An accountant by profession, he was a partner with Grant Thornton, including Managing Partner of their London office, before moving to Ricardo plc in 1992 as the Group Finance Director.

Alice Cummings

Chief Financial Officer

Alice Cummings was appointed to the Board as CFO in October 2006 having previously been Deputy Group Finance Director. She also has responsibility for legacies and risk management and acts as the Deputy Company Secretary. She has held a number of senior posts in AEA Technology plc since joining in 1995, including Finance Director Environment, Deputy Managing Director of Nuclear Programmes and Chief Accountant. Her previous career was with South West Water plc after having qualified as a Chartered Accountant with PricewaterhouseCoopers LLP. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Resolutions 6 and 7: Auditors re-appointment and fees

The Board of Directors, on the recommendation of the Audit Committee, recommends the re-election of PricewaterhouseCoopers LLP as auditors, to hold office until the next meeting at which accounts are laid.

Resolution 8: Authority to allot Ordinary Shares

This Resolution proposes to renew the Directors' power to allot shares. The authority in paragraph (a) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £9,321,062 which is equivalent to approximately one-third of the total ordinary share capital of the Company in issue as at 18 August 2010 (being the latest practicable date before the publication of this Notice).

In line with recent guidance issued by the Association of British Insurers, the authority in paragraph (b) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a rights issue up to a further nominal value of

£9,321,062 which is equivalent to approximately one-third of the total issued ordinary share capital of the Company as at 18 August 2010.

At 18 August 2010, the Company did not hold any shares in treasury.

If the resolution is passed, these authorities will remain in force until the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier. The Directors have no present intention to undertake a rights issue or to allot new shares, except in connection with the Company's employee share schemes. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

Resolution 9: Disapplication of pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of paragraph (a) of Resolution 9 is to authorise Directors to allot new shares pursuant to the authority given by paragraph (a) of Resolution 8, or to sell treasury shares, for cash in connection with a pre-emptive offer or rights issue (as defined in Resolution 8) or otherwise up to a maximum nominal value of £1,398,159 (consisting of 11,439,485 Ordinary Shares) which is equivalent to 5% of the total ordinary share capital in issue on 18 August 2010 (being the latest practicable date before the publication of this Notice), in each case without the shares first being offered to existing shareholders in proportion to their existing holdings. This authority will remain in force until the conclusion of the Company's Annual General Meeting in 2011 or 30 September 2011, whichever is the earlier.

The purpose of paragraph (b) of Resolution 9 is to authorise the Directors to allot new shares pursuant to the authority given by paragraph (b) of Resolution 8, or sell treasury shares, for cash in connection with a rights issue (as defined in Resolution 8) without the shares first being offered to existing shareholders in proportion to their existing holdings. This is in line with corporate governance guidelines.

The Board of Directors considers the authority in Resolution 9 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

The Board of Directors intends to adhere to the provisions in the Pre-emption Group's Statement of Principles not to allot shares for cash on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company within a rolling three year period without prior consultation with shareholders.

Resolution 10: Renewal of approval to buy back Company shares

Company law requires Directors to obtain shareholder approval for the power to buy Company shares on the market. This Resolution seeks to renew the authority granted to the Company to purchase its own Ordinary Shares, up to a maximum of 22,878,971 Ordinary Shares, until the Annual General Meeting in 2011 or 30 September 2011, whichever is the earlier. This represents 10% of the Company's share capital in issue as at 18 August 2010 and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable.

The Directors' intention is that the power given by the share purchase authority would enable the Company either to cancel the shares bought back or to hold them as treasury shares for subsequent re-sale subject to relevant regulations, for example, to meet commitments under employee share schemes if this offers tax or other advantages over alternative means of meeting these obligations.

The Directors intend to exercise the authority only if, in their opinion, to do so should result in an improvement in earnings per share for the remaining shareholders and would be in the best interests of shareholders generally. The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company.

The Company is required in connection with this Resolution to report on outstanding share options and warrants. As at 18 August 2010 (being the latest practicable date before the publication of this Notice), there were 5,027,924 outstanding share options granted under all share option schemes operated by the Company and no outstanding warrants, which, if exercised would represent 2.20% of the Company's issued share capital. If the authority being sought under Resolution 10 were exercised in full, such options would then represent 2.44% of the resulting issued share capital.

Resolution 11: Notice period for general meetings

The Shareholder Rights Directive (the "Directive") was implemented in the UK in August 2009. One of the requirements of the Directive is that all general meetings must be held on 21 days' notice unless shareholders agree to a shorter notice period, which cannot however be less than 14 clear days (AGMs will continue to be held on at least 21 clear days' notice). Before the implementation of the Directive in the UK, our Articles of Association permitted the Company to call general meetings (other than annual general meetings) on 14 clear days' notice without obtaining such shareholder approval.

Resolution 11 proposes that we can continue to hold meetings (other than annual general meetings) on 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Directive before it can call a general meeting on 14 clear days' notice.

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 shareholders as a whole.

Resolution 12: Political donations and expenditure

The 2006 Act requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definition of donation in this context is very wide and extends to bodies such as those concerned with policy review, law reform and the representation of the business community. It could also include special interest groups, such as those involved with the environment, which the Company and its subsidiaries might wish to support, even though these activities are not designed to support or influence support for a particular party.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, the Directors consider that it is in the best interests of shareholders for the Company to participate in public debate and opinion forming on matters which affect its business. To avoid inadvertent infringement of the 2006 Act, the Directors are seeking shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the date of the Annual General Meeting to the conclusion of the Company's Annual General Meeting in 2011, or 30 September 2011, whichever is the earlier, up to a maximum aggregate amount of £100,000.



AEA Technology plc

329 Harwell

Didcot

Oxfordshire OX11 0QJ

Telephone +44 (0)870 190 1900

Facsimile +44 (0)870 190 8109

E-mail enquiry@aeat.co.uk

www.aeat.com