

**Notice of Annual General Meeting 2012 to be held at:**

Springwood Court, Springwood Close, Tytherington Business Park, Macclesfield, Cheshire SK10 2XF on Wednesday 25 April 2012, at 11:00 am. Attendees will be required to register on arrival prior to the start of the meeting. Further instructions will be notified to attendees by the Chairman of the meeting prior to and during the course of the meeting. Please note that the building is wheelchair accessible.

**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 stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000. If you have sold or transferred all of your shares in Bodycote plc (the Company), please forward this document together with the accompanying Form of Proxy to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale was effected without delay, for delivery to the purchaser or transferee. If you have sold some but not all of your shares, please contact your stockbroker, bank or other agent through whom the sale was effected without delay for advice as to how to proceed. Shareholders may, as an alternative, register a proxy electronically on the company registrar's website at [www.capitashareportal.com](http://www.capitashareportal.com). To be valid, the form of proxy, or registration of your proxy electronically, in accordance with the instructions printed thereon, must be lodged by post or by hand with the Company's registrars, Capita Registrars, Proxy Department, 34 Beckenham Road, Beckenham, Kent BR3 4TU during normal office hours, no later than 48 hours before the time of the meeting.

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Bodycote plc  
Registered in England and Wales  
No 519057

Registered Office:  
Springwood Court  
Springwood Close  
Tytherington Business Park  
Macclesfield  
Cheshire  
SK10 2XF

22 March 2012

From the Chairman, Mr A. M. Thomson

**Dear Shareholders**

As you will see from the notice of the Annual General Meeting of the Company, to be held on 25 April 2012, in addition to the ordinary business to be transacted at the meeting your Board is proposing four items of special business as set out in resolutions 12 to 15, an explanation of which is given on page three of this circular.

The ordinary business of the meeting will include proposals to re-elect all the Directors of the Company in line with the UK Corporate Governance Code.

The special business relates to the renewal of the authority for Directors to allot shares; the renewal of the authority for Directors to allot shares on a non-pre-emptive basis; the renewal of authority for the Company to purchase its own shares; and the renewal of authority for the Company to call General Meetings on 14 days' notice.

Your Board believes that the resolutions to be proposed are all in the best interests of the Company and its shareholders as a whole and accordingly recommend that you vote in favour of them. You will find enclosed a form of proxy which, to be effective, you should please complete in accordance with the instructions given and return so as to reach the Company's registrar as soon as possible but, in any event, not later than 48 hours before the time of the meeting. The completion of the form of proxy will not prevent you from attending the meeting in person if you wish to do so.

Yours sincerely,



**Alan Thomson**  
Chairman

## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 59th Annual General Meeting of BODYCOTE PLC will be held at Springwood Court, Springwood Close, Tytherington Business Park, Macclesfield, Cheshire SK10 2XF on Wednesday, 25 April 2012 at 11:00 am for the following purposes:

### As ordinary business

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditors for the year ended 31 December 2011.
2. To approve the Board Report on Remuneration.
3. To declare a final dividend of 7.3p per share for the year ended 31 December 2011.
4. To re-elect Mr A.M. Thomson as a Director of the Company.
5. To re-elect Mr S.C. Harris as a Director of the Company.
6. To re-elect Mr J. Vogelsang as a Director of the Company.
7. To re-elect Mr D.F. Landless as a Director of the Company.
8. To re-elect Mr J.A. Biles as a Director of the Company.
9. To re-elect Dr K. Rajagopal as a Director of the Company.
10. To re-appoint Deloitte LLP as Auditors of the Company.
11. To authorise the Directors to fix the remuneration of the Auditors.

To transact any other ordinary business of the Company.

### As special business

To consider and, if thought fit, to pass the following resolutions, which will be proposed as to resolution 12 as an ordinary resolution and as to resolutions 13, 14, and 15 as special resolutions:

12. That, subject to and in accordance with Article 16 of the Articles of Association of the Company, the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (in substitution for any existing authority to allot shares) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £11,012,150 (being approximately one third of the current issued share capital) provided that such authority shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2013 or on the date falling not more than 15 calendar months after the passing of this resolution whichever is the earlier, but so that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or such rights to be granted after such expiry, and the Directors may allot such shares and grant such rights in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.
13. That, subject to the passing of resolution 12 as set out in the notice of this meeting, and in accordance with Article 17 of the Articles of Association of the Company, the Directors be empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the general authority conferred by resolution 12 as set out in the notice of this meeting and be empowered pursuant to section 573 of the Companies Act 2006 to sell ordinary shares (as defined in section 560 of the Companies Act 2006) held by the Company as treasury shares (as defined in section 724 of the Companies Act 2006) for cash, as if section 561(1) of the Companies Act 2006 did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

- (a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;

- (b) up to an aggregate nominal amount of £1,651,823 pursuant to the terms of the Bodycote executive share incentive schemes; and

- (c) otherwise than pursuant to sub-paragraphs (a) and (b) above, up to an aggregate nominal amount of £1,651,823

and such power shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2013 or on the date falling not more than 15 calendar months after the passing of this resolution, whichever is earlier, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

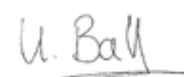
14. That, the Company be generally and unconditionally authorised, pursuant to Article 9 of the Articles of Association of the Company and pursuant to section 701 of the Companies Act 2006, to make market purchases (as defined in section 693(4) of the Companies Act 2006) of up to 19,126,367 ordinary shares in the capital of the Company (being approximately 10% of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) 105% of the average middle market quotation for ordinary shares as derived from the Daily Official List of London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the London Stock Exchange Trading system or less than the nominal value per share; and

- (b) the authority herein contained shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2013 or on the date falling not more than 15 calendar months from the date of this resolution, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.

15. That as permitted by section 307A of the Companies Act 2006 any general meeting of the Company (other than the Annual General Meeting of the Company) shall be called by notice of at least 14 clear days in accordance with the provisions of the Articles of Association of the Company provided that the authority of this Resolution shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2013.

By order of the Board:



**U.S. Ball**  
Secretary  
22 March 2012

Springwood Court  
Springwood Close  
Tytherington Business Park  
Macclesfield  
Cheshire  
SK10 2XF

### Explanation of Ordinary Business – Retirement of Directors

Under the articles of association of the Company each director must retire from office and stand for re-election by shareholders as a minimum at every third annual general meeting in order to continue to serve as a Director. However, in line with the UK Corporate Governance Code, and to further increase accountability, all Directors will retire at this Annual General Meeting and stand for re-election by the shareholders if they wish to continue to serve as Directors of the Company. Accordingly, the Directors retiring and offering themselves for re-election are Mr A.M. Thomson, Mr S.C. Harris, Mr. J. Vogelsang, Mr D.F. Landless, Mr J.A. Biles and Dr. K. Rajagopal.

### Explanation of Special Business

#### Renewal of authority to allot shares (Resolutions 12 and 13)

The Companies Act 2006 ('the Act') provides that Directors shall only allot unissued shares with the authority of shareholders in general meeting. The authority given to the Directors at the last Annual General Meeting to allot (or issue) unissued shares expires on the date of this year's Annual General Meeting.

Resolution 12 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to issue shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £11,012,150, representing approximately one third of the current issued share capital of the Company (excluding treasury shares). The Directors have no present intention of exercising this authority.

The Act also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the Act. The authority given to the Directors at the last Annual General Meeting to allot shares for cash pursuant to section 560 of the Companies Act 2006 expires on the date of this year's Annual General Meeting. Resolution 13 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561(1) of the Act, and authorises other allotments of up to a maximum aggregate nominal amount of £1,651,823, representing approximately 5% of the current issued ordinary share capital of the Company. The Directors have no present intention of exercising this authority. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury.

The authorities granted under resolutions 12 and 13 will expire at the earlier of the next Annual General Meeting or on the date falling not later than 15 calendar months from the date of these resolutions.

#### Purchase of own Shares (Resolution 14)

Under Article 9 of the Articles of Association the Company is empowered to purchase its own shares. The Directors consider that the power to make purchases in the market of the Company's own shares should be maintained and accordingly recommend the approval of the special resolution set out as resolution number 14. The Directors intend to exercise this authority only where, in the light of market conditions prevailing at that time, they believe that the effect of such purchases would be to increase earnings per share. Any shares purchased in this way will be cancelled and the number of shares in issue will be reduced accordingly, or held as treasury shares. The resolution specifies the maximum and minimum prices at which shares may be bought, and the maximum number of shares which may be bought, this being 10% of the Company's issued ordinary share capital at 31 December 2011. At that date outstanding share options over unissued shares totalled 192,505 and this represented about 0.1% of the Company's issued share capital. In the event that the Company utilised the authority proposed by resolution 14 in full, outstanding share options would still represent approximately 0.1% of the consequently reduced share capital.

### Calling General Meetings on 14 clear days notice (Resolution 15)

Section 307A of the Act provides that a general meeting of a 'traded company' such as Bodycote plc must be called by at least 21 days notice, but may be called by at least 14 days notice if three conditions are met. The three conditions are:

- (a) that the meeting is not an annual general meeting;
- (b) that the company offers 'the facility for shareholders to vote by electronic means accessible to all shareholders'. A condition that is met if there is a facility to appoint a proxy by means of a website; and
- (c) that shareholders have approved the holding of general meetings on 14 clear days notice by passing a special resolution at the previous Annual General Meeting or at a general meeting held since the last Annual General Meeting. The Directors consider it desirable that general meetings of the Company, other than the Annual General Meeting, can be called on at least 14 clear days notice. Resolution 15, which will be proposed as a special resolution, will authorise the Company to call general meetings other than Annual General Meetings on 14 days notice and the authority of this Resolution will expire at the conclusion of the next Annual General Meeting.

### Notes on Voting and Voting Rights:

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
2. Any member attending the Annual General Meeting has the right to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless exempted by the provisions of section 319A of the Act.
3. From the date of this notice and for the following two years the following information will be available on the Company's website and can be accessed at [www.bodycote.com](http://www.bodycote.com):
  - (a) the matters set out in this notice of meeting;
  - (b) the total numbers of shares in the Company and shares of each class, in respect of which members are entitled to exercise voting rights at the meeting; and
  - (c) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class.

Any members' statements, members' resolutions and members' matters of business received by the Company after the date of this notice will be added to the information already available on the website as soon as reasonably practicable and will also be made available for the following two years.

4. A form to be used for appointing a proxy or proxies for this meeting to vote on your behalf can be found enclosed with this notice and the form of proxy provides details of how to cast a vote electronically.
5. In order to attend and vote at this meeting you must comply with the procedures set out on the front page of the notice of this meeting and any further procedures notified to you prior to or during the course of the meeting itself.
6. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at 6pm on the day which is two days before the day of the meeting or adjourned meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting. In order to be valid an appointment of proxy (together with any authority under which it is executed or a copy of the authority certified notarially) must be returned by one of the following methods:

- (a) in hard copy form by post, by courier or by hand to the Company's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
- (b) via [www.capitashareportal.com](http://www.capitashareportal.com) by logging in and selecting the 'Proxy Voting' link. If you have not previously registered for electronic communications, you will first be asked to register as a new user, for which you will require your investor code (which can be found on the enclosed proxy form, your share certificate and tax voucher), family name and post code (if resident in the UK).
- (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below and in each case must be received by the Company not less than 48 hours before the time of the meeting. 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 and any adjournment 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. In order for a proxy appointment, or instruction, made by means of CREST 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 relates to the appointment of a proxy or to 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 RA 10) 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. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. 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 therefore 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 or her 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.

If you are a person with information rights under section 146 of the 2006 Act you do not have the right to appoint a proxy. Any such forms returned by such persons will be ineffective. You may, however, have specific rights to instruct the member who granted you information rights as to how such member exercises their right to appoint a proxy.

7. Biographical details of the Directors, including their membership of Board committees, are set out in the Annual Report and Accounts for the year ended 31 December 2011. There is no director's service contract of more than one year's duration.
8. The total number of ordinary shares of 17 3/11ths pence in issue as at 7 March 2012, the last practicable day before printing this document and the total number of voting rights was 191,263,667. No shares were held in treasury.
9. Pursuant to Chapter 5 of Part 16 of the Act (sections 527 to 531), where requested by either a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company or at least 100 members having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, the Company must publish, on its website, a statement setting out any matter that such member or members propose to raise at the Annual General Meeting relating to 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. Where the Company is required to publish such a statement on its website it may not require the members making the request to pay any expenses incurred by the Company in complying with the request, it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website, and the statement may be dealt with as part of the business of the Annual General Meeting. A member or members wishing to request publication of such a statement on the Company's website must send the request to the Company using one of the following methods:
- (a) in hard copy form to the Secretary at the Registered Office – the request must be signed by you;
- (b) by e-mail to [agm@bodycote.com](mailto:agm@bodycote.com)
- (c) by fax to +44(0)1625-505313 marked for the attention of the Secretary.

Whichever form of communication is chosen, the request must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported, and be received by the Company at least one week before the Annual General Meeting.

The addresses at paragraphs (b) and (c) above are, in accordance with Article 178 of the Company's Articles of Association, specified solely for the purpose of communications in respect of this meeting and for no other purpose.

10. Copies of the Executive Directors' service contracts and Non-executive Directors' letters of appointment will be available for inspection at the Company's registered office during normal business hours on each business day (Saturday, Sundays and public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting.