

Termination of discussions with DX (Group) plc

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14 August 2017

John Menzies plc

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On 31 March 2017 the boards of John Menzies plc ("John Menzies") and DX (Group) plc ("DX") announced that they were in negotiations regarding the possible combination of DX and John Menzies' Distribution division ("Menzies Distribution") (the "Combination"). On 5 June 2017, the boards of John Menzies and DX announced a revised proposal for the Combination which envisaged that DX would acquire Menzies Distribution from John Menzies, on a cash and debt free basis, in exchange for consideration comprising £40 million in cash and new DX ordinary shares representing 65% of DX's issued share capital as enlarged by the Combination, with the cash consideration being satisfied by new borrowings raised by the enlarged DX.

Following the trading update issued by DX on 14 July 2017 John Menzies undertook further financial due diligence on DX, as a result of which it became apparent to the John Menzies Board that the Combination would be required to be effected on revised terms from those that were jointly announced on 5 June 2017.

Notwithstanding the strong strategic and commercial benefits which would arise from a combination of Menzies Distribution and DX, and despite further discussions with DX following the DX announcement of 14 July 2017, the John Menzies Board does not believe it is currently possible to agree a revised set of terms with DX for the Combination which would be in the interests of John Menzies shareholders. John Menzies has therefore terminated discussions with DX.

The John Menzies Board continues to believe there is strategic merit in and potential shareholder value to be created by separating, at the appropriate time, its Aviation and Distribution divisions into two strategically focussed and independent businesses.

The John Menzies Board remains confident in the quality of the Menzies Distribution business, the strength of its operations and its future prospects.

The John Menzies group will announce its interim results for the six months ended 30 June 2017 on 15 August 2017.

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