John Menzies plc

Interim Management Statement

5 November 2014

John Menzies plc, the global aviation services provider and print media distributor, today issues an Interim Management Statement for the period from 1 July 2014 to date and is based on trading results for the three months ended 31 October 2014.

Menzies Distribution continues to deliver results in line with our expectations. Overall sales values from both the magazine and newspaper categories are better than anticipated and cost reduction initiatives remain on track.

Performance within Menzies Aviation has been mixed in the period. On a constant currency basis revenue was up 8% compared to the same four month period last year, absolute ground handling turns were up 15%, although this includes the Delta Airlines contract in Detroit where turns are high but revenue low due to the mix of aircraft type. Cargo handling tonnes were up 8%.

We have secured new ground handling business in North America with a contract in Toronto for WestJet and also with United Airlines in Denver. These contract wins, together with the Delta Airlines business secured in the first half, represents out-sourcing traction in North America by major US and Canadian airlines. This positive momentum has been partly offset by contract losses in Colombia.

In cargo handling we have also secured new business and opened four new cargo facilities across Canada to handle a five year contract for KLM/Air France. This new business, together with the WestJet ground handling win, gives us a good platform in the Canadian market. In Australia, cargo returns have been behind expectations due to the cargo mix being weighted towards lower yielding shipments.

As previously communicated, in the UK we are managing a number of challenges. The significant changes at London Heathrow have substantially reduced margins which will continue into next year and to address this situation the UK leadership team has been changed.

Overall, as a result of the above issues, the full year outturn for Aviation will be materially below Board expectations and they will also impact the following year. It has been decided that Craig Smyth, Managing Director of Menzies Aviation will leave the Board with immediate effect.

The Group continues to maintain a strong balance sheet, with positive cash generation which leaves it well placed to support medium term growth ambitions. However, contract wins in North America will raise our short term debt levels. Reduced earnings in lower tax rate jurisdictions will result in the Group tax rate exceeding 30%.

In summary, Distribution continues to deliver to plan. Over the coming months the new Group Executive team will be addressing the current areas of under-performance in Aviation and will be reviewing strategic, operational and investment plans to better leverage from the strong market growth dynamics and opportunities.

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