8th June 2017

Today we announced that we have entered into a binding agreement with GD S.p.A., a subsidiary of Coesia S.p.A., to sell to them our Instrumentation & Tobacco Machinery division, which comprises Cerulean, the Group's quality control, testing and analytical instrumentation business and Molins Tobacco Machinery, which designs, manufactures and services secondary tobacco processing machinery. The completion of the transaction is expected to be at the end of July 2017, subject to the necessary consents and approvals.

Molins PLC has recently undertaken a strategic review which has concluded that going forward our business will focus on providing complete packaging machinery solutions and comprehensive services to our customers in the Pharmaceutical, Healthcare, Nutrition and Beverage market segments.

GD are an Italian based enterprise focussed on the tobacco sector with a global presence and leading market position that will help both Cerulean and Molins Tobacco Machinery in strengthening their own positions in the market. With this in mind we believe that as part of GD both Cerulean and Molins Tobacco Machinery will be better positioned to focus on supporting their customers and generating growth in line with their strategic plans. The synergies arising from this transaction will lead to a more comprehensive and novel set of solutions being made available to the global customer base in the tobacco and related sectors.

Over the next few weeks our local sales representative will be in touch to explain our plans in more detail. In the meantime, please be assured that we remain fully focused on our business plans and maintaining our high levels of customer service during the transition period and if you have any concerns, we would be more than happy to arrange to meet to discuss face to face.

Yours sincerely,

Tony Steels

Chief Executive