

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

This is an announcement falling under Rule 2.6(c) of the City Code on Takeovers and Mergers (the "Code") and does not constitute an announcement of a firm intention to make an offer under Rule 2.7 of the Code. There can be no certainty that an offer will be made nor as to the terms on which any offer might be made.

2 May 2018

James Halstead plc

("James Halstead" or the "Company")

Statement regarding Airea plc ("Airea")

Extension to deadline under Rule 2.6(c) of the Code

The board of James Halstead notes the announcement released today by Airea in connection with its discussions with the board of Airea regarding a potential offer.

At the request of the board of Airea, the Panel on Takeovers and Mergers (the "Panel") has consented to an extension of this deadline by 21 days in accordance with Rule 2.6(c) of the Code and, accordingly, James Halstead must, by no later than 5.00 p.m. on 23 May 2018, either announce a firm intention to make an offer for Airea in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the consent of the Panel.

This announcement is not an announcement of a firm intention to make an offer under Rule 2.7 of the Code (as defined above) and there can be no certainty that an offer will be made, nor as to the terms of any offer.

The Company remains in an "Offer Period" as defined in the Code.

A further announcement will be made as and when appropriate.

Enquiries:

James Halstead plc

Mark Halstead, Chief Executive

Tel: 0161 767 2500

Hudson Sandler

Nick Lyon

Tel: 020 7796 4133

**Panmure Gordon (UK) Limited
(Financial Adviser and Joint Broker to James Halstead)**

Ben Thorne

Andrew Potts

Tel: 020 7886 2500

Arden Partners (Joint Broker)

Chris Hardie

Tel: 020 7614 5900

Panmure Gordon (UK) Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for James Halstead and no one else in connection with the Possible Offer and will not be responsible to anyone other than James Halstead for providing the protections afforded to its clients or for providing advice in relation to the Offer or any other matters referred to herein.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication of this announcement

A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.jameshalstead.com by no later than 12 noon (London time) on 3] May 2018, being the date following the date of this announcement.

Additional Information

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this

announcement or otherwise. Any offer, if made, will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted.

The distribution of this announcement in jurisdictions other than the United Kingdom and the availability of any offer to shareholders of James Halstead who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders of James Halstead who are not resident in the United Kingdom will need to inform themselves about, and observe, any applicable requirements.

Inside Information

The information contained within this announcement is deemed by James Halstead to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.