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24 May 2016

**Shanks Group plc  
("Shanks", the "Company" or the "Group")**

**Response to recent press speculation**

The Board of Shanks notes the recent press speculation and confirms that it is contemplating the possible acquisition of the Van Gansewinkel Groep BV, a leading privately-owned waste collection and recycling business in the Netherlands and Belgium ("Van Gansewinkel").

After a period of preliminary due diligence, Shanks will shortly be submitting an updated, indicative non-binding proposal to the Supervisory Board of Van Gansewinkel for consideration. Accordingly, there can be no certainty that any transaction will occur nor as to the terms of any transaction.

As the possible acquisition of Van Gansewinkel by Shanks has been deemed a reverse takeover by the FCA and Van Gansewinkel is not subject to a public disclosure regime, Shanks has requested a suspension of its shares in accordance with paragraph 5.6.6 of the Listing Rules.

A key part of Shanks' strategy is to actively manage the Group's portfolio to improve returns and accelerate growth through the disposal of non-core assets and/or the acquisition of value-enhancing businesses, particularly where strong synergies exist with existing Shanks businesses. Given the structure and conditions in the Benelux Solid Waste market, the Board believes that the acquisition of Van Gansewinkel has the potential to transform and enhance the Company's position in this market. The combination of the two businesses would create a leading player, with complementary strengths across all market sectors.

Given the strategic and commercial rationale for a combination of the businesses and potential synergies, the Board believes that it is in the best interests of shareholders to investigate the possible acquisition of Van Gansewinkel despite the resultant temporary suspension of the Company's shares.

The Board will remain disciplined on value and will only pursue the acquisition of Van Gansewinkel if it delivers attractive returns for shareholders. If a transaction were to proceed, Shanks would intend to finance the acquisition through a combination of new debt facilities, equity consideration to the vendors and an equity fund raising.

The period of suspension of the Company's shares will be kept under review and a further statement will be made in due course.

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