

For immediate release

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Zotefoams & Trexel Create New Joint Venture MuCell Extrusion LLC

Trexel Inc. and Zotefoams plc announce the formation of MuCell Extrusion LLC, created to exploit the unique MuCell® technology for the development and licensing of extruded microcellular foam products.

Trexel has active patents and expertise in microcellular foaming, using N₂ and CO₂, which are environmentally friendly and produce high-quality, clean, consistent cell structures. Trexel markets the technology under the MuCell® brand throughout the world for extrusion-based manufacturing applications and via equipment sales for injection moulding manufacturing applications. MuCell Extrusion LLC, which will be owned 70% by Trexel and 30% by Zotefoams, will exclusively own the rights to this technology for extrusion applications and will continue to pursue further product development and licensing opportunities. Independently Trexel Inc. will continue to own and market their injection moulding technology.

The new venture possesses active licensees in a number of industries such as high performance seals, electronics, automotive, packaging and wire & cable, among others. MuCell Extrusion LLC will be funded to accelerate their successful product development and licensing model and further develop their technology and intellectual property portfolio. Shortly, a MuCell Extrusion LLC President will be announced.

Additionally, under a separate transaction, Zotefoams plc has signed licences to apply MuCell® extrusion technology to certain advanced, thermoplastic materials. More details of these products will be released when development work is further advanced.

David Bernstein, CEO of Trexel Inc, commented

“The joint venture with Zotefoams will give us several additional capabilities. First of all, Zotefoams brings excellent market knowledge in high performance foaming applications. Secondly, we will now be able to develop products on a commercial scale line in Europe. This is particularly critical for some of our sheet product

initiatives. Third, we will have applications support capability in Europe and will be better able to respond to interest from our European customers."

"I am delighted that we have concluded a deal to bring the MuCell extrusion technology into Zotefoams as both a shareholder and a licensee," said David Stirling, Managing Director of Zotefoams plc. "The benefits of a clean and consistent foaming technology are already well known to Zotefoams' customers and this is an obvious fit within our portfolio. This arrangement will eventually allow us to offer highly consistent, thin roll foams with no chemical agents, and should open new markets for Zotefoams, based on the synergy, scope, and extension to the breadth of our product range. Additional infrastructure and equipment investments in Croydon will be made during the second half of 2008 to support full-scale production using MuCell® extrusion technology."

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Zotefoams plc (LSE – ZTF) is the world's leading producer of light weight, cross-linked, closed-cell block foams. These pure, consistent foams are manufactured using a unique environmentally friendly nitrogen expansion technology. Zotefoams was the first to develop cross-linked polyolefin block foams and is increasingly using its production technology to manufacture foamed materials based on high-performance polymers. Based in Croydon, U.K., Zotefoams also manufactures in Kentucky, U.S.A. and markets its products worldwide through a global sales network.

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