

26 October 2012

Zotefoams plc
("Zotefoams" or "the Company")

Interim Management Statement for the Quarter ended 30 September 2012

26 October 2012 – Zotefoams, which manufactures and sells high-performance foams, today announces its interim management statement for the third quarter ended 30 September 2012.

Third quarter Polyolefin foam sales increased by approximately 3% in constant currency compared to the same period last year. Sales growth in North America and Rest of World was around 6% while we experienced more modest growth in UK and Continental Europe. The impact of a weaker euro reduced the sterling value of European sales by approximately 10% while there was a small positive impact on sales elsewhere from relative US dollar strength compared with the third quarter in 2011.

In the third quarter of 2011 there was high demand for our T-Tubes® insulation products and, due to timing of projects, comparative sales were much lower in 2012. As a result, revenue from our High-Performance Polymers ("HPP") segment was approximately 20% below the same period last year despite an increase in sales of our patented ZOTEK® F fluoropolymer foams. While sales in HPP have historically been subject to short term fluctuations, we remain confident of strong underlying growth in this segment, much of which is to the aviation market.

In July and August 2012 MuCell Extrusion LLC ("MEL"), which licenses foaming technology, made important advances within the film and sheet markets. Agreements with Dow Chemical and Styron to license-in their complementary patents have enhanced our ability to offer attractive licences in packaging technology, and activity and interest levels have increased as a direct result. The development pipeline of new projects continues to grow from a small base and in the medium term we expect good progress in conversion of additional signed MEL licences. Currently MEL is a developmental business which is cash generative and we are increasing investment commensurate with our expectations for growth over the coming years.

For the third quarter the euro-denominated price of low density polyethylene (LDPE), our main raw material, was at a similar average price compared to the same period last year.

The Company continues to progress, with a forward order book into early 2013. Although we are mindful of the uncertain economic environment and the potential for movements in exchange rates to have a translation impact on our reported results, the Board remains confident of a satisfactory outcome for the year and continued progress in the future.

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About Zotefoams plc

Zotefoams plc (LSE - ZTF) is a world leader in cellular material technology. Using a unique manufacturing process with environmentally friendly nitrogen expansion, Zotefoams produces lightweight foams in Croydon, UK and Kentucky, USA for diverse markets worldwide through its global sales force. Zotefoams also owns and licenses patented MuCell® microcellular foam technology from a base in Massachusetts, USA to customers worldwide and sells T-Tubes® advanced insulation systems made from its patented ZOTEK® fluoropolymer foams.

www.zotefoams.com