

8 July 2013

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

### **Trading Update**

**8 July 2013 – Zotefoams, which manufactures and sells high-performance foams, today announces its trading update for the first six months ended 30 June 2013.**

Since our AGM and Interim Management Statement on 15 May 2013 the Company has experienced improved overall trading with a good level of sales in the final two months of the half year ended 30 June 2013. This has been driven in particular by growth in our High-Performance Polymers ("HPP") and MuCell Extrusion LLC ("MEL") businesses.

In the period to 30 June 2013 sales in our Azote® polyolefin business were below what was a very strong comparative period last year. Primarily this is due to customer destocking, most evident in Germany and Japan coincident with improvements in our order lead times, and a lower underlying level of sales in continental Europe.

The price of our main raw material, LDPE (low density polyethylene), eased in April and May so that the average Euro price for the period was similar to that in the first six months of 2012. Compared with the same period, currency rates for the US dollar and Euro have remained beneficial for our export-led business.

Overall sales growth in HPP and MEL has not fully offset the lower level of sales in our Azote® polyolefin foams business, particularly in the earlier part of the period and in continental Europe. This will result in a profit for the first half of 2013 below that of a strong first half in 2012.

We continue to invest to support future growth across the portfolio of our activities and, while being mindful of near-term economic conditions, the Board remains confident about the long-term prospects for our business.

The Company expects to announce its interim results for the six months ended 30 June 2013 and provide an update on current trading on Tuesday, 6 August 2013.

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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](http://www.zotefoams.com)

**Cautionary statement regarding forward-looking statements**

This document may contain forward-looking statements which are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events. You can sometimes, but not always, identify these statements by the use of a date in the future or such words as "will", "anticipate", "estimate", "expect", "project", "intend", "plan", "should", "may", "assume" and other similar words. By their nature, forward-looking statements are inherently predictive and speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to factors that could cause our actual results to differ materially from those expressed or implied by these statements. The Company undertakes no obligation to update any forward-looking statements contained in this document, whether as a result of new information, future events or otherwise.