

10 July 2015

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

### **Trading Update**

**10 July 2015 – Zotefoams, a world leader in cellular material technology, today provides a trading update for the six months ended 30 June 2015.**

For the first six months of 2015 Zotefoams will deliver sales<sup>1</sup> growth of approximately 8%, which is approximately 10% on a constant currency basis. Zotefoams expects revenue from MuCell Extrusion LLC, the Company's technology licensing business, to grow by around 40% and High-Performance Products ("HPP") sales growth to exceed 20%, building on the very strong HPP performance in 2014. The Company's Polyolefin foams sales volumes have increased by 6% and this is expected to deliver an increase in revenue of approximately 5%, equivalent to around 8% in constant currency. All three business units have strong forward order books.

The price of LDPE (Low Density Polyethylene), the Company's major raw material, was at a similar average euro price to the first half of 2014, although prices have risen sharply in recent months. The weaker euro has benefitted raw material purchases, which are significantly euro based, and US dollar sales have benefitted from the stronger dollar. However this has been more than offset by the impact of the euro on both Zotefoams' European sales and, in particular, the unhedged translational impact on the Company's balance sheet.

In Walton, Kentucky, USA, the major investment to increase global manufacturing capacity in support of future growth is proceeding to schedule.

Whilst being mindful of the potential impact of economic conditions the Company continues to expect 2015 to be another year of progress and remains confident about the long-term prospects for the business.

Zotefoams expects to announce its interim results for the six months ended 30 June 2015 on Tuesday 4 August 2015.

#### **Enquiries:**

##### **Zotefoams plc**

David Stirling, Group CEO

**0208-664-1600**

Clifford Hurst, Finance Director

##### **FTI Consulting**

**0203-727-1000**

Victoria Foster Mitchell/Simon Conway

#### **Notes**

<sup>1</sup> Sales consolidates all external sales made by the joint-ventures as well as those made by Zotefoams plc and its subsidiaries.

<sup>2</sup>Foreign exchange rates were:

	<b>H1:2015 average</b>	<b>H1:2014 average</b>	<b>30 Jun 2015</b>	<b>31 Dec 2014</b>
<b>Euro</b>	<b>1.378</b>	<b>1.223</b>	<b>1.412</b>	<b>1.289</b>
<b>USD</b>	<b>1.530</b>	<b>1.673</b>	<b>1.574</b>	<b>1.559</b>

#### **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)

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