

Regulatory Story

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Company Zotefoams PLC
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Trading Update

1 JULY 2010

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

Trading Update

Zotefoams, which manufactures and sells high-performance foams, today announces its trading update for the six months ended 30 June 2010.

Sales volumes in our Polyolefin foams business have increased significantly compared to the first half of 2009. We have experienced very good growth in all major markets, with Europe and Asia particularly strong. Foreign exchange rates were slightly less favourable than in 2009. We anticipate revenue for the first six months of the year from this business segment to be approximately 25% above 2009 levels. Prices of our major raw material, low-density polyethylene, have risen consistently over the past six months and are now significantly higher than the average price during 2009.

Sales revenues from our HPP (High-Performance Polymers) segment for the first six months of 2010 are anticipated to be well above the comparable period in 2009. The forward order book for the second half of 2010 is already at similar levels to actual sales for the comparable period in 2009 and therefore we anticipate another year of strong growth in this segment of our business. We continue to invest in both product and market development for HPP with significant investment in our microZOTE® roll foams in anticipation of initial orders during the latter part of 2010.

Overall, the Company is trading ahead of the Board's expectations for the first six months of the 2010 and, although we remain cautious that trading conditions in the remainder of the year may be more challenging, we expect profit before tax to be above market expectations for the year as a whole.

The Company will announce its interim results for the six months ended 30 June 2010 on 3 August 2010.

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About Zotefoams plc

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 foams and is increasingly using its production technology to manufacture foamed materials based on high-performance polymers. Based in Croydon, UK, Zotefoams also manufactures in Kentucky, USA and markets its products worldwide through a global sales network.