

## Regulatory Announcement

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**Company** [Accsys Technologies PLC](#)  
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Accsys announces strategic partnership  
and supply agreement with Celanese,  
Celanese to make investment of €22 million

Accsys Technologies PLC ("Accsys" or "the Company") has signed a long term exclusive supply agreement with Celanese Corporation ("Celanese"), the global leader in acetyls, which has a market capitalization of \$5 billion, and is quoted on the New York Stock Exchange (symbol 'CE').

Under the agreement, Accsys ([www.accsysplc.com](http://www.accsysplc.com)) will be able to ensure supply of acetyls to the licensees of its proprietary Accoya(TM) wood production process, wherever they are in the world. This will enable Accsys' licensees to concentrate their investment spending on the core wood modification business and is expected to accelerate the uptake of Accoya(TM) technology around the world.

Celanese ([www.celanese.com](http://www.celanese.com)) with net sales of US\$6.7 billion (2006), is the leader in the global acetyls market and is committed to maintaining its leading position through growth and innovation. This agreement allows Celanese to capture the growth in acetyls demand that Accsys' proprietary wood acetylation technology is expected to generate. In addition, Celanese has taken an option to evaluate and acquire Accsys' proprietary acetic anhydride production technology.

Celanese is further demonstrating its commitment to Accsys' business by subscribing for new shares, subject to shareholder approval, representing

approximately 5.5% of Accsys' issued share capital (post event) at a 5% premium to the closing share price on 27th March 2007. This equity transaction will involve the acquisition of 8,115,883 newly issued shares at a price of €2.72 per share, representing an investment in the Company of €22M (\$29.5M). Celanese will have an option to increase its ownership of Accsys to 29.9% in the future at the market price at that time. If approved by Accsys' shareholders at an EGM, the transaction at €2.72 per share values Accsys at approximately €400 million.

Willy Paterson-Brown, Executive Chairman of Accsys, commented: "This is a significant transaction for Accsys and clearly demonstrates how far the Company has come since listing on AIM in October 2005. The strategic partnership with Celanese is the perfect fit, which guarantees supply of acetyls for our Licensees, as well as our own operations in Arnhem. It also allows our Licensees to focus their own capital investment on wood capacity, rather than chemical support and, as a result, will have value for all concerned. We are delighted that Celanese have chosen to take an equity stake in the Company, and welcome their input on our Board of Directors."

Finlay Morrison, Vice President of Acetyl Intermediates at Celanese, added: "The strategic partnership with Accsys is clearly a win-win situation. The potential growth of Accsys over the next decade and the value that Celanese can add to that growth will have a positive impact to both companies' performances. It is clear that Accsys' Accoya(TM) technology creates a tremendous opportunity for companies in the wood industry, as well as for architects, construction companies and consumers who are looking for more environmentally sustainable building materials."

Following the announcement earlier this month of commercial production of Accoya(TM) wood at Accsys' 100% subsidiary, Titan Wood's ([www.titanwood.com](http://www.titanwood.com)) new 30,000 m<sup>3</sup> Arnhem facility, the Company's order books are virtually full through to the end of 2007, with production committed into a wide range of different product applications, from civil construction to joinery. The combination of large-scale commercial production now underway with the security of supply of acetyls being supplied by Celanese is expected to simplify and strengthen the licence proposition, accelerating the take up of the technology by potential licensees. The additional capital in the business will be focused on supporting the growth of licensing, as well as further development of Accsys' proprietary technologies, including wood fibre.

Willy Paterson-Brown added: "The completion of the agreement with Celanese provides confidence in our technologies and a springboard for future commercial development. The transaction is a major landmark for Accsys and will allow us to review our entire chemical supply strategy in a new light. With successful production in Arnhem, and supply of acetyls secure, we are now able to turn our attention to licensing, which we had placed on hold while we negotiated terms with Celanese. Although this will impact results to March 31st 2007, the first full license should be signed in the Second Quarter and the several licence

options that are presently under negotiation are expected to mature, accelerating our future growth."

All these agreements with Celanese are conditional upon Accsys' shareholders' approval of the equity transaction. A Circular seeking approval, at an Extraordinary General Meeting, will be dispatched to Accsys shareholders at the beginning of April.

ENDS

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Notes to Editors

About Celanese

As a global leader in the chemicals industry, Celanese Corporation (NYSE: CE) makes products essential to everyday living. Our products, found in consumer and industrial applications, are manufactured in North America, Europe and Asia. Net sales totalled \$6.7 billion in 2006, with approximately 60% generated outside of North America. Known for operational excellence and execution of its business strategies, Celanese delivers value to customers around the globe with innovations and best-in-class technologies. Based in Dallas, Texas, the company employs approximately 8,900 employees worldwide. For further information about Celanese, please visit [www.celanese.com](http://www.celanese.com).

Titan Wood Limited ([www.titanwood.com](http://www.titanwood.com)) is wholly owned subsidiary of the Accsys Technologies PLC ([www.accsysplc.com](http://www.accsysplc.com)) group of companies. Accsys Technologies PLC

is listed on the London Stock Exchange AIM market under the symbol 'AXS'.

Wood Acetylation is a process, which increases the amount of 'acetyl' molecules in wood, thereby changing its physical properties. The process protects wood from rot by making it "inedible" to most micro-organisms and insects, without - unlike conventional treatments - making it toxic. It also greatly reduces the wood's tendency to swell and shrink, making it less prone to cracking and ensuring that when painted it requires dramatically reduced maintenance.

Accoya(TM) wood ([www.accoya.info](http://www.accoya.info)) is produced using a patented process that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a 'new wood species'. Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Accoya(TM) wood is particularly suited to exterior applications where performance and appearance are valued. Unlike most tropical and European hardwoods, its colour does not degrade when exposed to ultraviolet light. Moreover, the Accoya(TM) wood production process does not compromise the wood's strength or machinability. The combination of UV resistance, dimensional stability, durability and retained strength means that Accoya(TM) wood offers a wealth of new opportunities to architects, designers and specifiers. For marine uses where weight is also important, Accoya(TM) wood for the first time provides boat builders with a wood that is strong, lightweight, durable and which retains its natural beauty for far longer.

ACCOYA is a registered trademark owned by Titan Wood Limited

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