

Company Accsys Technologies PLC
TIDM AXS
Headline Trading Statement
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Trading Statement **Accsys Technologies PLC ("Accsys" or "the Company")**

Accsys today provides the following trading update for the six month period to 30 September 2009, ahead of the announcement of its interim results.

The Company expects that revenues for the first half of the year will be lower than in the corresponding period last year.

The decrease in revenues is largely due to reduced licensing fees from Diamond Wood, our licensee in China, and from Al Rajhi, our licensee in the Middle East. Progress on the Diamond Wood plant is linked to their fund raising process which is currently underway. Development on the Al Rajhi plant has been slower than anticipated due to the economic climate, however the Company is confident that progress will be made during the second half of the year. The recent increase in the Al Rhaji group's shareholding of Accsys to 9.2% is most welcome.

The Company experienced strong growth in Accoya® wood sales in the first quarter (up 51%), however sales in the second quarter have been impacted by the temporary shutdown of the Arnhem plant, which was required to implement further process improvements and an automated wood logistics system. These improvements have now been completed, production has resumed and the resultant backlog of sales orders will be met in the next quarter.

It is too early to give any indication of the results for the year to 31 March 2010. However, it is clear that they will be determined principally by the extent to which progress is made by our licensees.

In addition, we have implemented a number of cost reduction schemes in the first half of the year, the benefits of which will not be seen until the second half.

The Company has continued to focus on expanding its sales network and is pleased to announce that it has reached agreement with a number of distribution partners across the world. Details of the first of such arrangements with our distribution partners in North America are being announced separately today. We hope to be in a position to announce further distribution deals in the near future.

Paul Clegg, Chief Executive Officer, of Accsys, stated, "The economic climate has clearly had an effect on our licensing revenues but it is pleasing to see the continued commitment to Accsys from both Diamond Wood and Al Rajhi."

- ENDS -

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Notes to Editors:

Titan Wood Limited (www.titanwood.com) is a wholly owned subsidiary of the Accsys Technologies PLC (www.accsysplc.com) group of companies. Accsys Technologies PLC is listed on the London Stock Exchange AIM market, and on Euronext Amsterdam by NYSE Euronext, under the symbols 'AXS'.

Wood Acetylation is a process, which increases the amount of naturally present '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® Wood (www.accoya.info) is produced by using a patents-pending non-toxic process that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a "new wood species" via acetylation. Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Accoya® wood is particularly suited to exterior applications where performance and appearance are valued. Unlike most woods, its colour does not degrade when exposed to sunlight. Moreover, the Accoya® wood production process does not compromise the wood's strength or machinability. The combination of UV resistance, dimensional stability, increased coatings life, durability and retained strength

means that Accoya® wood offers a wealth of new opportunities to architects, designers and specifiers. Leading applications include external doors and windows, shutters/shading, siding and cladding, decking, outdoor furniture/equipment and glulam beams for structural use.

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