Accsys Technologies PLC issues the following quarterly trading update.

The Group continues to make steady progress despite the global economic uncertainties and the challenging market conditions.

Our focus has been to try to mitigate the impact of the global economic slowdown by continuing to develop additional markets for the sale of Accoya® wood. In particular, we have established distribution agreements in the key North American market with UCS Forest Products, the Bella Vista division of window and door producer Loewen, and East Teak Fine Hardwoods Inc.

In the 3 month period to 31 December 2008, sales revenue for Accoya® wood, produced at the Group's plant in Arnhem, The Netherlands, increased by 50% compared to the previous 3 month period, with sales volumes increasing by 33% over the same period.

Progress continues to be made for the development by Diamond Wood China of a plant in China and by Al Rajhi for a plant in the Middle East. Although current market conditions are expected to result in completion dates for these plants being later than originally planned, it is anticipated that the same market conditions will result in lower capital expenditure on the construction of these plants. We continue to progress discussions with a series of prospective licensees for the production of Accoya® wood in various other parts of the world.

Our panel products division has made very good progress during the period. We are in the process of developing new branding for this product line and anticipate making further announcements in the near future.

- ENDS -
For further information, please contact:

**Accsys Technologies PLC**
William Paterson-Brown, Executive Chairman
+44 20 8150 8835

**Collins Stewart Europe Limited**
Hugh Field
+44 20 7523 8000

**Parkgreen Communications**
Leah Kramer / Paul McManus
Leah.kramer@parkgreenmedia.com
Paul.mcmanus@parkgreenmedia.com
+44 20 7933 8780
+44 7793 244 055
+44 7980 541 893

**Citigate First Financial B.V.**
Wouter van de Putte / Laurens Goverse
+31 20 575 4080

Notes to Editors:

**Titan Wood Limited** ([www.titanwood.com](http://www.titanwood.com)) is a 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, and on Euronext Amsterdam by NYSE Euronext, under the symbols '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**® 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® 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® 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® wood offers a wealth of new opportunities to architects, designers and specifiers. For marine uses where weight is also important, Accoya® 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 and the Trimarque Device are registered trademarks owned by Titan Wood Limited and may not be used or reproduced without written permission.**

This information is provided by RNS
The company news service from the London Stock Exchange