

22 April 2010

Filtrona plc



Interim Management Statement

Filtrona plc ("Filtrona" or the "Company"), the leading international supplier of speciality plastic and fibre products, today issues its interim management statement for the period from 1 January 2010.

All statistics and qualitative statements made below relate to continuing operations and therefore exclude the North American Plastic Profile and Sheet business, the disposal of which completed on 27 March 2009.

At its Annual General Meeting to be held at 12 noon today, Jeff Harris, Chairman, will make the following statement:

Company Financial Performance

During the first quarter¹ of 2010, the Company's overall performance was ahead of the Board's expectations.

Company revenue was up 2% versus the first quarter¹ of last year ("comparable period"²) at both reported and constant exchange rates. Revenue, operating profit³ and operating margin³ have benefited from the impact of a positive upturn in the Protection & Finishing Products division, particularly the MSI oil and gas thread protector business; from continued momentum within the Porous Technologies division; and from previously implemented cost savings.

Protection & Finishing Products

First quarter¹ revenue within the Protection & Finishing Products division was up 20% versus the comparable period² (up 22% at constant exchange rates).

Porous Technologies

The Porous Technologies division delivered revenue up 17% in the first quarter¹ versus the comparable period² (up 23% at constant exchange rates).

Coated & Security Products

First quarter¹ revenue within the Coated & Security Products division was down 6% versus the comparable period (down 5% at constant exchange rates), but was down 2% at constant exchange rates after eliminating the impact of one-off income received in the comparable period² in relation to FractureCode.

Filter Products

First quarter¹ revenue within the Filter Products division was down 5% versus the strong comparable period² (down 7% at constant exchange rates).

Financial Position

As announced on 5 March 2010, the Company acquired BP Labels, a manufacturer of self-adhesive labels which is highly complementary to the Coated & Security Products division, for a maximum consideration of £4.5m.

Net debt was £116m as at 3 April 2010. As expected, additional growth-led working capital investment and capital expenditure has been incurred during the first quarter¹.

Outlook

Although the profile of the global economic recovery remains unclear, the Company delivered encouraging revenue growth in its higher margin divisions during the first quarter¹, and these current business trends give the Board confidence of continued positive progress.

1 Period from 1 January 2010 to 3 April 2010 (64 trading days)

2 Period from 1 January 2009 to 4 April 2009 (66 trading days)

3 Before intangible amortisation

Enquiries

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Notes to Editors

Filtrona plc is a leading international supplier of speciality plastic and fibre products. Further information can be found on the website www.filtrona.com.

Protection & Finishing Products

A global market leading provider of product protection and finishing solutions, manufacturing and distributing plastic injection moulded, dip moulded, adhesive-coated foam and metal products. 40 operating units in 14 countries serve a very broad base of customers with a rapid supply of primarily plastic products for protection and finishing applications in industries such as hydraulics, pneumatics, oil and gas, electrical controls, point of sale and tubular metal products.

Porous Technologies

The leading global technology developer and manufacturer of custom bonded fibre and hydrophilic foam fluid and vapour handling components delivering high value and precision performance to many of the most well-known consumer, industrial and medical brand owners in the world. The components are used in a wide range of product applications including medical diagnostics and wound care, inkjet printer cartridges, writing instruments, and air fresheners.

Coated & Security Products

The global market leading producer of high quality self-adhesive tear tape and a growing supplier of products and technologies for brand protection, document authentication, personal identification and track and trace. Customers in over 100 countries are served from facilities operating in six countries. Also includes plastic profile extrusion activities in The Netherlands.

Filter Products

This division is the only global independent cigarette filter supplier. The 12 worldwide locations, including a UK-based research facility and three regional development centres provide a flexible infrastructure strategically positioned to serve the cigarette industry. The division supplies a wide range of value adding high quality innovative filters from monoacetate to multi-segment speciality filters with sophisticated adsorbent materials.