

5 December 2012

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

("Symphony", the "Company" or the "Group")

Trading Update

Symphony Environmental Technologies plc, the specialist in advanced plastics technologies including controlled life, anti-microbial and anti-counterfeiting products, and recycling technologies, announces a trading update for the financial year ending 31 December 2012.

Revenues for the second half of the financial year have reflected the Company's normal weighting towards the latter six months of the reporting period and will be significantly higher than the first half (H1: £2.12m). However, revenues for the financial year will be substantially lower than the previous year (2011: £8.5m) and market expectations. A trading loss of approximately £1.1m for the financial year is expected to be reported (2011: £0.5m). The principal reason for the fall in revenue is a decline of approximately 30 percent in d2w® additive sales.

A number of new large potential territories from which d2w® additive sales were expected were delayed. However, the Group has received initial orders from some of these territories and positive indications of interest for future sales, albeit the timing is not yet known.

As detailed in the Interim Statement published on 27 September, the first half of the year saw our operating policies change in order to reduce debtor exposure and stock held by our distributor network. For the second half of the year we continued this policy which resulted in lower stocks within the network and much reduced trade receivables. This policy has resulted in an improved working-capital cycle and reduced exposure to possible credit risk which we anticipate will be reflected at the year end. The effect of this policy has been to exacerbate the fall in sales although from November revenues reverted to an operating level that would be similar to 2011. The Group has sufficient cash-flow and trading facilities to enable substantial business growth going forward.

During the year the Group continued to make substantial R&D investment in future product-lines for d2w, d2p and d2t, as well as in Symphony Recycling Technologies Ltd. The Group anticipates being able to continue those developments in 2013. The Group are working towards showing revenue streams for these developments as soon as practicable, and some may begin during 2013.

The Group is also in advanced negotiations with a global pharmaceutical company, which may lead to the granting of substantial distribution rights to the Group for what is believed to be a unique plastic masterbatch. As a result of positive laboratory tests and ongoing field trials, we believe this masterbatch technology may add benefits to most industries where plastic is used, and especially the food industry. This technology is expected to be complementary to our existing d2p technologies. Whilst the Directors believe that negotiations are developing positively there can be no certainty of a binding agreement being concluded. The Company will update the market as appropriate.

With the current improved monthly trading position, the Group is confident of a stronger performance going forward.

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NOTES TO EDITORS:

About Symphony Environmental Technologies plc

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC is a specialist in controlled-life plastic technology and products - a system that works by a process called oxo-biodegradation. The technology is branded d2w® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products around the world.

Symphony's d2w® technology turns plastic at the end of its service-life into a material with a completely different molecular structure. At that stage it is no longer a plastic and can be bioassimilated in the open environment in the same way as a leaf. For a video of d2w® plastic degrading see <http://degradable.net/play-videos/4>

Symphony has a diverse and growing customer-base and has established itself successfully as an international business with 74 distributors around the world. Products made with d2w® plastic technology can now be found in 96 countries and in many different product applications.

Symphony is a member of The British Plastics Federation (BPF), the Oxo-biodegradable Plastics Association (www.biodeg.org), and the Society for the Chemical Industry (UK). Symphony is also a member of the European Organisation for Packaging & the Environment (Europen), and the Pacific Basin Environmental Council, Symphony actively participates in the Committee work of the British Standards Institute (BSI), the American Standards Organisation (ASTM), the European Standards Organisation (CEN), and the International Standards Organisation (ISO).

Symphony also supplies d2p technology that can be used in most types of plastic products to help reduce the risk of contamination by harmful bacteria and fungi. In addition Symphony has developed d2Detector, a portable device which analyses plastics and detects counterfeit products, together with tagging and tracer technology for further security.

Symphony is also developing innovative and cost-effective recycling technologies to convert scrap tyres and other waste-streams into valuable products.

Symphony is accredited to ISO9001 and ISO14001. Further information on the Symphony Group can be found at www.d2w.net.