



PRESS RELEASE

Barendrecht, 5 November 2009

THIRD QUARTER TRADING UPDATE 2009

InnoConcepts Sets First Steps In New Strategy and Publishes Trading Update 2009

- Strategic change takes shape; framework license agreement with Obeikan Group
- Exit of direct sales activity of food packing products
- Low trading level of first half year continued in Q3
- Cost reduction program initiated
- Impairments of €18 million

During our EGM of 8 September 2009 we announced our new strategy and envisaged next steps. We are pleased to announce that we have concluded three first steps in the new strategy. First, we concluded a framework agreement for the sale of moulds and licenses to use our injection moulding technology in part of the Middle East with the Obeikan Group. Second, we signed an agreement with Dampack, a European distributor of food packaging who will sell food packaging products produced using our injection moulding technology. Third, we initiated our cost cutting program, decreasing our headcount by approximately 20 (10% of total headcount) and moving our head office to our production facility in Eindhoven by the end of this year.

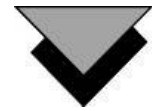
Comment from the CEO

“Although the general economy appears to be through the worst, we are yet to see any signs of improvement in the market for moulds and for the plastic industry in general.

We announced a new strategic direction at the EGM in September, aimed at making InnoConcepts a “focused, cash driven, high growth, high margin developer / marketer of high-technology moulds”.

All transformations of this nature require management to take firm decisions. We have exited the majority of our activities of direct sales of food packaging and we have announced the restructuring and move of our Headquarters to our facility in Eindhoven (HTP).

We have taken the first steps in realising our commercial strategy by concluding the framework agreement with the Obeikan Group and have been working diligently on the required measures to strengthen our balance sheet and provide the required liquidity to support the transformation process.”



Trading update third quarter of 2009

As announced in our half year trading update, the market circumstances in which we operate remain difficult and our customers are severely cutting back on investments. As a result, we experienced another tough quarter. Revenues and normalised EBITDA were, adjusted for the seasonal pattern, at the same level as in the first quarters of 2009. We continue to explicitly focus on cost reductions in addition to measures already taken in previous quarters.

Following our recently revised strategy, we have reviewed and reconsidered the value of our assets and liabilities. Due to the decision not to market and produce unbranded food packaging products ourselves, part of our contracted and proprietary production capacity has become redundant. As a consequence, we have taken a considerable impairment on our tangible fixed assets. Furthermore, we have provided for future liabilities under the existing contract manufacturing agreement with Hoogerman. Finally, we have impaired the full value of our investment in Founders SAS and partially our loan note to the TEA Group. The total value of these impairments and provisions amount to €18 million.

As a result of operational losses and the additional impairments in this quarter, our solvency has further decreased compared to 30 June 2009 to below 40%.

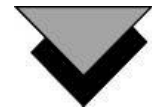
Update on strategy change

As a result of the strategic review in the summer of this year, we decided to adopt a cash focused strategy in order to improve our financial performance in a sustainable way and to be less dependent on the availability of additional financing. This strategy is aimed at becoming a focused, cash driven, high growth/high margin developer and marketer of high technology moulds. This new strategy is primarily aimed at exploiting our injection moulding technology ("IM Technology") by selling IM Technology based moulds to converters with an implied license fee per individual mould and in certain cases ongoing royalties. We also decided to primarily focus our commercial efforts on two markets: food packaging and automotive.

We expect that we can implement our new strategy with a more streamlined organisation and thereby reduce our costs, for which we have made the first steps.

Following this recent change in strategy, our business activities can now be grouped in four distinct areas:

- (A) "Mould Sales": the operational core of our business consists of advanced engineering and tool making units (i.e., mould production capacity). It includes the production and sales of generic and IM Technology-based moulds for a specific product. Our main mould production capacity is located at Eindhoven and the Czech Republic resulting from the acquisitions of HTP Tooling B.V. (100% owned) and Formy Tachov Sro (currently 60% owned) respectively;
- (B) "Intellectual property rights": the management of our portfolio of intellectual property rights, including the development of our IM Technology base. It includes the entering into of license agreements related to our IM Technology to specific market segments or for multiple products;



- (C) "Investment in converters": existing strategic (equity) investments in producers of plastic packaging products such as Founders SAS Production Ltd ("Founders SAS"), WNA Holdings Inc ("WNA") and Hoogerman Holding B.V. ("Hoogerman"); and
- (D) "Non-core investments": (equity) investments in assets that are considered to be non-core, given our new strategy. At present, these non-core investments mainly consist of our indirect 36.2% equity interest in Proventec, a provider of specialist steam cleaning solutions and preventative coating technologies.

Ad A: Mould Sales

Our prime operational and commercial activity is selling moulds with and without our IM Technology to converters. Through dedicated key account management we intend to develop long-term relationships with targeted key converters with whom to implement our IM Technology. Our market focus is primarily on food packaging and automotive. Discussions are taking place with major players with a view to expanding our presence in these sectors. In automotive, we currently have an IM Technology based mould under testing with IAC. In addition we continue to explore possibilities in returnable transport packaging and consumer electronic packaging.

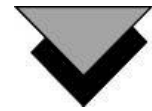
In the recent past we have made various announcements regarding commercial agreements with multinational producers of food and beverage products. In light of the recent strategic change and our focus on selling IM Technology based moulds to converters, we consequently concentrate our sales activities on these converters rather than on food and beverage producers. As a result thereof, we do not expect the existing and announced commercial agreements with these producers to generate any direct revenues for us in the foreseeable future.

Ad B: Intellectual Property Rights

Of our portfolio of intellectual property rights we will continue to focus our efforts on the IM Technology, for which we may enter into license agreements to specific market segments and/or for multiple products, which we intend to pursue on a cash basis.

In the past we have agreed multiple licenses to specific market segments and/or for multiple products. The roll-out of our IM Technology started in 2001 as a joint operation based on a cooperation agreement for media packaging with Cheng Meng Plastic Production (Dongguan) Limited (also known as Founders and referred to as "Cheng Meng"), a contract manufacturer in the People's Republic of China. As a result of the market conditions in the multi-media packaging sector and the financial position of Cheng Meng we do not expect any license income in the near future.

In 2005, we licensed our IM Technology to Schoeller Arca Systems N.V., a manufacturer of returnable transport packaging ("SAS"). A number of projects were initiated with SAS for the production of IM Technology based moulds which were not successful in delivering the benefits expected by SAS. As a result, SAS has revoked its exclusivity right for the use of the IM Technology in its market segment. We therefore do not expect any royalty payments which would have been received had this exclusivity remained. We, nevertheless, are of the belief that with the advances made in this technology recently there is still a potential for SAS to benefit from this technology in their market segment and both companies have agreed to collaborate on a project to explore this potential.



Ad C: Strategic Investments in converters

In the past we have provided specific licenses to converters for which we received equity participations in return. As a result of our revised cash focused strategy we expect no new strategic equity investments in converters in the near future.

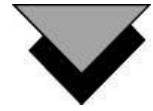
WNA is one of the market leaders in plastic products for the catering industry. In September 2008, we entered into a strategic alliance with WNA in the form of an exclusive license with respect to the food service industry in the US. In return, we received a conditional 20% equity stake in WNA. Our 20% interest in WNA is subject to certain performance goals which will be tested in March 2014. At this moment, InnoConcepts management believes that the performance goals can be met to achieve a final 20% shareholding.

In September 2008, we acquired a 35% equity stake in Hoogerman via our subsidiary I-Pac. Apart from our 35% shareholding, we have a contract manufacturing agreement with Hoogerman. The contract manufacturing agreement stipulates that penalty payments are due by I-Pac's subsidiary I-Pac Manufacturing Services BV if a certain minimum revenue for the sale of food packaging products by Hoogerman using our IM Technology, is not realised. As per 30 September 2009, the maximum liability out of this guarantee is €2.8 million over a total period of the next three years. We have paid €0.4 million in penalties in the third quarter of this year. We also refer to our new contract with Dampack described below.

Update on implementation of our new strategy

We are pleased to announce that we have made progress in the implementation of our new strategy, amongst other things through the following three achievements:

- First, we have concluded a framework agreement with the Obeikan Group on the sale of moulds and a license to use our IM Technology in part of the Middle East. The Obeikan Group is an industrial conglomerate from Saudi Arabia with a leading position as a converter in the Middle Eastern food packaging market. Under the framework agreement, the Obeikan Group will have access to our IM Technology through the purchase of IM Technology based moulds with implied license fees for us. We anticipate the prototype phase to start shortly.
- Second, we have signed an agreement with Dampack, a European distributor of food packaging products. So far, our sales team has made limited progress in the sale of these products resulting in limited business to date for us. Therefore, we have decided to transfer these sales activities to Dampack, and to focus our sales activity on IM Technology based moulds. As a result, we have terminated employment contracts of staff related to this activity. The manufacturing of the food packaging products is still carried out by Hoogerman under the existing contract manufacturing agreement. Based on this agreement we expect to receive royalties on products sold by Dampack, and to lower penalties due by us to Hoogerman as described above.
- Third, we initiated our cost reduction program, which amongst other things will include moving our head-office from Barendrecht to our HTP location in Eindhoven by the end of this year. The physical presence of our corporate, sales, and technical development activities in one location will enable us to function in a more cost effective manner ensuring short lines of communication. As a result of this scheduled move and other cost cutting measures, we will reduce our headcount by approximately 20 by the end of this year.



Outlook

As stated in our June trading update we believe that the market circumstances remain tough well into 2010. In addition, we will need time to adapt its organisation to its new strategy, realise further cost savings and deal with historical arrangements. Consequently our operational result might remain negative for the coming period. Therefore we are exploring avenues to strengthen our balance sheet in order to successfully execute our new strategy. We are, however, seeing a marked increase in interest in our IM Technology, as evidenced by the recent Obeikan agreement. This supports our belief that our IM Technology is gaining traction in our focused markets although it is too early to predict the timing of the revenues from this increased interest.

For further information

InnoConcepts N.V.
Investor Relations Department
Tel: +31 180-744200
Fax: +31 180-531855