

Elementis plc

16 April 2009

AGM / Interim Management Statement

Elementis plc (“the Company”) today issues its Interim Management Statement for the period ended March 31, 2009 in relation to the Company and its subsidiaries (“the Group”).

Trading for the first three months of the year has continued to experience significantly lower levels of demand following the sharp downturn that occurred towards the end of 2008. In Specialty Products sales volumes, excluding Deuchem which was acquired in July 2008, were 33 per cent lower than in the previous year with European order patterns particularly depressed. Nevertheless, overall contribution margins and market share remain stable. In Asia, Deuchem sales have shown an improving trend during the period due to demand in the Chinese domestic market. In Chromium the strategic review and consultation process announced in February, relating to the UK facility, is progressing and the Company expects to announce the outcome before the end of June 2009. Sales volumes in the first three months of 2009 for Chromium’s remaining US based business were 53 per cent lower than the same period last year.

The Group hedges its currency exposures by entering into forward contracts, normally during the third quarter of the previous year. The sharp downturn in demand that occurred at the end of 2008 and the continuing low sales volumes experienced in the first part of 2009 is likely to result in the currency hedges that were taken out for the current year exceeding the actual currency exposure in the Group, particularly for the first half of the year. If the current level of Group sales were to continue, the first half operating profit would be reduced by approximately £4.7 million due to this effect.

Market expectations assume some improvement in demand patterns during the remainder of 2009 and, while the Group is well positioned to benefit from the eventual economic recovery, the current trading environment continues to make it difficult to predict the timing of any such recovery. In the meantime, the Group has taken actions to reduce costs in order to partially mitigate the impact that lower than expected sales volumes will have on operating margins.

The Group remains well financed, with existing bank facilities not due for renewal until 2011.