

CHAIRMAN AND CHIEF EXECUTIVE'S REPORT

In 2008/09 revenue increased to £769.1m (2008: £695.2m) which is entirely due to movements in exchange rates as the revenue at constant exchange rates was slightly down on the previous year due to lower volumes. Adjusted operating profit levels were affected by a worsening economic environment impacting activity levels particularly in the second half year and unprecedented input cost pressures from both high polymer and energy costs in the first half year. Given this backdrop, the adjusted operating profit of £35.5m (2008: £40.6m) represents a satisfactory performance with the adjusted profit before tax* recorded at £25.1m (2008: £30.2m). The adjusted basic earnings per share** reduced from 21.5p to 18.0p. Significant restructuring and impairment costs, in total amounting to £25.8m (2008: £19.7m), were incurred mainly in relation to the RPC 2010 programme. Consequently the net result was a loss of £7.7m (2008: profit of £4.4m). Due to a strong cash performance the net debt has been reduced to £116.6m (2008: £149.4m).

Overview of the Year

The principal challenge in the year came from the deteriorating economic environment impacting activity levels. Approximately 56% of our products are delivered to the food sector which can be considered relatively resilient in an economic downturn. Nonetheless, even in parts of this sector, demand has been slowing down due to de-stocking and in some instances switching to lower value brands. The non-food sectors showed a mixed picture in terms of demand depending on the geographical region and end-sector serviced. Overall, however, our end-sectors can be deemed relatively defensive in today's recessionary circumstances.

Another challenge in the first half of the financial year came again from rising input costs. Polymer prices increased to their highest ever level in August before reducing significantly in the following months followed by a slight increase in the last two months of 2008/09. Also substantial increases in electricity, outer packaging and carriage costs were incurred in the first half year before easing in the second half of the year. Overall gross margins showed a much needed improvement in the second half year to more sustainable levels.

During the year a Strategic Review was conducted culminating in a major improvement programme "RPC 2010" which included the sale or closure of a minimum of 8 plants and further performance enhancing activities including cost optimisation. Overall this self-help plan aims to achieve a steady-state improvement of return on capital employed ("ROCE") of at least 4 percentage points. The closures of Raunds (UK), Ravenstein (the Netherlands), Halfweg (the Netherlands), Aš (Czech Republic) and Mozzate (Italy) were announced during the year. Previously the Group had announced the intention to sell the distribution business in Offenburg (Germany) together with its satellite operations in Romania and Poland. After reviewing the potential sale value achievable in the present market environment, the Group has decided to suspend the sale process. The distribution business achieved a turnover of approximately £14m in 2008/09 with a satisfactory operating profit level. The suspension of the sale does not impact the anticipated profit improvement related to RPC 2010.

Financial Highlights

The revenue for the year of £769.1m is 10.6% ahead of last year's £695.2m. When adjusted for the change in exchange rates the revenues were slightly down on last year due to lower volumes as the economic environment deteriorated throughout the year. Adjusted operating profit was down 12.6% at £35.5m (2008: £40.6m) with EBIT margins reducing to 4.6% of revenue (2008: 5.8%). Adjusted EBITDA reduced to £69.1m compared with £71.6m in the previous year. The underlying tax rate at 29.0% was marginally lower than the previous year (29.5%). Performance in the second half improved compared with the first half year with the adjusted operating profit increasing from £16.0m to £19.5m and EBIT margins improving from 4.2% to 5.0%. The ROCE for the full year was 9.1% (2008: 10.7%).

The net cash from operating activities was excellent at £99.5m compared with £42.0m last year mainly due to a significant further improvement of the working capital performance reflecting the continued focus on cash generation. Net debt at the year end was £116.6m (2008: £149.4m). Gearing reduced to 68% (2008: 83%).

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Capital expenditure paid of £33.4m (2008: £33.4m) was at the same level as last year reflecting the Group's commitment to invest in projects that are innovative, provide a competitive advantage and generate attractive returns. Significant projects completed were the further extension of our facility to manufacture Nestlé's Dolce Gusto capsules and the installation of equipment to manufacture newly designed tubs for the margarine and spreads market. Capital expenditure net of disposals reduced to £26.3m (2008: £27.1m).

* - *adjusted profit before tax is defined as operating profit before restructuring, disruption and impairment charges, and negative goodwill released to income less net interest*

** - *adjusted earnings per share is defined as adjusted profit before tax less underlying tax at 29.0% (2008: 29.5%) divided by the weighted average number of shares in issue during the year*

Strategy

During the first half of the year we undertook a Strategic Review to explore all options to maximise shareholder value. The outcome of this review is an ongoing programme of change and improvement under the heading of RPC 2010. Salient features of the Strategic Review and RPC 2010 are as follows:

- Overall the Group is focusing on attractive rigid plastic packaging sectors where RPC has strong market positions and good long term prospects. The Group's target is to achieve an average of 15% ROCE across the cycle.
- A minimum of 8 plants have been projected to be closed or sold, thereby improving our manufacturing footprint and exiting a number of non-core market segments.
- Further performance enhancement opportunities have been identified across the retained operating units through a range of actions including commercial enhancement, procurement and cost optimisation.
- In the current environment there is no evidence of opportunities for large scale corporate activity that would produce greater shareholder value than the Group's plans outlined above. The Board will nonetheless remain alert to such possibilities.

It is anticipated that the various initiatives will realise an overall steady state improvement in operating profit of at least £12m (compared with the annualised adjusted operating profit level at the start of the programme) which, combined with a reduction in capital employed, represents a ROCE improvement of 4 percentage points. The aim is to complete RPC 2010 by the end of 2010 with the full benefits being realised in the financial year ending March 2012.

RPC 2010 is by definition a finite plan and the Board will be reviewing the Group's longer term strategy in the course of next year. The short term aim is to complete RPC 2010, focus on enhancing margins and maintain a good cash generation.

Board and Personnel

During the year, a review of the size, composition and balance of the Board was conducted. The following changes have taken place following the 2008 Annual General Meeting:

- J R P Pike replaced J P Williams as Chairman on 23 July 2008;
- M G Towers was appointed as a non-executive director on 1 April 2009;
- P Hilton, P J H Hole, H J Kloeze and C H Sworn retired as directors on 3 June 2009 and M J B Green decided this was also an appropriate time for him to retire; and
- P S Wood was appointed Senior Independent Director on 3 June 2009.

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D J Wilbraham will be proposed for re-election as a non-independent director at the 2009 Annual General Meeting. Following all the above changes the Board will have been reduced from 11 to 7 members and will comprise the following members:

J R P Pike	Non-Executive Chairman
P S Wood	Senior Independent Director
S Rojahn	Independent Non-Executive Director
M G Towers	Independent Non-Executive Director
D J Wilbraham	Non-Executive Director
R J E Marsh	Chief Executive
P R M Vervaat	Finance Director

The Board would like to thank Peter Williams, Bay Green, Philip Hilton, Peter Hole, Henk Kloeze and Chris Sworn for their valuable contributions made over many years as Board members.

As a consequence of our decentralised structure we are able to provide many opportunities for individuals to make their own contribution to the Group. We appreciate the outstanding efforts by all who together have enabled the Group to confront the difficult market conditions and regret that it has been necessary to reduce the number of people employed by the Group.

Dividend

In light of the excellent cash performance and good long-term prospects your Board is recommending an increase in the final dividend to 6.4p per share (2008: 6.1p) making a total for the year of 9.3p (2008: 9.0p); an increase of 3.3% thereby continuing our progressive dividend policy. Subject to approval at the forthcoming Annual General Meeting, the final dividend will be paid on 4 September 2009 to shareholders on the register on 7 August 2009.

Outlook

Our market positioning will benefit us in the difficult economic environment we are currently experiencing with approximately 56% of our products supplied to the food market which can be relied upon to remain relatively resilient. Furthermore we believe our competitive position has improved during the year due to our continued commitment to customers in terms of innovation and investment. The input cost pressures have abated during the second half year and our self-help plan RPC 2010 remains on schedule which will benefit us progressively going forward. The major short term uncertainty that remains however is the volume outlook as evidenced by some of our major customers choosing not to publish forecasts for 2009. A short term volume outlook is therefore difficult to predict, although it should be noted that the new financial year has started satisfactorily and the Group's interest charges are anticipated to reduce in 2009/10.

In the medium term rigid plastic packaging can be expected to grow faster than GDP as plastic continues to substitute other materials used in packaging. This fact combined with our improved competitive position, a more benign input cost environment and the anticipated success of RPC 2010 leads the Board to believe that our medium and long-term prospects are good once the present recessionary circumstances are reversed.

J R P Pike
Chairman

R J E Marsh
Chief Executive

BUSINESS REVIEW

Principal Activities

RPC is Europe's leading supplier of rigid plastic packaging, with manufacturing operations in 12 countries of the European Union and the USA. Its product range comprises all forms of rigid packaging, namely injection moulded packs, thermoformed packs, sheet and extrusion blow-moulded packs, as well as injection-blown and injection-stretch-blown packs.

Manufacturing sites convert polymer granules into finished packaging product by a combination of moulding and assembly processes, with certain products undergoing additional value-adding decorating processes such as printing or label application.

Customers range from large multi-national companies such as Unilever, Kraft, Nestlé and Procter & Gamble to local small and medium sized enterprises. Our objective is to give all our customers good service and quality, and thereby to retain their custom.

Operations are structured along market and technological lines. Each of these groups of operations are organised in 'clusters'. In total there are six clusters in the Group whose principal served markets are:

Cluster	Market
UK Injection Moulding	paints, DIY products, fresh soups and sauces, vitamins, yellow fats
Bramlage-Wiko (injection moulding)	personal care, cosmetics, tablet dispensers, coffee capsules, DIY, household, stationery, yellow fats
Blow Moulding	personal care, motor oil, food and drinks, agrichemicals
Bebo (thermoforming)	margarine and spreads, fresh, frozen and long shelf life foods
Cobelplast (sheet)	form-fill-seal lines, phone cards, long shelf life foods
Tedeco-Gizeh (thermoforming)	vending and drinking cups, food service disposables, coffee capsules, the French dairy market

Each cluster has on average eight manufacturing sites, operating across a number of countries for reasons of customer proximity, local market demand and manufacturing resource.

We aim to give each plant as much autonomy as possible commensurate with maintaining overall financial control and effective co-ordination in each market sector. Hence, every cluster and most manufacturing sites have a separate management team headed by a cluster or general manager. We believe that this structure encourages focus on business issues and delivers enhanced performance.

Review of Operations

Injection Moulding

Overall the injection moulding business performed relatively well given the impact of higher input costs and the commencement of the global economic downturn in the year. Underlying sales volumes at Bramlage-Wiko held up against last year, although the UK injection moulding business was impacted by the slow-down in demand from the construction and DIY sectors. A further restructuring of the beauté cluster was undertaken thereby aligning capacity with demand and providing the business with a more effective operating basis going forward. As a consequence the Mozzate site in Italy has been closed with production having ceased in January 2009. By merging the beauté cluster with Bramlage-Wiko, the cosmetics and personal care operations have been consolidated into a single cluster under the Bramlage-Wiko umbrella. The combined technical resource and expertise of the new operations will offer customers an enhanced service on a global basis taking advantage of Bramlage-Wiko's relationships around the world.

BUSINESS REVIEW continued

Bramlage-Wiko is partner to a wide variety of customers whose markets serve the personal care, cosmetics, pharmaceuticals and food sectors. Its traditional product ranges of deodorant-sticks, cream jars, toothpaste dispensers, airless cream dispensers, margarine tubs, and inhalant devices enjoyed another good year, while sales of Tassimo coffee capsules continued to demonstrate their strong growth potential. With its operations based mainly in mainland Europe and the relatively defensive nature of its product base, sales volumes were less affected by the economic downturn, although some impact was witnessed particularly in the personal care and cosmetics area towards the end of the financial year. As part of the RPC 2010 plant optimisation programme, work started in the year to transfer the Bramlage DHS business, based at Ravenstein, the Netherlands, to other manufacturing sites.

The UK injection moulding cluster, which comprises five sites in England, serves a wide range of customers in the food, health care and DIY markets. Whilst its operation at Oakham experienced a noticeable slowdown in demand for its paint and surface coating containers, there were sales improvements elsewhere, such as the increase in sales at Market Rasen as new custom moulded projects for Dairy Crest (milk jug) and Coty (cosmetic powder compact) came on stream. Sales volumes did experience an upturn in the last months of the year as sales activity at the major DIY retailers showed some improvement. The closure of the Hereford site was completed in the year, with its business successfully transferred to other sites within the Group.

Thermoforming

The thermoforming businesses of RPC comprise the Bebo, Tedeco-Gizeh and Cobelplast clusters. With their relatively high proportion of polymer in total cost, they continued to be challenged by high polypropylene and polystyrene costs in the earlier part of the year, but later benefited as polymer prices reduced in the second half. Cost optimisation and rationalisation programmes progressed, thus improving the Group's competitive position, and the businesses gained advantage from the trends to glass and can replacement in food packaging and to "single serve" coffee machines.

The Bebo thermoformed packaging business benefited from increased volumes of margarine and spreads packs, gaining a larger share of the European market from new, larger contracts for major manufacturers. This was supported by the commissioning of the extended integrated production facility for pre-printed lids in Germany. Although demand for fruit bowls was disappointing (albeit efforts to widen the customer base are proving successful), the rest of the market for oxygen barrier containers continued to develop, including a major project for baby food and new business in pre-cooked rice and in functional foods. The rationalisation of Polish packaging manufacture from three to two plants, and reorganisation to concentrate specific manufacturing processes in the key spreads and barrier sectors, have been followed by additional cost and plant optimisation under the RPC 2010 programme, with the closure of the Aš (Czech Republic) plant and further concentration of spreads packaging manufacture in the Netherlands. Projects to automate and integrate manufacturing processes for fruit bowls and spreads packs were undertaken.

The performance of the Tedeco-Gizeh plastic cup and disposables business, including the Cash and Carry sector, improved, benefiting not only from the "price over volume" strategy, but also from cost reduction initiatives. In this respect, the closure of the Łaskarzew plant in Poland was completed, rationalising East European manufacture, and, as part of a move to greater specialisation, further concentration of vending cup manufacture in the Netherlands has subsequently taken place. Responding to the need to reduce the environmental impact of our products, a lightweight vending cup has been introduced. The "Dolce Gusto" coffee capsule business for Nestlé continued to grow, and the business in the French dairy market, where the Group's position has been strengthened by a major competitor curtailing its activities, has shown a satisfactory level of growth.

Although volumes of sheet for fruit bowls were lower, and extra capacity in the PET "standard" sheet sector restricted volumes and margins in this market, the Cobelplast sheet manufacturing businesses continued to benefit from new worldwide applications for multi-layer barrier film (including sorbets and baby food) and from niche opportunities for PET and polystyrene sheet for specialised applications such as printing material.

BUSINESS REVIEW continued

Blow Moulding

Blow moulded pack volumes were, overall, down in 2008/09 on a like-for-like basis. In the UK, they remained stable after a significant decline in the first quarter, whilst in Mainland Europe the decline gathered pace as the year progressed. Cost pressures increased over the first half and then eased as the recession intensified.

Competition for the available business was intense in the first half of the year, but in the second half there were a number of plant closures and amalgamations which led to an improvement in the Group's competitive position. In parallel, there were few product development opportunities in the first half, but in the second half the number of opportunities picked up giving the expectation of some worthwhile new contracts in 2009/10 and beyond. Some of these are in the glass replacement sector of the food market where the Group's larger multi-layer jars are now price competitive with glass jars.

The operational performance of the blow moulding sites has benefited from a range of managerial initiatives, inter alia, to improve production efficiencies including the raising of polymer conversion rates and reductions in electricity consumption. In addition, the benefits of the RPC 2010 programme, which entails the closure of two blow moulding sites and the reduction of employment numbers at six others, will substantially improve the capacity utilisations and efficiencies of the cluster as 2009/10 progresses. The Raunds (UK) and Halfweg (the Netherlands) sites are projected to cease production in 2009/10 with the business transferred to other blow moulding sites.

New Product Development

RPC is at the forefront of polymer conversion technology in the packaging industry and has developed a good reputation in the market place for innovative packaging design and concepts. Through its design and development facilities at Bramlage in Germany and Rushden in the UK, the Group is able to develop unique packaging solutions to meet the needs of individual customer demands.

In injection moulding the Group is spearheading the combination of multi-cavity stack moulds with in-mould labelling robots in the production of such innovative products as new tub designs for margarine and spreads, and is also working on a process which replicates injection moulding but with a lower energy consumption. In thermoforming, the Group is among the world-wide leaders in the production and sealing of multi-layer, high barrier trays and tubs for oxygen sensitive foods and we are able to offer our customers advanced solutions in sectors such as baby foods and microwaveable snacks. In blow moulding, the technology for the production of multi-layer, high barrier bottles and jars is highly cost-competitive and the Group is applying its expertise in the high temperature processing of these packs filled with vegetables and sauces: it is anticipated that, over time, the glass replacement market will be an area of substantial growth for RPC.

It is recognised that, for customers, the decoration of a pack is very often the key to its successful sale. The Group is therefore very active in the field of printing and finishing plastic packs. Examples include the electroplating line at Marolles and the patented 'Beboprint' system in use at Bremervörde for the all-over printing of margarine tub lids.

The overall innovation capabilities across the range of conversion technologies combined with the ability to continue to invest and the geographical reach of the Group provides RPC with a significant competitive advantage.

BUSINESS REVIEW continued

Principal Risks and Uncertainties

RPC is subject to a number of risks, both external and internal, some of which could have a significant impact on the performance of its business.

Each year a wide-embracing review is conducted of these risks. This process helps both identify the nature and magnitude of a risk and the manner in which it can be mitigated. The risks that are seen as being particularly important at the current time are:

Polymer price and availability: RPC converts principally polypropylene (PP), high density polyethylene (HDPE) and polystyrene (PS). The prices of each of these polymers have been subject to considerable volatility as they tend to follow the underlying price of oil, as well as changes in global supply and demand. In the past some polymer supplies have been seriously affected by plant breakdowns and maintenance, resulting in shortages; more recently the global economic down turn has impacted on the financial stability of some of the key polymer suppliers. As a consequence the Group has had to reduce its dependence on one or two suppliers and has adapted its manufacturing sites to convert a wider range of polymer grades but with the attendant complications of stock-holding, scrap generation and customer approvals. This will continue as new suppliers come on stream in areas like the Middle East, Brazil and India.

Energy cost: in order to convert polymer, it must first be 'melted' and then, once in its desired shape, cooled: this entails the use of substantial amounts of electricity. The Group has sought to adapt its plants to an era of higher and fluctuating electricity prices by the combination of a purchasing strategy which 'balances' the risks and a drive to reduce the amount of electricity consumed per tonne of material converted. It is also working in conjunction with the British Plastics Federation, who can now enter into a Climate Change Agreement directly with the Secretary of State under measures introduced in the 2009 Budget. It is hoped that this agreement will be in place by the autumn of 2009 and will set out the energy reduction targets that the plastic industry has to meet. The Group can then enter into an individual agreement with the Secretary of State to agree targets for its own energy reduction. If these targets are met the Group will be eligible for a reduction of 80% of the charges made under the Climate Change Levy.

Dependency on key customers: as the top 10 customers in the Group account for 30% of sales, the loss of any one of them could significantly affect the Group's results. Conversely, because of the Group's size and product range, many customers would have great difficulty in moving their business to another supplier. As a result there is a high degree of mutual dependency between RPC and its customers, which, of course, will be strengthened if the Group remains responsive to their requests, services them properly with quality products and continues to develop products that are suited to their needs.

Essential services and supplies: the loss of essential services or products produced by a major supplier could have a significant impact on the Group's ability to service its customers. As such, the Group maintains alternative sources of supply wherever possible. If a problem is localised, in many cases it is possible to manufacture the product from another site within the RPC Group.

Pricing and competitive pressures: the consolidation of major European customers and the trend towards pan-European purchasing and competitive tendering have increased pressure on prices. To mitigate these risks the Group continually strives to achieve optimal customer service while at the same time seeking to reduce the cost base and to achieve improved productivity, efficiency and economies of scale. In today's difficult economic environment the Group's ability to continue to invest and its innovation capabilities across a range of conversion technologies has improved its competitive position.

BUSINESS REVIEW continued

Financial risks: RPC's treasury activities are governed by policies and procedures approved and monitored by the Board. The principal exposures relate to interest rate movements and foreign currency fluctuations. In the case of the former, RPC borrows at both fixed and floating rates in order to give a degree of stability to the composite rate charged each year. The Group has limited transactional exposure to the most influential currency risk – that of the sterling : euro rate. The balance sheet exposure is hedged by controlling borrowings so that the borrowings in euros broadly balance the Group's net assets in euros, and significant transactional exposures are managed using approved financial derivatives (principally forward exchange contracts). The recent liquidity crisis in the financial markets could have had an impact on the Group's ability to fund activities, but the risk is limited as, except for any other unforeseen circumstances, the Group has sufficient funding under its existing finance facilities which expire in June 2012.

Safeguarding physical property: the risk of fire represents the most significant physical risk to the Group. Although the likelihood of such an event is considered low, the impact of a major catastrophe of this type could be considerable. Mitigation of this risk has been achieved with many sites having sprinkler and/or smoke detection systems in place. In addition, the Group carries a comprehensive property damage and business interruption insurance policy.

Resources

RPC's success in generating an adequate return for its shareholders is dependent upon the resources which are available.

RPC is reliant upon the quality, dedication and commitment of its entire staff. RPC has enjoyed remarkable loyalty from its staff. This is partly because of the ethos of commitment and participation which is prevalent throughout the Group. The devolved nature of the management structure strongly contributes to a sense of challenge and fulfilment amongst the management of the Group – as a result of which, staff turnover amongst those at this level has been very low.

RPC is dependent upon the capabilities of its manufacturing operations to enable it to meet its customers' requirements. The Group has consistently invested in plant and equipment, as well as in factory and warehousing space so that it can meet its customers' requirements for quality, innovation and service.

RPC monitors carefully major customer contracts with the objective of limiting its exposure to risks beyond its control; for other customers the Group applies its general conditions of sale which are broadly in line with those applied by its peers and in addition has public and product liability insurance.

Corporate Responsibility

As a leader in the rigid plastic packaging industry the Group recognises its responsibility to minimise the impact of its activities on the environment and to contribute towards the well-being of those communities in which it operates and serves. The Group has identified those areas where its activities have the greatest impact on the natural and social environment and it seeks to reduce or mitigate these exposures wherever possible.

The public perception of plastic packaging as 'a waste of resources', if not as a potential contributor to the degradation of the environment, is considered a key concern but the Group relies on the information published by industrial bodies, such as the British Plastics Federation and the Packaging Federation, as the best way to counter such misconceptions and to alert people to the benefits of plastic packaging. In addition, the Group undertakes trials with materials that are claimed to be environmentally friendly, and also participates positively in WRAP (the Government sponsored Waste and Resources Action Programme) activities concerning rigid plastic packaging.

BUSINESS REVIEW continued

The Group's activities have the following direct impacts on the natural and social environment:

- Energy and water consumption: the Group constantly strives to reduce the amount of energy and water consumed in its conversion activities. In particular, it has installed closed loop cooling systems in a number of plants – these have multiple benefits as they consume less water and electricity and they virtually eliminate the risk of contaminating the neighbourhood with legionnaires' disease.
- Transport: the Group is utilising its transport facilities more effectively through careful planning and optimising the selection and use of distribution vehicles in order to cut costs and to reduce pollution of the environment.
- Materials: the Group has a continuing programme to maximise material utilisation and to reduce the amount of material which is sold externally as scrap by recycling more once-processed materials internally. It works closely with customers to minimise the use of material in packs through careful attention to design and the production process.
- Noise: the Group tests the noise levels in the workplace and seeks to minimise the noise generated by its production and handling equipment. Ear defending equipment is provided to employees and visitors working in or entering noisy work areas.
- Airborne pollutants: the Group monitors and reduces wherever possible the amount of volatile solvents used in our plants.
- Responsible employment: the Group has a policy of non-discrimination in its employment procedures and seeks to develop employees' skills wherever possible and practicable. Employees are offered membership of a pension scheme where appropriate.
- Employees' health and safety: the Group invests considerable resources in both reducing the accident rate and improving the health and safety of its employees.

RPC has three main non-financial key performance indicators (KPIs). From an environmental and cost control perspective electricity usage per tonne produced and water usage per tonne produced are measured. From an employee welfare perspective lost time from accidents is monitored.

These non-financial KPIs are set out below:

	2009	2008
Electricity usage per tonne (Kwh/T)	1,856	2,005
Water usage per tonne (Lts/T)	935	967
Lost time accident frequency rate	1,803	1,781

Lost time accident frequency rate is defined as the number of accidents resulting in more than 3 days off work, excluding accidents where an employee is travelling to or from work, divided by the average number of employees, multiplied by the constant 100,000.

The Group has made stringent efforts over the last year to improve its efficient usage of electricity and water, the results of which are beginning to show through with the electricity usage per tonne reducing by 7% and the water usage per tonne coming down by 3%. Similarly, with its employees, the Group is focused on reducing the number of accidents. Although the impact of a serious accident can be damaging to the business, the primary objective is to avoid the potentially devastating impact such an event can have on employees and their families. The lost time accident frequency rate increased slightly compared with last year; there is more work to do and the Group is focusing on refreshing its approach.

BUSINESS REVIEW continued

Financial Review

Consolidated income statement

Group sales for the year increased by 10.6% against 2007/08, with most clusters reporting higher revenue levels. However, after excluding the impact of acquisitions in the prior year and exchange rates, the like-for-like sales were down on last year due to lower sales volumes.

Adjusted operating profit (before restructuring, disruption and impairment costs) decreased by 12.6% from £40.6m to £35.5m, largely as a consequence of lower volumes which could not be completely offset by reduced costs. Polymer and electricity price increases could not be passed on in full to customers in the first half of the year, and although price increases in the second half allowed for recovery of margins, volumes were insufficient to recover profits to prior year levels. The average number of people employed reduced from 6,916 to 6,594 or 4.6% as the cost saving initiatives started to take effect. The operating profits in both years include some non-recurring benefits and costs, including in 2008/09 the sale of surplus land at Blackburn and Goor and properties at Deventer and Thornaby giving rise to a profit on sale of £2.5m.

The net financing costs increased from £11.5m in 2007/08 to £14.2m in 2008/09 mainly as a consequence of a £3.8m non-cash charge due to adverse foreign exchange movements related to the US dollar bonds. The net interest charge of £10.4m was unchanged from last year with the second half charges reducing to £4.5m as interest rates fell. The average net debt level of £189m (2008: £184m) was impacted by the weakening of sterling versus the euro, but showed an improving trend towards the end of the financial year as cash tied up in working capital was progressively released.

The adjusted profit before tax decreased from £30.2m in 2007/08 to £25.1m as a consequence of the reduction in operating profit with the net interest charge unchanged. The underlying tax rate for the Group at 29.0% is largely unchanged from last year (2008: 29.5%). The Group's overall taxation charge of £3.2m is due to the lower tax relief available on the restructuring costs charged as exceptional items. The resulting adjusted profit after tax is £17.8m (2008: £21.3m) and adjusted basic earnings per share decreases from 21.5p in 2007/08 to 18.0p in 2008/09.

The restructuring, disruption and impairment costs incurred this year total £25.8m compared with £19.7m in the previous year. These exceptional costs primarily relate to the plant rationalisation, closure and cost optimisation plans announced under the RPC 2010 programme, together with the legacy costs of the closure programmes commenced in 2007/08. The RPC 2010 costs comprise mainly the closure of the Mozzate site in Italy and the rationalisation of the beauté cluster, the closure of the sites at Ravenstein and Halfweg in the Netherlands, the closure of Aš in the Czech Republic and the closure of Raunds and the rationalisation of the UKSC businesses in the UK. In addition, there were other restructuring costs including cost optimisation initiatives and costs relating to conducting the Strategic Review. Further restructuring costs related to RPC 2010 will be incurred in 2009/10.

The significant level of the exceptional costs resulted in a net loss for the period of £7.7m, compared with a net profit of £4.4m in 2007/08. Basic earnings per share is a loss per share of 7.8p, compared with an earnings per share of 4.4p in 2007/08.

Consolidated balance sheet and cash flow statement

The property, plant and equipment book value increased from £259.1m last year to £278.1m in 2008/09 primarily as a consequence of the exchange rate movements' impact of £28.9m. Capital expenditure paid at £33.4m was lower than the depreciation charge for the period and reduced in the second half of the year as initiatives were taken to curtail expenditure where possible in order to conserve cash.

BUSINESS REVIEW continued

The overall working capital (defined as the sum of inventories, trade and other receivables and trade and other payables) decreased from £92.5m in 2007/08 to £44.0m in 2008/09 in spite of the weakening of the sterling exchange rate to the euro. This is in part due to the reduction in working capital arising from lower polymer prices in the second half of the year and the restoration of more normal credit payment terms with these suppliers, but also reflects specific actions undertaken within the business to improve working capital management. When relating the working capital to annualised revenues the working capital efficiency at year end improved from 12.7% in 2007/08 to 5.7% in 2008/09.

The long-term employee benefits liabilities increased from £26.3m in 2007/08 to £40.1m mainly due to a deterioration in the UK pension fund deficit at the year end arising from the impact of the economic downturn, and an increase in the unfunded post retirement obligations in Germany. The UK defined benefit pension scheme deficit was £16.1m (pre-tax).

The capital and reserves reduced from £179.7m in 2007/08 to £170.9m in 2008/09, with the net loss for the year of £7.7m and actuarial losses of £12.3m on the Group's post retirement defined benefit schemes, being mitigated by a £17.3m increase in the translation differences reserves arising from the continued strengthening of the euro and US dollar to sterling.

Net debt reduced by £32.8m in the year, from £149.4m to £116.6m due to the substantial cash generation and working capital reduction. Gearing reduced from 83% in 2007/08 to 68%. At 31 March 2009 the Group had total finance facilities of approximately £310m which are unsecured and comprise a revolving credit facility up to £200m, seven year floating notes totalling €35m and \$40m and various overdraft facilities. The majority of the facilities do not expire until 2012. The headroom under the finance facilities was approximately £184m.

Net cash from operating activities (after tax and interest) was £99.5m compared with £42.0m last year mainly due to the significantly improved working capital performance in the period whilst maintaining a robust underlying EBITDA performance. The cash outflow from investing activities reduced from £33.7m in 2007/08 to £26.6m, primarily due to the absence of business acquisitions in the period.

Group KPIs

The Group's main financial KPIs focus on return on investment, business profitability and cash generation.

	2009	2008
Return on capital employed (1)	9.1%	10.7%
Added value per tonne (2)	£1,989	£1,953
Gross margin (3)	46%	45%
Free cash flow (4)	£87.7m	£22.2m
Cash conversion (5)	291%	107%

(1) Return on capital employed is defined as being adjusted operating profit divided by the average of opening and closing shareholders' equity, adding back net deferred tax assets or liabilities, retirement benefit obligations and liabilities in connection with derivative financial instruments and after adding back average net borrowings for the year in question.

(2) Added value per tonne is the difference between production sales value per tonne produced and the cost of polymer per tonne produced. The 2008 comparative number has been re-stated using 2008/09 exchange rates.

(3) Gross margin is the difference between sales price and all directly variable costs such as polymer, packaging, transport and electricity.

(4) Free cash flow is defined as cash generated from operations less net capital expenditure, net interest and tax, adjusted to exclude exceptional cash flows.

(5) Cash conversion is defined as the ratio of cash generated from operations less net capital expenditure excluding exceptional cash flows, to adjusted operating profit.

BUSINESS REVIEW continued

The key measure of the Group's stewardship is the return on capital employed. This shows a 1.6% decrease in the year under review due to the deterioration in operating profit. The average capital employed increased from £379m to £392m due to the weakening of sterling against the euro as a significant part of the capital employed is denominated in euros.

The Group's target is to achieve an average of at least 15% ROCE across the economic cycle following the completion of RPC 2010. RPC 2010 targets an improvement of ROCE of at least 4% which, however, does not take into account any improvement in external economic circumstances.

The added value per tonne (at constant exchange rates) improved from £1,953 to £1,989 per tonne in 2008/09 as input costs abated during the second half of the year and selling prices were increased. The gross margin showed a much needed improvement to 46% from 45% primarily achieved during the second half of the year.

The Group has added pre-exceptional free cash flow and cash conversion to its main financial KPIs reflecting the importance of cash generation. The free cash flow improved from £22.2m in 2007/08 to £87.7m in 2008/09 due to the focus on working capital management, disciplined capital expenditure and a good underlying EBITDA performance which is reflective of the business environment RPC operates in. Cash conversion was excellent at 291%.

Consolidated income statement
for the year ended 31 March 2009

	Notes	2009 £m	2008 £m
Revenue	3	769.1	695.2
Operating costs	4	<u>(759.4)</u>	(673.9)
Operating profit	3	9.7	21.3
Analysed as:			
Operating profit before:		35.5	40.6
Restructuring and disruption costs	5	(22.4)	(16.2)
Impairment losses	5	(3.4)	(3.5)
Negative goodwill released to income		-	0.4
Operating profit		<u>9.7</u>	21.3
Financial income	6	2.3	0.5
Financial expenses	6	(16.5)	(12.0)
Net financing costs		<u>(14.2)</u>	(11.5)
(Loss) / profit before taxation	3	(4.5)	9.8
Taxation	7	(3.2)	(5.4)
(Loss) / profit for the period attributable to equity shareholders of the parent		<u>(7.7)</u>	4.4
Basic earnings per ordinary share	8	(7.8p)	4.4p
Diluted earnings per ordinary share	8	(7.8p)	4.4p
Adjusted basic earnings per ordinary share	8	18.0p	21.5p
Adjusted diluted earnings per ordinary share	8	18.0p	21.4p

Consolidated statement of recognised income and expense
for the year ended 31 March 2009

	2009 £m	2008 £m
Foreign exchange translation differences	17.3	19.6
Effective portion of movement in fair value of interest rate swaps	(1.9)	(0.4)
Deferred tax on above	0.5	0.1
Actuarial (losses) / gains on defined benefit pension plans	(12.3)	7.4
Deferred tax on actuarial (losses) / gains	3.5	(2.6)
Net income recognised directly in equity	<u>7.1</u>	24.1
(Loss) / profit for the period	<u>(7.7)</u>	4.4
Total recognised income and expense for the period attributable to equity shareholders of the parent	<u>(0.6)</u>	28.5

Consolidated balance sheet at 31 March 2009

	Note	2009 £m	2008 £m
Non-current assets			
Goodwill		24.0	22.2
Other intangible assets		3.0	2.8
Property, plant and equipment		278.1	259.1
Derivative financial instruments		1.1	0.5
Deferred tax assets		8.2	4.7
Total non-current assets		314.4	289.3
Current assets			
Inventories		87.9	110.3
Trade and other receivables		120.7	139.9
Cash and cash equivalents	9	35.8	31.7
Derivative financial instruments		-	0.3
Total current assets		244.4	282.2
Current liabilities			
Bank loans and overdrafts	9	-	(3.1)
Trade and other payables		(164.6)	(157.7)
Current tax liabilities		(4.9)	(6.3)
Employee benefits		(6.9)	(1.8)
Provisions		(2.8)	(3.6)
Derivative financial instruments		(0.2)	-
Total current liabilities		(179.4)	(172.5)
Net current assets		65.0	109.7
Total assets less current liabilities		379.4	399.0
Non-current liabilities			
Bank loans and other borrowings	9	(152.4)	(178.0)
Employee benefits		(40.1)	(26.3)
Deferred tax liabilities		(14.8)	(13.7)
Derivative financial instruments		(1.2)	(1.3)
Total non-current liabilities		(208.5)	(219.3)
Net assets		170.9	179.7
Equity			
Called up share capital		5.0	5.0
Share premium account		3.3	3.2
Capital redemption reserve		0.9	0.9
Retained earnings		122.8	147.6
Cash flow hedging reserve		(1.0)	0.4
Cumulative translation differences reserve		39.9	22.6
Total equity attributable to equity shareholders of the parent		170.9	179.7

**Consolidated cash flow statement
for the year ended 31 March 2009**

	2009 £m	2008 £m
Cash flows from operating activities		
(Loss) / profit before tax	(4.5)	9.8
Financing costs	14.2	11.5
Profit from operations	9.7	21.3
Adjustments for:		
Amortisation of intangible assets	0.6	0.3
Impairment of goodwill	1.4	-
Impairment loss on property, plant and equipment	2.0	3.5
Depreciation	34.6	30.7
Negative goodwill taken to income	-	(0.4)
Share-based payment expense	0.6	0.7
Gain on disposal of property, plant and equipment	(3.4)	(1.6)
Increase in provisions	4.1	1.7
Operating cash flows before movements in working capital	49.6	56.2
Decrease / (increase) in inventories	35.9	(1.4)
Decrease in receivables	25.0	9.2
Increase / (decrease) in payables	4.7	(0.5)
Cash generated by operations	115.2	63.5
Taxes paid	(5.1)	(10.9)
Interest paid	(10.6)	(10.6)
Net cash from operating activities	99.5	42.0
Cash flows from investing activities		
Interest received	0.2	0.3
Proceeds on disposal of property, plant and equipment	7.1	6.3
Acquisition of property, plant and equipment	(33.4)	(33.4)
Acquisition of intangible assets	(0.5)	(1.3)
Acquisition of subsidiaries	-	(5.6)
Net cash flows from investing activities	(26.6)	(33.7)
Cash flows from financing activities		
Dividends paid	(8.9)	(8.5)
Proceeds from the issue of share capital	0.1	0.5
Repayments of borrowings	(60.9)	(4.0)
New bank loans raised	3.2	14.2
Finance leases – received / (paid)	0.4	(0.1)
Net cash flows from financing activities	(66.1)	2.1
Net increase in cash and cash equivalents	6.8	10.4
Cash and cash equivalents at beginning of period	28.6	12.3
Effect of foreign exchange rate changes	0.4	5.9
Cash and cash equivalents at end of period	35.8	28.6
Cash and cash equivalents comprise:		
Cash at bank	35.8	31.7
Bank overdrafts	-	(3.1)
	35.8	28.6

NOTES TO THE PRELIMINARY ANNOUNCEMENT

1. Basis of Preparation

The financial information set out in this announcement does not constitute the Company's statutory accounts for the years ended 31 March 2009 or 2008. The financial information for the year ended 31 March 2008 is derived from the statutory accounts for 2008 which have been delivered to the Registrar of Companies. The auditors have reported on the 2009 accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The statutory accounts for 2009 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

2. Principal Accounting Policies

These extracts from the Group financial statements for the year ended 31 March 2009 have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards that were effective as at that date and as adopted by the EU ('Adopted IFRS').

3. Segmental Analysis

Primary segments – Geographical

The Group operates in two principal geographic regions – 'UK' and 'Mainland Europe'. Mainland Europe also includes the operation in the USA whose sales are predominantly manufactured in Germany. These two regions are the basis on which the Group reports its primary segment information. Segment information about these regions is presented below.

Segmental information by geographic segment

	2009 £m	2008 £m
Revenue		
United Kingdom	198.2	218.2
Mainland Europe	570.9	477.0
	<u>769.1</u>	<u>695.2</u>
Segmental results		
United Kingdom	2.4	(1.2)
Mainland Europe	9.4	24.3
Other (includes Head Office)	(2.1)	(1.8)
	<u>9.7</u>	<u>21.3</u>
Operating profit	9.7	21.3
Net financing costs	(14.2)	(11.5)
	<u>(4.5)</u>	<u>9.8</u>
(Loss)/profit before taxation	(4.5)	9.8
Operating profit before restructuring and disruption costs and impairment losses		
United Kingdom	10.1	13.4
Mainland Europe	27.4	29.3
Other (includes Head Office)	(2.0)	(2.1)
	<u>35.5</u>	<u>40.6</u>

NOTES TO THE PRELIMINARY ANNOUNCEMENT continued

Secondary segments – Business Process

The Group comprises the following principal secondary segments whose activities are the manufacture, by their specific process, and sale of rigid plastic packaging and associated equipment.

Segmental information by business segment

	Revenue		Segment assets		Capital expenditure	
	2009	2008	2009	2008	2009	2008
	£m	£m	£m	£m	£m	£m
Blow Moulding	169.1	152.4	112.6	117.8	6.8	10.6
Injection Moulding	308.5	295.9	223.4	231.4	16.6	15.0
Thermoforming	291.5	246.9	169.0	180.3	6.8	9.2
Other*	-	-	18.0	9.8	0.2	0.3
	769.1	695.2	523.0	539.3	30.4	35.1

* Other includes Head Office, current and deferred tax balances.

Geographical analysis of revenue by destination

	UK		Mainland Europe		Consolidated	
	2009	2008	2009	2008	2009	2008
	£m	£m	£m	£m	£m	£m
Revenue	227.5	222.1	541.6	473.1	769.1	695.2

4. Operating Costs

	2009	2008
	£m	£m
Raw material and consumables	380.2	358.6
Own work capitalised	(0.2)	(0.5)
Changes in stock of finished goods and work in progress	21.0	(5.8)
Other external charges	87.5	80.0
Carriage	35.3	32.5
Staff costs	203.4	177.6
Depreciation of property, plant and equipment	34.6	30.7
Amortisation of intangibles	0.6	0.3
Negative goodwill released to income	-	(0.4)
Impairment losses	3.4	3.5
Other operating income	(6.4)	(2.6)
	759.4	673.9

5. Restructuring and Disruption Costs

	2009	2008
	£m	£m
Closure costs	20.0	14.3
Restructuring of operations	2.4	1.9
	22.4	16.2

NOTES TO THE PRELIMINARY ANNOUNCEMENT continued

2009

During the year, the Group decided to close and restructure operations in five of its six clusters. The closure costs incurred relate mainly to the planned closure of the operations under the RPC 2010 programme in Mozzate in Italy and the rationalisation of the beauté cluster, the closure of sites at Ravenstein and Halfweg in the Netherlands, AŠ in Czech Republic and the closure of Raunds and the rationalisation of the UKSC businesses in the UK, together with the remaining closure costs of the Hereford, Thornaby, Piaseczno and Łaskarzew sites. Costs of £20.0m were incurred in the year relating to the closure of the above sites (comprising £15.3m incurred on the RPC 2010 programme and £4.7m on the earlier closures). Of these costs, £18.3m was incurred on staff redundancy and other closure costs while £1.7m of charges were for asset write downs. The Group's restructuring led to a further £2.4m of costs being incurred in relation to employment termination costs and other restructuring activities, including the professional fees for the Strategic Review of the business. Further restructuring costs relating to the RPC 2010 programme are anticipated in 2009/10.

2008

During the previous year, the Group commenced the closures of sites in Piaseczno and Łaskarzew in Poland, and Thornaby and Hereford in the UK. Closure of these sites was completed in the current financial year. During 2008, costs of £14.3m were incurred in closing these sites, of which £9.4m was for staff redundancy and other closure costs and £4.9m of charges were for asset write downs. The Group's restructuring led to a further £1.9m of costs being incurred in relation to employment termination costs and other restructuring activities.

Impairment losses

	2009	2008
	£m	£m
Impairment losses recognised in respect of assets	<u>3.4</u>	<u>3.5</u>

During the year, the Group incurred a £3.4m charge for the write down of property, plant and equipment at the sites that were closed or are in the process of being closed (£2.0m) and goodwill in respect of the closure of the Mozzate site (£1.4m). In the previous year, there was a total charge of £3.5m in relation to the Hereford and Thornaby sites.

6. Financial Income and Expenses

	2009	2008
	£m	£m
Interest receivable on cash at bank	(0.2)	(0.3)
Mark to market gain on foreign currency hedging instruments	(2.1)	-
Exchange differences on bonds	-	(0.2)
Total financial income	<u>(2.3)</u>	<u>(0.5)</u>
Interest payable on bank loans and overdrafts	7.7	8.1
Interest payable on bonds	2.4	2.5
Mark to market loss on foreign currency hedging instruments	-	1.3
Exchange differences on bonds	5.9	-
Other interest payable and similar charges	0.5	0.1
Total financial expenses	<u>16.5</u>	<u>12.0</u>
Net financial expense	<u>14.2</u>	<u>11.5</u>

NOTES TO THE PRELIMINARY ANNOUNCEMENT continued

7. Taxation

	2009 £m	2008 £m
United Kingdom corporation tax at 28% (2008: 30%)		
Current year	-	-
Overseas taxation:		
Current year	3.6	7.5
Adjustments in respect of prior periods	(0.4)	0.3
Total current tax	<u>3.2</u>	<u>7.8</u>
Deferred tax:		
United Kingdom		
Current year	0.5	(1.6)
Adjustments in respect of prior periods	-	(0.3)
Overseas		
Current year	(0.4)	(0.6)
Adjustments in respect of prior years	(0.1)	0.1
Total tax expense in income statement	<u>3.2</u>	<u>5.4</u>

8. Earnings per Share

Basic

Earnings per share has been computed on the basis of earnings of £7.7m loss (2008: £4.4m profit), and on the weighted average number of shares in issue during the year of 99,067,693 (2008: 98,904,009). The number of shares in issue at 31 March 2009 was 99,086,258 (2008: 99,000,695).

Diluted

Diluted earnings per share is earnings per share after allowing for the dilutive effect of the conversion into ordinary shares of the weighted average number of options outstanding during the year of 82,423 (2008: 632,647). The number of shares used for the diluted calculation for the year was 99,150,116 (2008: 99,536,656).

Adjusted

The directors believe that the presentation of an adjusted basic earnings per ordinary share assists with the understanding of the underlying performance of the Group. For this purpose the restructuring and disruption costs, impairment losses and for 2008 the negative goodwill credited to income identified separately on the face of the Consolidated Income Statement, together with the debit or credit for the foreign currency hedging instruments less the tax thereon, have been excluded.

A reconciliation from profit after tax as reported in the Consolidated Income Statement to the adjusted profit after tax is set out below:

	2009 £m	2008 £m
(Loss)/profit after tax as reported in the Consolidated Income Statement	(7.7)	4.4
Restructuring and disruption costs and impairment losses	25.8	19.7
Foreign currency hedging instruments	3.8	1.1
Negative goodwill released to income	-	(0.4)
Tax effect thereon	(4.1)	(3.5)
Adjusted profit after tax	<u>17.8</u>	<u>21.3</u>

NOTES TO THE PRELIMINARY ANNOUNCEMENT continued

Adjusted basic earnings per share

The weighted average number of shares used in the adjusted basic earnings per share calculation is as follows:

	2009	2008
Weighted average number of shares	99,067,693	98,904,009
Adjusted basic earnings per share	18.0p	21.5p

Adjusted diluted earnings per share

The weighted average number of shares used in the adjusted diluted earnings per share calculation is as follows:

	Number	Number
Weighted average number of shares	99,067,693	98,904,009
Effect of share options in issue	82,423	632,647
	99,150,116	99,536,656
Adjusted diluted earnings per share	18.0p	21.4p

9. Non-current Liabilities

	Group		Company	
	2009	2008	2009	2008
	£m	£m	£m	£m
Bank loans and other borrowings	152.0	178.0	147.3	174.1
Finance leases	0.4	-	-	-
	152.4	178.0	147.3	174.1

The maturity of bank loans, overdrafts and other borrowings is set out below:

	Group		Company	
	2009	2008	2009	2008
	£m	£m	£m	£m
Repayable as follows:				
In one year or less	-	3.1	17.8	-
Between one and two years	-	2.7	-	-
Between two and five years	152.0	175.3	147.3	174.1
	152.0	181.1	165.1	174.1

These unsecured facilities comprise:

- (i) A revolving credit facility of up to £200.0m available in sterling, US dollars or euros at normal commercial interest rates. Of this sum, £28.0m will fall due on 16 June 2011 with the remaining £172.0m available until 16 June 2012.
- (ii) Uncommitted overdraft facilities of £10.0m, €27.0m and other small local facilities.
- (iii) Seven year floating loan notes totalling €35.0m and US\$40.0m maturing in February 2012 at a normal commercial margin over Euribor and Libor.

NOTES TO THE PRELIMINARY ANNOUNCEMENT continued

The currency and interest rate profile of the Group's net debt is as follows:

	Fixed rate 2009 £m	Floating rate 2009 £m	Cash at bank 2009 £m	Total 2009 £m	Fixed rate 2008 £m	Floating rate 2008 £m	Cash at bank 2008 £m	Total 2008 £m
Sterling	-	22.0	(4.5)	17.5	-	50.9	(22.9)	28.0
Euro	3.9	97.3	(28.4)	72.8	2.9	104.3	(3.7)	103.5
US dollar	1.2	28.0	(0.6)	28.6	1.0	21.5	(2.3)	20.2
Other	-	-	(2.3)	(2.3)	-	0.5	(2.8)	(2.3)
	5.1	147.3	(35.8)	116.6	3.9	177.2	(31.7)	149.4

10. Exchange Rates

The closing rate of exchange for the euro at 31 March 2009 was €1.07 (2008: €1.26) and for the US dollar was \$1.43 (2008: \$1.99). The average rate of exchange for the euro for 2009 was €1.20 (2008: €1.42) and for the US dollar was \$1.72 (2008: \$2.01).

11. Responsibility Statement

The 2009 Annual Report & Accounts contains a responsibility statement which was approved by the Board of Directors and signed by J R P Pike, Chairman and R J E Marsh, Chief Executive on 16 June 2009.

The directors confirm that to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and the Director's Report (incorporating the Business Review) includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Annual Report & Accounts will be sent to all shareholders in June 2009 and published on the Group's website (www.rpc-group.com). Additional copies will be available from the Company's registered office at Lakeside House, Higham Ferrers, Northants, NN10 8RP.