



RPC Group Plc

Interim Management Statement

RPC Group Plc is issuing its Interim Management Statement ahead of its Annual General Meeting to be held today at 12:00 p.m. at Painters' Hall, 9 Little Trinity Lane, London EC4V 2AD. At the AGM the following Interim Management Statement will be made regarding the Group's performance.

Performance in the Period

Revenue in first quarter of the financial year 2010/11 (1 April - 30 June) was higher compared with the corresponding period in the previous financial year due to higher selling prices and an increase in sales volumes. The higher selling prices are reflective of the increased polymer price level passed through to customers. The improvement in volumes was particularly noticeable in the cosmetics and personal care sectors which last year were affected by customer destocking. Across the Group activity levels in new packaging designs appear to be improving.

Operating profit (before restructuring and impairment charges) in the first quarter was encouraging and benefitted from a lower structural cost base and higher volumes. Gross margins were under pressure in the period as polymer prices increased further and are now at record levels. The majority of the polymer price increases will however be passed through to customers albeit with a time lag. The adjusted profit before tax* in the first quarter was in line with management expectations.

The cash flow performance was satisfactory and the Group's financial position remains robust. Significant head room is available under the Group's financing facilities, the majority of which are in place until 2012.

RPC 2010

The RPC 2010 programme has entered its final phase. Both the reduction in workforce at Marolles in France and the negotiations with the works council and trade unions regarding the restructuring of the Dutch thermoforming operations (including the closure of the Goor site) have been successfully concluded.

The performance enhancement work stream of RPC 2010 (commercial enhancement, purchasing and cost optimisation, working capital management) is in the process of evolving into an ongoing continuous improvement programme.



Commenting on current trading, Ron Marsh, RPC's Chief Executive Officer said:

"It is encouraging to see that the operating profit level achieved so far is in line with our expectations despite record polymer price levels. Underlying activity levels appear to be improving with customers more active in developing new packaging designs. With a much improved cost base and a robust financial position, the Group is progressively turning its attention to achieving sustainable growth."

* adjusted profit before tax is operating profit before restructuring and impairment charges less net interest

For further information:

RPC Group Plc	01933410064
Ron Marsh, Chief Executive	
Pim Vervaat, Finance Director	

Kreab Gavin Anderson	02070741800
Robert Speed	
James Benjamin	