

**FOR IMMEDIATE RELEASE**

**RICHARDS PACKAGING INCOME FUND**

**Richards Packaging Income Fund Announces 2008 First Quarter Results**

May 6, 2008, (TORONTO) -- Richards Packaging Income Fund (TSX: RPI.UN) (the "Fund") announced today results for the quarter ended March 31, 2008. The Fund owns 85% of Richards Packaging Inc. ("Richards Packaging"), the leading packaging distributor in Canada, and third largest in North America.

"We are delighted to report the first full quarter that highlights the McKernan acquisition impact on the performance of Richards Packaging. Revenue increased 10% to \$44.5 million, EBITDA<sup>1</sup> increased 25% to 5.5 million and distributable cash<sup>2</sup> increased 22% to \$3.8 million from the same period in 2007. This quarterly performance represents a good benchmark to evaluate our quarterly performance for the remainder of 2008. Gross profit increased 1.3% from the same period in 2007 reflecting our continuing shift to higher margin products and various cost reduction initiatives. EBITDA as a percent of sales was 12% for the first quarter and represents our new long-term target. Net income was \$0.3 million, or 3.4¢, down \$1.7 million from the same period in 2007 which mainly reflects a non-cash expense of \$1.9 million for the foreign currency translation of our U.S. dollar denominated debt", commented Gerry Glynn, Chief Executive Officer.

The Fund paid monthly distributions of 9.35¢ per Unit for January through March, which represents an annualized yield of 13.1% on the March 31<sup>st</sup> closing price of \$8.57 per Unit. The payout ratio<sup>3</sup> for the first quarter was 90% down from 96% in 2007. During the first quarter, 28,900 Units were purchased at an average price of \$8.88 per Unit representing two-thirds of the available distributable cash after distributions.

Details of the Fund's results are currently available on Richards Packaging's website at [www.richardspackaging.com](http://www.richardspackaging.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

FOR MORE INFORMATION CONTACT:

Gerry Glynn  
Chief Executive Officer  
Richards Packaging Inc.  
(905) 624-3391  
[gglynn@richardspackaging.com](mailto:gglynn@richardspackaging.com)

Enzio Di Gennaro  
Chief Financial Officer  
Richards Packaging Inc.  
(416) 245-8230  
[edigennaro@richardspackaging.com](mailto:edigennaro@richardspackaging.com)

About Richards Packaging

Richards Packaging is a full-service packaging distributor targeting small- and medium-sized North American businesses. Richards Packaging has operated for over 95 years and currently serves over 9,000 regional food, wine and spirits, cosmetic, specialty chemical, pharmaceutical and other companies from 19 locations throughout North America.

- 1 *Management defines EBITDA as earnings before amortization, interest, unrealized gain / loss on financial instruments and taxes. EBITDA is the same as income before under noted items, income taxes and non-controlling interests as outlined in the interim consolidated financial statements. Management believes that in addition to net income, EBITDA is a useful supplemental measure for investors of earnings available for distribution prior to debt service, capital expenditures and taxes. Management uses this measure as a starting point in the determination of earnings available for distribution to unitholders and exchangeable shareholders. In addition, EBITDA is intended to provide additional information on the Fund's operating performance. This earnings measure should not be construed as an alternative to net income or as an alternative to cash flow from operating, investing and financing activities as a measure of the Fund's liquidity and cash flows. EBITDA does not have a standardized meaning prescribed by GAAP and therefore the Fund's method of calculating EBITDA may not be comparable to similar measures presented by other companies or income trusts.*
- 2 *Management defines distributable cash flow, in accordance with the Richards Packaging's credit agreement, as EBITDA less interest, cash income tax expense, maintenance capital expenditures and loan payments. The objective of presenting this measure is to calculate the amount which is available for distribution to unitholders and exchangeable shareholders. Investors are cautioned that distributable cash flow should not be construed as an alternative to cash flow from operating, investing and financing activities as a measure of the Fund's liquidity and cash flows. Distributable cash flow does not have a standardized meaning prescribed by GAAP and therefore the Fund's method of calculating distributable cash flow may not be comparable to similar measures presented by other income trusts.*
- 3 *Management defines payout ratio as distributions and dividends declared over distributable cash flow<sup>2</sup>. The objective of presenting this measure is to calculate the percentage of actual distributions in comparison to the amount available for distribution. Payout ratio does not have a standardized meaning prescribed by GAAP. The Fund's method of calculating the payout ratio may not be comparable to similar measures presented by other income trusts.*
- 4 *This release contains certain forward looking statements (the "Statements") regarding future growth potential, results of operations, performance and business prospects and opportunities of the Fund. These Statements reflect management's current beliefs and are based on information currently available to the management of Richards Packaging. A number of factors could cause actual events or results to differ materially from those discussed in the forward-looking statements. Factors that could cause such differences include, among other things, changes in customer and supplier relationships and the impact on order volumes and pricing, competition in the industry, inventory obsolescence, trade risks in respect to foreign suppliers and fluctuations in foreign exchange and interest rates. Although the Statements contained in this release are based upon what management believes to be reasonable assumptions, there can be no assurance that actual results will be consistent with these Statements. These Statements are made as of the date of this release and the Fund assumes no obligation to update or revise them to reflect new events or circumstances.*