

FOR IMMEDIATE RELEASE

RICHARDS PACKAGING INCOME FUND

Richards Packaging Income Fund Announces 2009 Second Quarter Results

July 31, 2009, (TORONTO) -- Richards Packaging Income Fund (TSX: RPI.UN) (the "Fund") announced today results for the quarter ended June 30, 2009.

"The second quarter results were a mirror image of last year with flat revenue and EBITDA¹ at 12.5% of sales. Total revenue was up 0.5% as organic revenue shrinkage of 6.2% was offset with the translation of Richards US revenue as the Canadian dollar weakened by U.S./Cdn. 13¢. EBITDA increased \$0.1 million primarily through stronger gross profit margins. Gross profit margins are back above 17% up 1.1% from the first quarter as the customer inventory level stabilized and production returned to normal. Net income was \$6.6 million, or 64.8¢ per Unit, up 114.8% over the same period in 2008, due primarily to a higher unrealized gain on financial instruments (\$4.6 million).", commented Gerry Glynn, Chief Executive Officer. "Richards Packaging made three U.S.\$1.0 million payments during the second quarter and one payment on July 31st on the term debt with the funds diverted from distributions. We also repaid half of the \$2.0 million borrowed on the revolving credit facility during the first quarter to invest in working capital."

Our leverage ratio improved in the second quarter decreasing from 3.0:1 to 2.6:1, reflecting a decreased borrowing on the revolver and the revaluation of the term debt (\$5.0 million) as a result of a 6.7¢ increase in the Canadian dollar to U.S./Cdn.\$0.86. As at July 31, 2009 the U.S. denominated term loan was converted to a Canadian dollar debt at U.S./Cdn.\$0.923 resulting in a proforma leverage ratio of 2.3:1 at the quarter end.

The Fund suspended distributions beginning in March until a leverage ratio of less than 2.5:1 is achieved. The above noted conversion of debt is expected to significantly remove the risk of not achieving the 2.5:1 ratio, however, given the economic uncertainty we believe it is prudent to continue with the debt repayment program through to September 30th. The Trustees of the Fund will review the distribution policy and communicate their decision with the release of the third quarter results.

Details of the Fund's results are currently available on Richards Packaging's website at www.richardspackaging.com and on SEDAR at www.sedar.com on August 1, 2009.

FOR MORE INFORMATION CONTACT:

Gerry Glynn
Chief Executive Officer
Richards Packaging Inc.
(905) 670-7760
gglynn@richardspackaging.com

Enzio Di Gennaro
Chief Financial Officer
Richards Packaging Inc.
(905) 670-7760
edigennaro@richardspackaging.com

About Richards Packaging Income Fund

The Fund owns 85% of Richards Packaging Inc. the leading packaging distributor in Canada, and third largest in North America. 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 flow². 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 information and statements within the meaning of applicable securities laws (collectively "Statements") regarding future growth potential, results of operations, performance and business prospects and opportunities of the Fund. The Statements are frequently identified by the use of such words as "will", "may", "could", "expect", "plan", "anticipate", "believe" and other similar terminology. Specifically this release contains Statements with respect to compliance with certain financial covenants and the recommencement of distributions. 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 predicted, expressed or implied in the Statements. Factors that could cause such differences include, among other things, changes in customer and supplier relationships, the extent and duration of the worldwide recession 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.*