

FOR IMMEDIATE RELEASE

RICHARDS PACKAGING INCOME FUND

Richards Packaging Income Fund announces 2012 Fourth Quarter and Annual Results and Normal Course Issuer Bid

March 8, 2013, (TORONTO) -- Richards Packaging Income Fund (TSX: RPI.UN) (the "Fund") announced today results for the quarter and year ended December 31, 2012.

Performance in the fourth quarter was flat with organic revenue growth of 2.2%, in line with growth levels for the packaging industry, being partially offset by the Canadian dollar strengthening by U.S./Cdn. 3¢. Gross profit and EBITDA¹ as a percent of sales were up 0.8% and 1.4%, at 15.3% and 10.4%, respectively, before the one-time \$0.4 million charge for disputed Mexican duties.

The 2012 results showed significant improvement in the first half with 7.1% organic growth, however growth slowed to 1.8% in the second half returning to 2008 pre-financial crisis levels. The foreign currency impact turned mildly positive with the translation of Richards Packaging US contributing an additional \$1.0 million due to the U.S./Cdn. 1¢ weakening. We experienced an across the board revenue improvement of 3.1% for our top 60 customers and 6.3% growth in our small customers. EBITDA¹ was up by \$1.5 million, or 7.4%, due to higher sales and a slight improvement in margins yielding an improvement of 0.3% as a percent of sales to 11.0%. Net income was \$6.1 million, or \$0.56 per Unit, down \$2.0 million from the same period in 2011 which mainly reflects the mark-to-market loss on exchangeable shares.

The Fund paid monthly distributions of 6.55¢ per Unit for the year, which represents an annualized yield of 9.2% on the December 31st closing price of \$8.54 per Unit. The payout ratio³ for the fourth quarter was 76% and 62% for 2012 with free cash flow² mainly deployed in working capital.

The Fund also announces that it intends to continue the normal course issuer bid to acquire up to 200,000 of its outstanding trust units representing approximately 2% of its issued and outstanding units. Under the previous normal course issuer bid, ending March 12, 2013, the Fund had purchased 55,800 Units at an average weighted price of \$8.84. As at March 8, 2013, the Fund had 10,687,670 units issued and outstanding. All purchases will be made through the facilities of and in accordance with the rules of the Toronto Stock Exchange and all units purchased will be cancelled. Except where reliance is had on the Exchange's block purchase exemption, the maximum number of units purchasable under the bid on any trading day will be limited to 2,200 units based on an average daily trading volume of 8,800. The normal course issuer bid will commence on March 13, 2013 and end no later than March 12, 2014. The Trustees of the Fund believe that such purchases are an appropriate and desirable use of available funds.

Details of the Fund's results are currently available on Richards Packaging's website at www.richardspackaging.com and on March 9th on SEDAR at www.sedar.com.

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About Richards Packaging Income Fund

The Fund owns Richards Packaging Inc. (“Richards Packaging”), 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 since 1912 and currently serves over 11,300 regional food, wine and spirits, cosmetic, specialty chemical, pharmaceutical and other companies from 18 locations throughout North America.

- 1 Management defines EBITDA as earnings before amortization, interest, losses (gains) on financial instruments and taxes. EBITDA is the same as profit from operations as outlined in the annual financial statements after adding back amortization and patent defense costs. 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 operating performance. This earnings measure should not be construed as an alternative to net income or as an alternative to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. EBITDA does not have a standardized meaning prescribed by GAAP and therefore 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 Richards Packaging’s credit agreement, as EBITDA less interest, cash income tax expense, maintenance capital expenditures and loan payments. Free cash flow is distributable cash flow less distributions. The objective of presenting these measures is to calculate the amount which is available for distribution to unitholders or exchangeable shareholders and to determine the amount available to fund increases in working capital or expansion capital. 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 liquidity and cash flows. Distributable cash flow does not have a standardized meaning prescribed by GAAP and therefore the 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.*