

ROBINSON

Packaging Innovation

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

Robinson plc ("Robinson" or "the Group"; AIM: RBN), the custom manufacturer of plastic and paperboard packaging, announces its unaudited interim results for the six months ended 30 June 2009.

Key features:

- Revenue down 15% as a result of:
 - customers destocking
 - a weak toiletries and cosmetics sector
 - lower polymer prices passed on
- Exchange rates have resulted in higher costs due to the weak Polish zloty
- Loss before tax of £966,000 (2008: profit of £127,000)
- Interim dividend reduced to 1 penny per share (2008: 1.5p)
- Actions being taken to develop new business and further reduce costs

Commenting on the results, Chairman, Richard Clothier said:

"It is disappointing to report this decrease in revenue due to market conditions. However, I am confident that actions being taken to develop new business and reduce costs will benefit the business in the longer term. As usual, stronger revenues are expected in the second half, which is seasonally stronger for the packaging market. I hope to be able to report a better outlook at the end of the year".

About Robinson

Based in Chesterfield, with additional manufacturing facilities in Kirkby-in-Ashfield and Stanton Hill (Nottinghamshire) in Toronto (Canada) and in Lodz (Poland), Robinson currently employs around 400 people. It was formerly a family business, with its origins dating back some 165 years. Today the Group's main activities are in the manufacture and sale of injection moulded plastic and rigid paperboard packaging. Robinson operates primarily within the food, drink, confectionery, cosmetic and toiletry sectors, providing niche or custom manufacture to major players in the fast moving consumer goods market, such as Proctor & Gamble, Nestlé, Cadbury, Northern Foods, Masterfoods, Bakkavor, Unilever, Avon and Chivas. The Group also has a substantial property portfolio with significant development potential.

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Despite an encouraging start to the year, the progress that had been achieved in 2008 has not been sustained in the first half of 2009. As a result of a weak second quarter, revenue in the first half was 15% lower than during the same period in 2008 and margins have also decreased resulting in an operating loss of £1.1m (2008: loss of £0.2m).

The reduction in revenue seen in the second quarter was the result of significant destocking by some of our customers, particularly in the toiletries and cosmetics sectors. Some of these have since increased their offtake, however, our North American demand remains weak. Polymer price reductions which were passed on to customers also contributed to the reduction in revenue. Revenues in the food and drink sector held up better, but there was some movement by consumers from the premium brands towards 'value' ranges with the effect on our business of reduced revenues and margins. A reduction in overheads, achieved through reorganisation in 2008, was masked by the effect of currency exchange rates arising from the weakness of the Polish zloty which has strengthened since the end of the period.

Action is being taken to further reduce costs but the main initiative is the development of new business. On this front several new projects are due to come on stream for major customers which will add to the seasonal increase that has historically been seen in the second half. Whilst the Board is hopeful that this increase will help to offset the first half shortfall, we will not be in a position to fully assess the full year impact of this until we are well into the final quarter.

The Board is mindful of the reduced cash flows and has therefore reluctantly decided to reduce the interim dividend to 1 penny per share (2008: 1.5p). The dividend is payable on 1 October 2009 to shareholders registered on 4 September 2009. The final dividend will depend on the extent of the recovery in our markets. In the prevailing uncertain economic climate, the Board considers it essential to conserve cash.

Considerable efforts are being made to develop new business and I hope we will be in a position to report a better outlook at the year end.

Richard Clothier
Chairman

26 August 2009
Robinson plc

Robinson plc

Group Income Statement

	Unaudited six months to 30.06.09	Unaudited six months to 30.06.08	Audited year to 31.12.08
Notes	£'000	£'000	£'000
Revenue	9,651	11,303	25,838
Cost of sales	(8,496)	(9,809)	(21,762)
Gross profit	1,155	1,494	4,076
Operating costs	(2,227)	(1,691)	(3,511)
Operating (loss)/profit before exceptional items	(1,072)	(197)	565
Exceptional items	(38)	-	15
Operating (loss)/profit after exceptional items	(1,110)	(197)	580
Finance costs	(41)	(144)	(280)
Finance income in respect of pension fund	185	468	1,047
(Loss)/profit before taxation	(966)	127	1,347
Taxation	(84)	(107)	(438)
(Loss)/profit after taxation	(1,050)	20	909
(Loss)/earnings per ordinary share (basic and diluted)	(6.6p)	0.1p	5.7p

Group statement of recognised income and expense

(Loss)/profit for the period	(1,050)	20	909
Actuarial (loss) on retirement benefit obligations	(59)	(344)	(1,239)
Taxation relating to actuarial loss	(17)	(103)	347
Currency translation (loss)/gain	(622)	361	437
Total recognised (expense)/income for the period	(1,748)	(66)	454

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Group Balance Sheet

	Unaudited six months to 30.06.09	Unaudited six months to 30.06.08	Audited year to 31.12.08
	£'000	£'000	£'000
Non-current assets			
Property, plant and equipment	12,991	14,341	14,110
Deferred taxation	197	365	197
Pension asset	6,808	7,281	6,808
	<u>19,996</u>	<u>21,987</u>	<u>21,115</u>
Current assets			
Inventories	1,951	2,108	1,740
Trade and other receivables	4,763	5,779	7,013
Cash and cash equivalents	172	391	475
	<u>6,886</u>	<u>8,278</u>	<u>9,228</u>
Non-current assets held for sale	<u>2,954</u>	<u>2,954</u>	<u>2,954</u>
Total assets	<u>29,836</u>	<u>33,219</u>	<u>33,297</u>
Current liabilities			
Trade and other payables	(4,915)	(5,826)	(7,023)
Bank overdrafts	(3,440)	(4,788)	(2,575)
Bank loan	(375)	-	(307)
	<u>(8,730)</u>	<u>(10,614)</u>	<u>(9,905)</u>
Non-current liabilities			
Bank loan	(965)	-	(1,312)
Deferred tax liabilities	(1,419)	(1,793)	(1,403)
Provisions for liabilities	(199)	(203)	(199)
	<u>(2,583)</u>	<u>(1,996)</u>	<u>(2,914)</u>
Total liabilities	<u>(11,313)</u>	<u>(12,610)</u>	<u>(12,819)</u>
Net assets	<u>18,523</u>	<u>20,609</u>	<u>20,478</u>
Capital and reserves			
Ordinary shares	80	80	80
Share premium	419	419	419
Other reserves	5,084	5,988	5,706
Profit and loss account	12,940	14,122	14,273
Shareholders' funds	<u>18,523</u>	<u>20,609</u>	<u>20,478</u>

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Group cash flow statement

	Unaudited six months to 30.06.09 £'000	Unaudited six months to 30.06.08 £'000	Audited year to 31.12.08 £'000
Cash flows from operating activities			
(Loss)/profit after taxation	(1,050)	20	909
Adjustments for:			
Depreciation charges and write-down of fixed assets	745	868	1,649
Profit on disposal of land and buildings	(44)	-	(15)
Profit/(loss) on disposal of other plant and equipment	6	(2)	(18)
Decrease in provisions	-	-	(4)
Other finance income in respect of Pension Fund	(185)	(468)	(1,047)
Finance costs	41	144	280
Taxation charged	84	107	438
Non-cash items:			
Increase in net pension asset charged to operating profit	126	124	281
Cost of share options	15	24	3
Operating cash flows before movements in working capital	(262)	817	2,476
Increase in inventories	(211)	(428)	(60)
Increase/(decrease) in trade and other receivables	2,374	(657)	(2,150)
(Decrease)/increase in trade and other payables	(2,101)	(88)	968
Cash generated by operations	(200)	(356)	1,234
UK corporation tax received/(paid)	(15)	3	(69)
Interest paid	(101)	(144)	(238)
Net cash (used in)/generated from operating activities	(316)	(497)	927
Cash flows from investing activities			
Sale of surplus properties	64	-	15
Acquisition of property, plant & equipment	(386)	(345)	(964)
Disposal of other tangible plant & equipment	(6)	8	75
Net cash used in investing activities	(328)	(337)	(874)
Cash flows from financing activities			
Loans received	-	-	1,675
Loans paid	(279)	-	(56)
Dividends paid	(245)	(244)	(453)
Net cash (used in)/generated from financing activities	(524)	(244)	1,166
Net decrease/(increase) in cash and bank overdrafts	(1,168)	(1,078)	1,219
Cash and bank overdrafts at 1 January	(2,100)	(3,319)	(3,319)
Cash and bank overdrafts at end of period	(3,268)	(4,397)	(2,100)
Cash	172	391	475
Overdraft	(3,440)	(4,788)	(2,575)
Cash and bank overdrafts at end of period	(3,268)	(4,397)	(2,100)

1. Basis of preparation

The interim report for a six month period was approved by the directors on 25 August 2009. The interim financial information is not audited.

The interim financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention except that they have been modified to include the valuation of certain financial assets and liabilities. The interim financial statements do not constitute statutory financial statements in accordance with section 435 of the Companies Act 2006. The full year figures are derived from the statutory accounts on which the auditors gave an unmodified report. The Group's statutory financial statements prepared under International Financial Reporting Standards (IFRS) have been filed with the Registrar of Companies.

2. Exceptional items

	Unaudited six months to 30.06.09	Unaudited six months to 30.06.08	Audited year to 31.12.08
	£'000	£'000	£'000
Profit on disposal of land and buildings	44	-	15
Redundancy	(82)	-	-
	(38)	-	15

3. Taxation

The taxation charge for the six months to 30 June 2009 has been calculated on the basis of the estimated effective tax rate on profits before tax for the year to 31 December 2009.

4. Dividends

	Unaudited six months to 30.06.09	Unaudited six months to 30.06.08	Audited year to 31.12.08
	£'000	£'000	£'000
Ordinary:			
Final	245	244	244
Interim	-	-	209
	245	244	453

5. Earnings per share

The calculation of earnings per ordinary share is based on the loss on ordinary activities after taxation (£1,050,000) divided by the weighted average number of shares in issue (15,943,501).

6. Interim Report

Copies of the interim report are available from Robinson plc's registered office: Portland, Goyt Side Road, Chesterfield, S40 2PH, UK or from its website at www.robinsontpackaging.com.