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Please note that certain slides relating to the Rights Issue have been removed from this document for securities laws reasons

2009
Half Year Results & Rights Issue

29 July 2009

Peter Ellwood

Chairman

REXAM

Leslie Van de Walle

Chief Executive Officer

H1 2009

- Reported sales up 15%
- Reported operating profit[1] flat
- Organic operating profit[1] down 20%
- Strong cash flow of £171m
- Net debt at £2.1bn

1. Underlying excluding exceptional and other items

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What has changed?

- H1 resilient
  - Results helped by favourable fx translation
  - Strong management action on cost
  - Focus on cash optimisation
- No signs of upturn in trading from H1 results
  - Q2 showed no improvement in trends
  - No major recovery in 2009/2010
  - Ability to generate cash to pay down debt impacted

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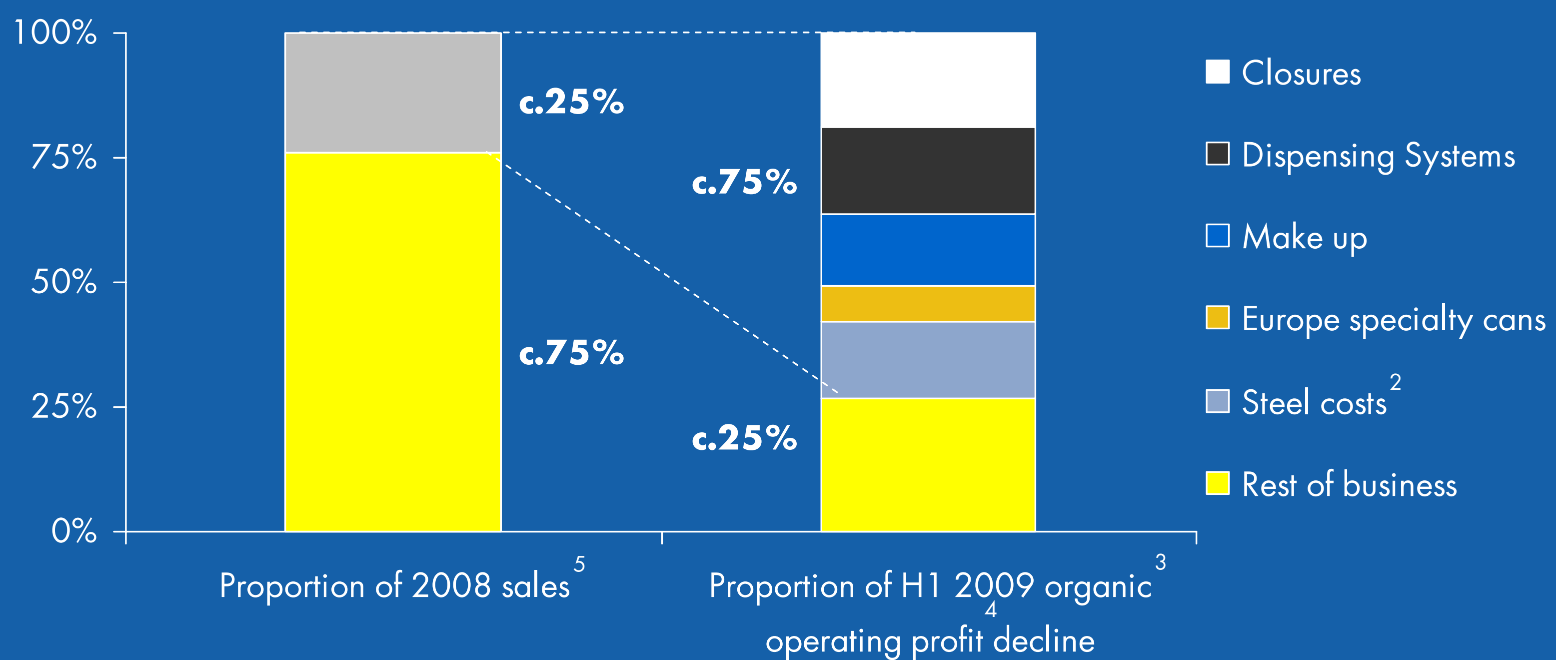
Disproportionate impact of downturn from cyclical parts of the business[1]



- The majority of the business demonstrating expected resilience
- Rexam estimates c.25% of the business driving c.75% of organic profit decline as cyclical, more premium, parts of the business are disproportionally impacted by the downturn
- Adverse mix impact as cyclically exposed products have higher margins
- Conversely, upon recovery, mix will improve significantly

1. Derived from unaudited management accounts.
2. Impact of steel cost increases in Spain which can not be passed through in 2009.
3. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency.
4. Underlying excluding exceptional and other items.
5. Adjusted for 2009 exchange rates

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Initiatives to deliver savings of c.£75m* by 2010

H2 2008/H1 2009 – addressing over capacity in North America

- Annualised savings c.£20m by 2010, one off cash costs c.£17m
- Capacity reduced by 15% and headcount reduced by c.270 employees

H1 2009 – rightsizing Plastic Packaging and other initiatives

Reorganisation of Plastic Packaging to reduce costs by c.£30m in 2010, one off cash costs c.£42m

- c.5% reduction in capacity together with closure and consolidation of 6 plants
- c.10% headcount reduction, c.1,500 employees
- Division wide short work weeks for all Personal Care employees until end 2009
- Goodwill write-down £113m

Head office/ other actions to generate savings of c.£5m, one off cash costs c.£6m

- c.30% reduction in senior executive positions
- c.20% headcount reduction at headquarters
- Salary restraint for senior management and cancellation of 2009 LTIP programme

H2 2009 – continued focus on cost reduction initiatives

- Planned capacity reduction of 7% in Beverage Cans in Europe to reduce 2010 costs by c. £20m, one off cash costs of £25m

* £75m savings, of which £25m expected to be realised in 2009.

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Capital structure going forward

- Reduce net debt with proceeds of Rights Issue
  - Significantly enhances prospects of maintaining rating
- Capex below depreciation[1] in 2009 and 2010
- No significant M&A in the medium term
- Continued focus on working capital management
- Commitment to positive Free Cash Flow in 2009

1. Depreciation and amortisation excluding amortisation of certain acquired intangible assets

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Proposed dividend policy[1]

- No 2009 Interim dividend
- 2009 Final dividend 8p per share[2]
- Medium term dividend cover to be between 2.0x – 2.5x underlying earnings[1]

1. Provided that the financial resources are available and underlying earnings develop as currently expected
2. Payable in 2010

Operational review

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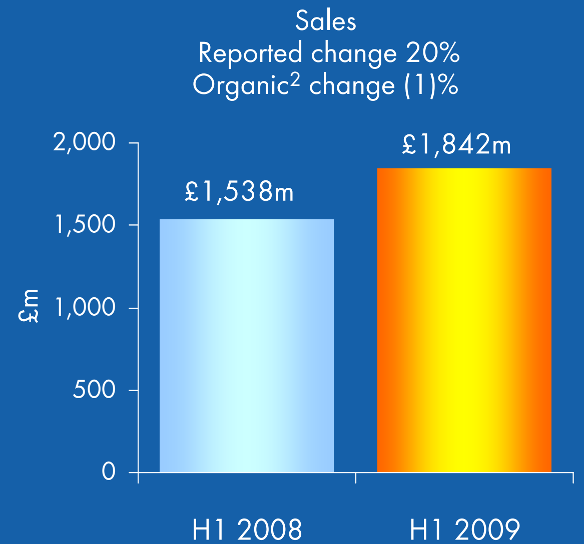
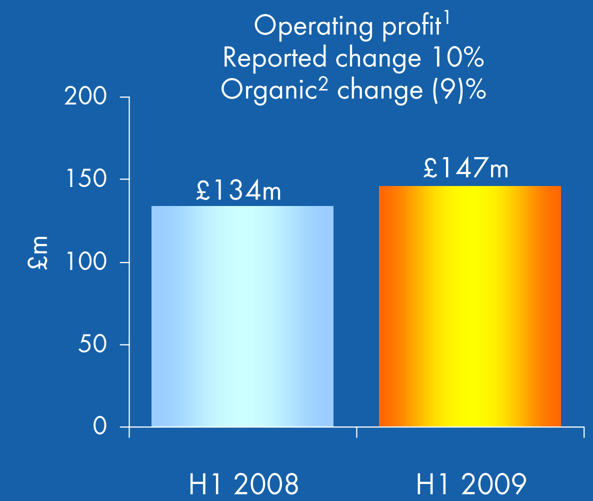
Beverage Cans

- Europe – weaker than expected
  - Market down 5%
  - Rexam volume[3] down 10%
    - Russia down 32%
    - Specialty cans down 13%
    - Standard cans (ex Russia) flat
- North America – back to long term trend
  - Market down 3%
  - Rexam volume[3] down 5%
    - Standard cans down 5%
    - 24 oz cans up 3%
- South America – maintains growth trajectory
  - Rexam volume[3] up 11%
    - Standard cans up 6%
    - Specialty cans up 62%



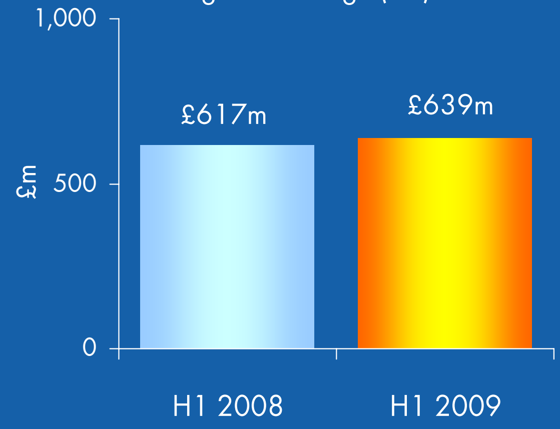


1. Underlying excluding exceptional and other items
2. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency
3. Extracted from unaudited management accounts

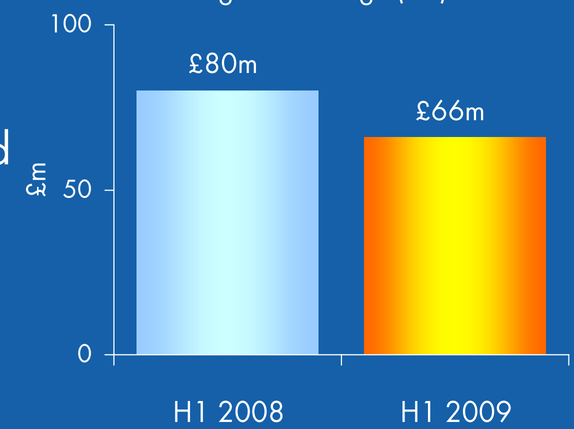
Plastic Packaging

- Personal Care sales[2,3] –28%, ex pass through –26%
  - Continued soft demand in Dispensing Systems
  - Make Up weak on destocking and weak demand
  - Home & Personal Care sales impacted by weak demand and consumer trade down
- Closure sales[2,3] –21%, ex pass through –12%
  - Beverage and specialty closures impacted by weak consumer demand
  - Food containers continues to be affected by destocking
  - Goodwill write off £113m
- Healthcare sales[2,3] –1%, ex pass through +2%
  - Pharma sales strong due to good pricing and continued growth of drug delivery devices
  - Prescription packaging sales soft on weak flu season
  - Primary packaging sales weak due to low volume and some pricing pressure

Sales
Reported change 4%
Organic[2] change (18)%



Operating profit[1]
Reported change (18)%
Organic[2] change (37)%



1. Underlying excluding exceptional and other items
2. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency
3. Extracted from unaudited management accounts

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David Robbie

Finance Director

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H1 2009 financial performance

	H1 2009	H1 2008	Reported Change	Organic[2] Change
Sales	£2,516m	£2,191m	15%	(6)%
Operating profit[1]	£218m	£217m	Flat	(20)%
Total net finance cost[1]	£(83)m	£(60)m		
Profit before tax[1]	£135m	£158m	(15)%	

1. Underlying excluding exceptional and other items. Total net finance cost includes retirement benefit net finance cost of £16m (2008: £6m).
2. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency

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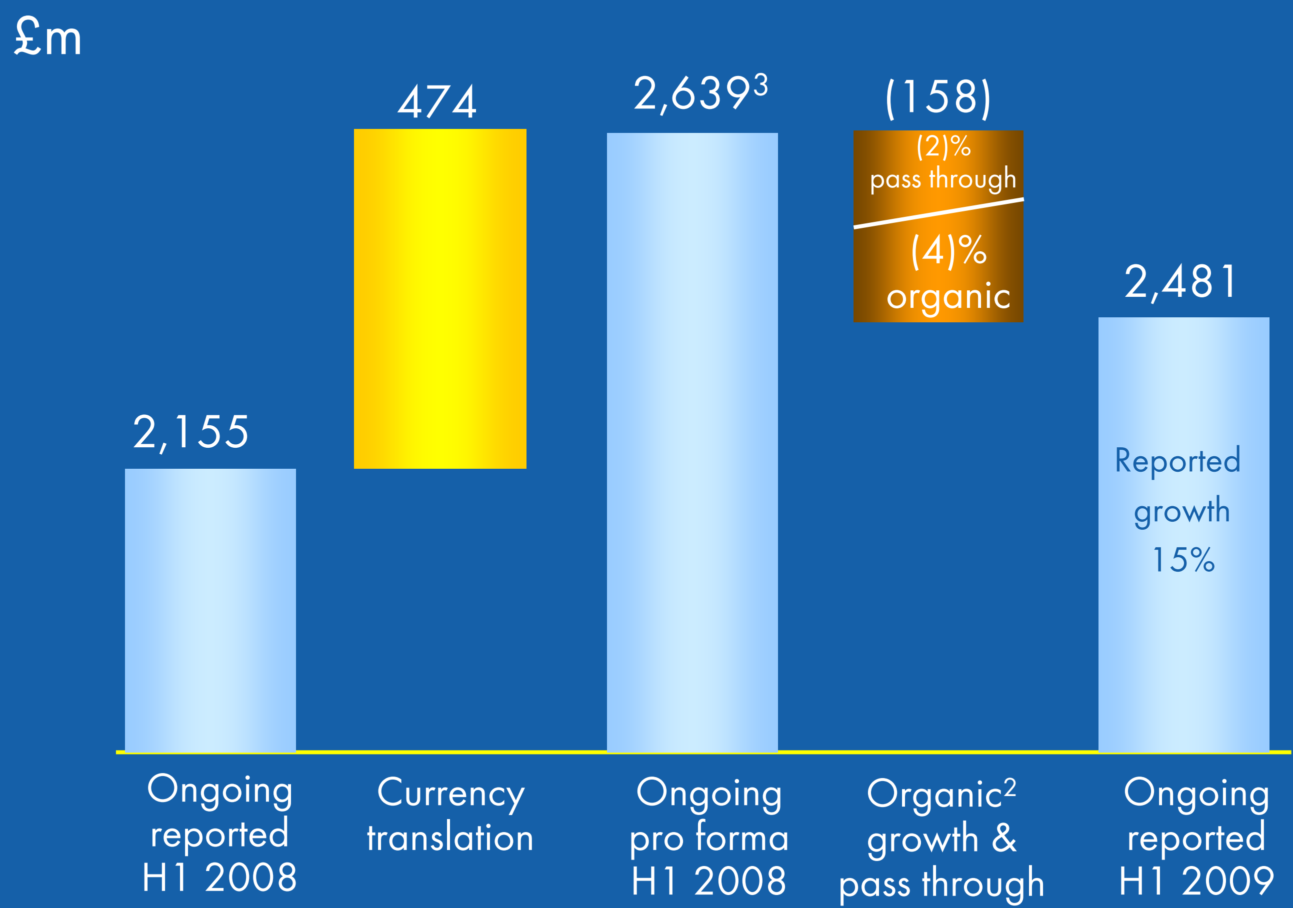
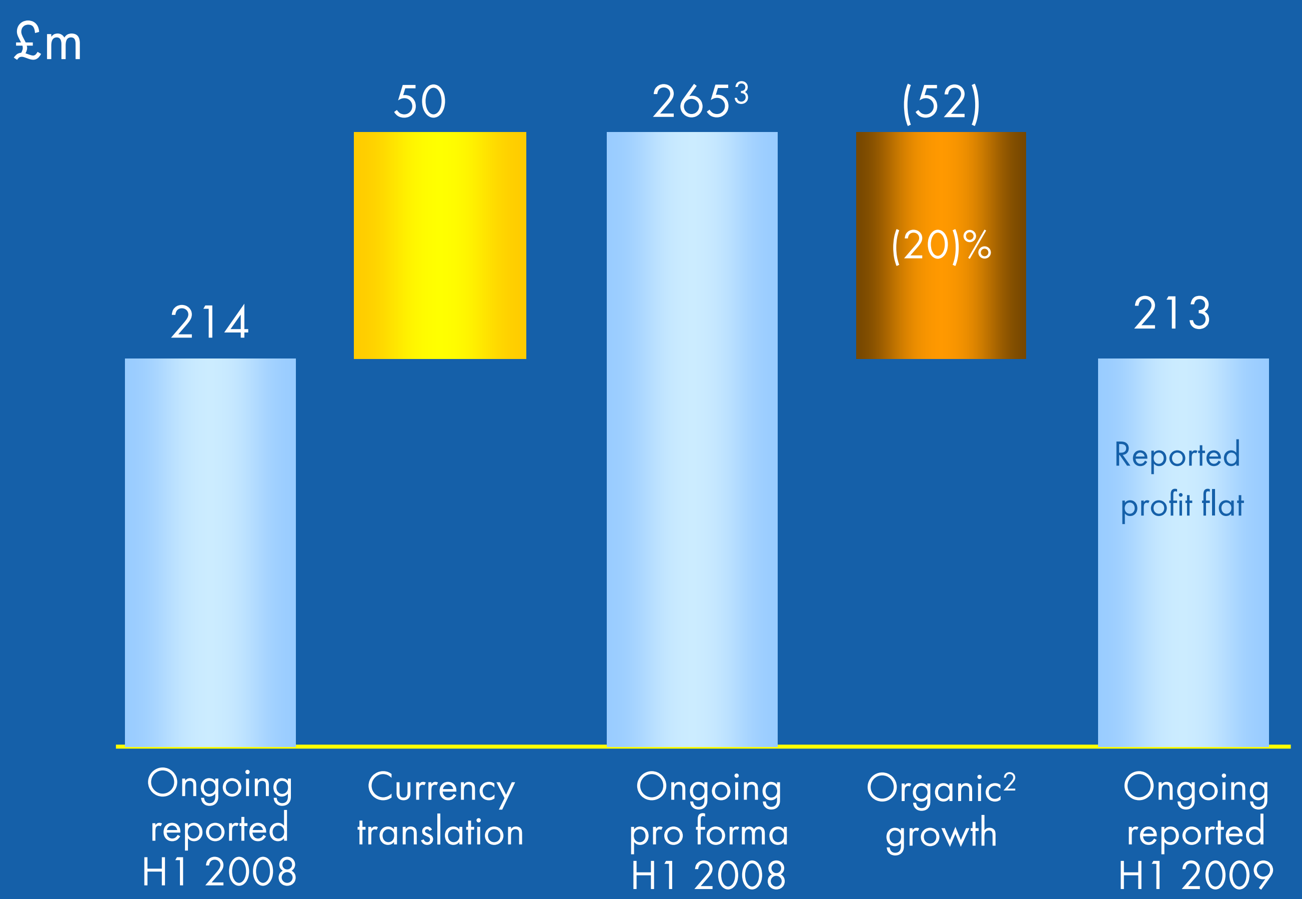
Change in sales[1]



1. Ongoing operations excluding businesses held for sale
2. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency
3. Including £10m for Rostar prior to acquisition

Change in operating profit[1]



1. Underlying excluding exceptional other items. Ongoing operations excluding businesses held for sale
2. Organic adjusts for the impact of acquisitions, excludes disposals and is at constant currency
3. Including £1m for Rostar prior to acquisition

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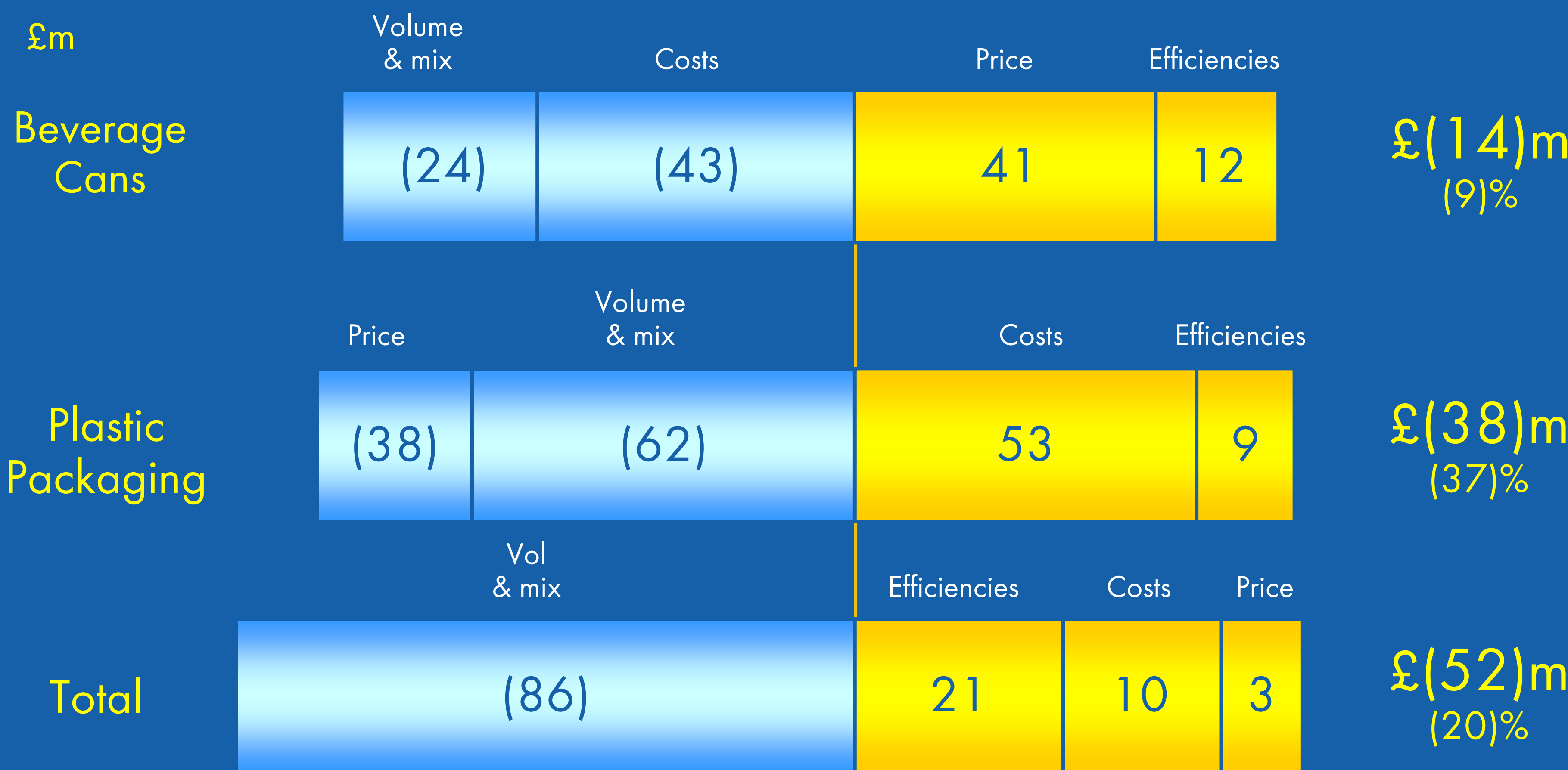
Change in organic operating profit[1]



1. Change in ongoing underlying operating profit after adjusting for acquisitions, disposed businesses and currency translation

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Segment analysis

	H1 2009			H1 2008		
	Sales £m	Operating profit[1] £m	ROS	Sales £m	Operating profit[1] £m	ROS
Beverage Cans	1,842	147	8.0%	1,538	134	8.7%
Plastic Packaging	639	66	10.3%	617	80	13.0%
Ongoing operations	2,481	213	8.6%	2,155	214	9.9%
Disposals	35	5	14.3%	36	3	8.3%
Total	2,516	218	8.7%	2,191	217	9.9%

1. Underlying before exceptional and other items

Exceptional and other items

£m	2009
Goodwill write off	(116)
Restructuring of business	(35)
Loss on sale of an associate	(4)
Exceptional items	(155)
Amortisation of intangible assets	(23)
Fair value on changes on financing derivatives	13
Exceptional and other items	(165)

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Retirement benefits liability

£m	As at 30.06.09	As at 31.12.08	As at 30.06.08
UK defined benefit pensions	2	16	5
US defined benefit pensions	(132)	(54)	(108)
Other pensions	(54)	(63)	(53)
US retiree medical	(110)	(127)	(95)
Deferred tax	83	58	69
Net liability	(211)	(170)	(182)

- US pension liabilities up £78m – reduced asset returns partly offset by higher discount rate
- UK position deteriorated by £14m – reduced asset returns partly offset by higher bond yields
- H1 P&L service charge £13m, net finance cost £16m and cash outflow £22m

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Free cash flow

£m	H1 2009	H1 2008
Operating profit[1]	218	217
Depreciation and amortisation[2]	115	86
Retirement benefit obligations	(9)	(17)
Change in working capital	72	(146)
Capital expenditure (net)	(99)	(184)
Net interest and tax paid	(118)	(81)
Restructuring costs	(12)	(6)
All other movements	4	4
Free cash flow before dividends	171	(127)

1. Underlying excluding exceptional and other items
2. Underlying excluding amortisation of certain acquired intangibles

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Tight cash management

Capex

- All non-essential projects cancelled
- 2009 capex guidance £200m – down £50m from February
  - – c. 0.8x depreciation[1]
- To be kept at or below depreciation[1] in 2009 and 2010

Working capital

- Substantial improvement: H1 2009 inflow £72m (H1 2008: £146m outflow), helped by some receivables discounting
- Inventories reduced by £113m
  - Metal inventory in Russia reversed

1. Depreciation and amortisation excluding amortisation of certain acquired intangible assets

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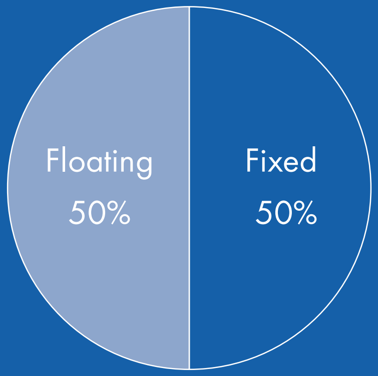
Free cash flow

£m	H1 2009	H1 2008
Free cash flow before dividends	171	(127)
Dividends	-	(75)
Free cash flow post dividends	171	(202)
Acquisitions and disposals	(3)	(134)
Share capital changes	-	1
Foreign exchange/ other	298	(35)
Total inflow/ (outflow)	466	(370)
Opening net debt	(2,601)	(1,562)
Closing net debt	(2,135)	(1,932)

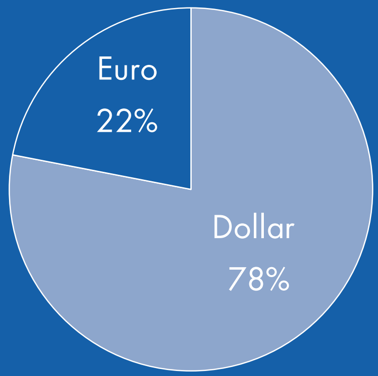
Funding structure

- Net debt June 2009 £2.1bn (H1 2008: £1.9bn)
  - Average cost of debt just over 5% (H1 2008: 6%)
  - P&L interest cover 3.3x (H1 2008: 4.0x)
- H1 2009 Net debt/EBITDA covenant ratio at 2.6x vs. covenant 3.5x
- Principal facilities £3.2bn
- Debt maturing in 2010 refinanced

Interest Profile



Currency Profile



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Summary & Outlook

- Resilient results in challenging market conditions
- Expect current trading conditions to persist
- Optimised cost base: c.£75m cost reduction
- Appropriate capital structure in place
- A strong company with leading market positions
- Well invested, ready to participate in cyclical upswing

Well positioned to take advantage of recovery when it comes

Q&A

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Foreign exchange translation benefit

£m	Sales	Underlying[1] operating profit
Euro	84	13
US dollar	375	37
Other currencies	15	-
Total	474	50

- Average US$/£ 1.49 (H1 2008: 1.97)
- Average Euro/£ 1.12 (H1 2008: 1.29)

1 Excluding exceptional and other items

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Approved and/or planned restructuring costs*

£m	2008	2009 H1	2009 H2	2009 FY	Annualised savings 2010
North America Beverage Can reorganisation	(31)	-	-	-	20
Plastic Packaging reorganisation	-	(27)	(18)	(45)	30
Head office reorganisation		(8)	-	(8)	5
European Beverage Can restructuring*			(54)	(54)	20
Total P&L (cost)/ saving	(31)	(35)	(72)	(107)	75

- Estimated £90m total cash costs: 2008 – £3m; 2009 – £52m; 2010 – £35m

* Subject to final approval and legal clearances

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Debt facility profile

	Swapped currency	Sterling Equivalent £m	Expiry
Bonds			
EUR 700m	n/a	593	March 2013
USD 225m	n/a	136	June 2013
USD 550m	n/a	333	June 2013
Subordinated bond			
EUR 750m	USD	610	June 2067
Bank facilities			
RCF	Multi	128	November 2010
RCF	Multi	647	July 2012
Bilaterals	Multi	20	Nov 2010
Bilaterals	Multi	495	Feb – July 2011
Bilaterals	Multi	257	Jul – Dec 2012
Principal facilities		3,219	

- Exchange rate at 30 June 2009 US Dollar/ Sterling 1.65 and Euro/Sterling 1.18