

## SPRING 2009

### Recycling is back on the front pages,

but the story is not pretty! Recycling markets fell in the last 6 months at the steepest and deepest rate ever. Plus, the current downturn in the economy has had an overall effect on market condition for the sale of processed materials. In light of this situation, Encorp has maintained a privileged market position with the reputable quality of our processed material.

Recent data also indicate a strong redemption rate of 76.7% (at December 31<sup>st</sup>, 2008) compared to 72.3% the previous year. This next year will see a stronger focus on accuracy with Redemption Centers and a greater emphasis on quality control.

Encorp is also committed to continued efforts on communication aspects with its partners and stakeholders and will be enhancing reporting measures to better reflect this.

### Overall Materials Markets:

YTD pricing (Cnd Dollar) versus initial forecasts: aluminum 33% below; PET 84% below and glass still being a cost for transportation and management. It remains anyone's guess at how markets will react in 2009 but it is fair to assume that the scope of this global financial crisis will necessitate revised market forecast. The only positive note is the exchange rate that minimized the financial impact for those selling in US Dollars.

### Overview of market prices US\$/lb for baled material:

	Aluminum	PET	Exchange
June 30 2008	\$ 1.02	\$ 0.195	\$ 1.018
September 30	\$ 0.76	\$ 0.185	\$ 1.059
December 31	\$ 0.58	\$ 0.04	\$ 1.193
As of March 5, 2009	<b>\$ 0.43</b>	<b>\$ 0.09</b>	<b>\$ 1.28</b>

### Product Mix

Trend indicate continued overall growth in the industry with PET outperforming aluminum at 10.5% and 7.9% respectively .

### Year to Year Refunded Units:

	Aluminum	Glass	PET	Other	Total
Jan. - Dec. 2007	62,517,809	4,912,033	66,321,524	17,812,757	151,564,123
Jan. - Dec. 2008	67,446,655	4,072,478	73,306,713	18,676,010	163,501,856
Yr to Yr Qty	4,928,846	(839,555)	6,985,189	863,253	11,937,733
Yr to Yr %	7.9%	(17.1%)	10.5%	4.8%	7.8%

### Bulk Bag

Testing of a new bag design is currently in progress. This new design greatly limits the ability to over or under fill bags. A transparent design with similar features is also part of this pilot program and should be introduced later this spring.

### Job Well Done!

Since its inception in 1992, Encorp Atlantic has been managed with the highest level of integrity and leadership.



Rick Elliott

Bryan Howell

Under the able leadership of Bryan Howell, Encorp Atlantic guided the nonalcoholic Beverage Container Program in New Brunswick as a model for industry managed organizations across Canada.

As for Encorp's first controller, it is often said that Rick Elliott could provide results to questions even before they were asked.

With integrity and fairness as its motto, the reputation of Encorp for efficiency and service became a hallmark for others to follow.

All in the industry in New Brunswick and beyond agree that Bryan and Rick will be missed but never forgotten!

