

BRITISH POLYTHENE INDUSTRIES PLC

NOTICE IS HEREBY GIVEN THAT THE NINETY EIGHTH ANNUAL GENERAL MEETING OF BRITISH POLYTHENE INDUSTRIES PLC ("THE COMPANY") WILL BE HELD AT 96 PORT GLASGOW ROAD, GREENOCK, PA15 2UL AT 12.00 NOON ON 14 MAY 2009 FOR THE FOLLOWING PURPOSES:

TO CONSIDER AND, IF THOUGHT FIT, PASS RESOLUTION NUMBER 1 AND RESOLUTIONS NUMBERED 5 TO 12 AS ORDINARY RESOLUTIONS AND RESOLUTIONS NUMBERED 2 TO 4 AS SPECIAL RESOLUTIONS.

AS SPECIAL BUSINESS

RESOLUTION NUMBER 1

"THAT for the purposes of Section 80 of the Companies Act 1985 as amended ("the Act"), the Directors of the Company be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (as defined in the said Section 80) up to an aggregate nominal amount of £1,975,000 provided that this authority shall expire (unless previously revoked or renewed) on 30 June 2010 or at the conclusion of the next Annual General Meeting of the Company held after the passing of this Resolution, whichever is the earlier, and provided further that the Company may before the expiry of this authority make an offer or agreement which would or might require relevant securities to be allotted after such expiry date in pursuance of any such offer or agreement as if the authority conferred hereby has not expired."

RESOLUTION NUMBER 2

"THAT subject to the passing of Resolution Number 1 the Directors of the Company be and they are hereby authorised and empowered pursuant to and in accordance with Section 95 of the Companies Act 1985, as amended ("the Act") to exercise all powers of the Company to allot and make offers or agreements to allot equity securities (within the meaning of Section 94 of the Act) for cash pursuant to the authority conferred by the said Resolution Number 1 as if Section 89 (1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (i) the allotment of equity securities where such securities have been offered (whether by way of a rights issue or open offer or otherwise) to the holders of ordinary shares of 25 pence each in the capital of the Company ("ordinary shares") in proportion (as nearly as may be) to their respective holdings of ordinary shares on a record date fixed by the Directors, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory; and
- (ii) the allotment (otherwise than pursuant to paragraph (i) of this Resolution) of equity securities up to an aggregate nominal amount of £330,000;

during the period commencing on the date of the passing of this Resolution and expiring on 30 June 2010 or at the conclusion of the next

Annual General Meeting of the Company held after the passing of this Resolution, whichever is the earlier, but so that this authority shall allow the Company before such an expiry to make any offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities after such expiry date in pursuance of such offer, agreement or other arrangement, as if the authority conferred hereby had not expired."

RESOLUTION NUMBER 3

"THAT the Company be and is hereby generally and unconditionally authorised for the purposes of Section 166 of the Companies Act 1985, as amended ("the Act") to make market purchases (as defined in Section 163 of the Act) of ordinary shares of 25 pence each in the capital of the Company ("ordinary shares") in such manner and upon such terms as the Directors of the Company may determine, provided that:

- (i) the maximum aggregate nominal value of ordinary shares hereby authorised to be purchased is £985,000;
- (ii) the minimum purchase price (exclusive of expenses) which may be paid for any ordinary share is 25 pence;
- (iii) the maximum purchase price (exclusive of expenses) which may be paid for any ordinary share is the higher of: (a) an amount equal to 105 percent of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (b) an amount equal to the higher of the price of the last independent trade of any ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System; and
- (iv) this authority shall take effect on the date of passing of this Resolution and, unless previously revoked, renewed or varied, shall expire on 30 June 2010 or at the conclusion of the next Annual General Meeting of the Company held after the passing of this Resolution, whichever is the earlier, but so that this authority shall allow the Company to purchase ordinary shares after such expiry under any agreement made before the expiry of such authority, as if the authority hereby conferred had not expired."

RESOLUTION NUMBER 4

"THAT general meetings of the Company (other than Annual General Meetings) may be called in accordance with the Articles of Association of the Company on not less than 14 days' notice."

AS ORDINARY BUSINESS

RESOLUTION NUMBER 5

"To receive the Company's accounts and the reports of the Directors and Auditors for the financial year ending 31 December 2008."

RESOLUTION NUMBER 6

"That the Directors' remuneration report for the financial year ending 31 December 2008 be approved."

RESOLUTION NUMBER 7

"To declare a final dividend."

RESOLUTION NUMBER 8

"To re-elect Mr C McLatchie as a Director."

RESOLUTION NUMBER 9

"To re-elect Mrs A Thorburn as a Director."

RESOLUTION NUMBER 10

"To re-elect Mr E Hagman as a Director."

RESOLUTION NUMBER 11

"To re-elect Lord Lindsay as a Director."

RESOLUTION NUMBER 12

"To re-appoint KPMG Audit PLC as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at which accounts are laid before the Company, at a remuneration to be determined by the Directors."

To transact any other ordinary business of the Company.

By order of the Board

R B BROOKSBANK
SECRETARY

9 April 2009

Registered Office:
One London Wall
London
EC2Y 5AB

Registered in England and Wales No.108191

NOTES:

- (1) Only holders of ordinary shares of the Company are entitled to attend and vote at the meeting. Members are entitled to appoint a proxy to exercise all or any of their rights and to attend and to speak and vote, both on a show of hands and on a poll, on their behalf at the meeting. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company. Completion of a form of proxy or any CREST Proxy Instruction (see Notes 3 and 4 below) does not prevent holders of ordinary shares from attending the meeting and speaking and/or voting in person should they wish to do so.
- (2) A form of proxy is enclosed with this Notice. To be valid, a form of proxy, together (if not previously registered with the Company) with any power of attorney under which it is signed or a notarially certified copy thereof, must be completed and received by post or (during normal business hours only) by hand at the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 48 hours prior to the time appointed for the meeting or adjourned meeting.
- (3) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the user's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the meeting or adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (4) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (5) Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights ("a Nominated Person") may, under agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- (6) The statement of the rights of members in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in that note can only be exercised by members of the Company.
- (7) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that shareholders must be entered on the Company's register of members at 6.00pm on 12 May 2009 or, in the event that the meeting is adjourned, as at 6.00pm on the day which is two days before the day of any adjourned meeting, to be entitled to attend and vote at the meeting (and for the purposes of determining the number of votes they may cast). Changes to entries on the relevant register of members after 6.00pm on 12 May 2009 or, in the event that the meeting is adjourned, after 6.00pm two days prior to the date of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (8) As at 16 March 2009 (being the latest practicable date prior to the printing of this Notice) the Company's issued share capital consists of 26,498,160 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 16 March 2009 are 26,498,160.
- (9) In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that:
 - (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who do attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.isca.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (i) above.
- (10) Copies of the Directors' service contracts or, in the case of the Non-Executive Directors, their letters of appointment will be available for inspection at the Company's Registered Office from 9 April 2009 to (and including) the date of the Annual General Meeting during usual business hours on any weekday except Saturdays and public holidays and also at the Company's Head Office on the date of the Annual General Meeting, during the Annual General Meeting and for at least 15 minutes before it begins until its conclusion.

BRITISH POLYTHENE INDUSTRIES PLC

96 PORT GLASGOW ROAD, GREENOCK, PA15 2UL
T: +44 (0)1475 501 000 F: +44 (0)1475 743 143



THIS DOCUMENT, WHICH SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF ANNUAL GENERAL MEETING WHICH ACCOMPANIES THIS DOCUMENT, IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT WHAT ACTION TO TAKE, YOU SHOULD IMMEDIATELY SEEK ADVICE FROM YOUR OWN INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

IF YOU HAVE SOLD OR TRANSFERRED ALL YOUR ORDINARY SHARES IN BRITISH POLYTHENE INDUSTRIES PLC, PLEASE PASS THIS DOCUMENT AND THE ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING AND FORM OF PROXY TO THE PURCHASER OR TRANSFEREE OR TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR DELIVERY TO THE PURCHASER OR TRANSFEREE.

BRITISH POLYTHENE INDUSTRIES PLC
("the Company")

(Registered in England No. 108191)

To ordinary shareholders and participants in the employee share schemes.

DEAR SHAREHOLDER,

This letter principally explains the purpose of the Resolutions to be considered as special business by shareholders at the Ninety Eighth Annual General Meeting of the Company to be held at 12.00 noon on 14 May 2009, and why your Directors consider that they are most likely to promote the success of the Company for the benefit of its shareholders as a whole and recommend that you vote in favour of them, as they intend to do in respect of the ordinary shares which they beneficially own and control. The Resolutions referred to in this letter are set out in the Notice of Annual General Meeting which accompanies this document ("the Notice").

**RESOLUTION NUMBER 1
AUTHORITY TO ALLOT ORDINARY SHARES PURSUANT
TO SECTION 80 OF THE COMPANIES ACT 1985**

This Resolution is being proposed pursuant to Section 80 of the Companies Act 1985 as amended ("the Act"), which prevents Directors of a company from allotting unissued shares without the authority of shareholders in general meeting. Subject to the limitations set out in the Notice, the Resolution seeks renewal of the Directors' authority to allot unissued ordinary shares in the Company up to a nominal amount of £1,975,000 (i.e. 7,900,000 ordinary shares of 25 pence each) which represents approximately 30 percent of the Company's issued ordinary share capital as at 16 March 2009 (being the latest practicable date prior to the printing of this document). This proposed limit is within the limit set out in the guidelines issued by the Investment Committees of the Association of British Insurers and the National Association of Pension Funds. As at 16 March 2009, none of the Company's issued shares are held as treasury shares.

The new authority will remain in force until 30 June 2010 or the conclusion of the next Annual General Meeting, whichever is the earlier.

The Directors have no present intention of exercising their authority to allot unissued shares, except for the issue of shares pursuant to the Company's share and/or share option schemes.

**RESOLUTION NUMBER 2
DISAPPLICATION OF SECTION 89 (1) OF THE
COMPANIES ACT 1985**

This Resolution is being proposed to enable the Company, if it decides to make a rights issue or other offer of equity securities to its shareholders, to dispense with the requirements of the Act to offer all new shares issued for cash, or treasury shares sold for cash, to existing shareholders in proportion to their current shareholdings. The dispensation avoids the difficulties which can arise with fractional entitlements or in the case of citizens of overseas countries. These countries require fulfilment of rather complex registration procedures before allowing offers of shares to be made to their citizens. In the event of any further shares being issued or treasury shares sold, this Resolution would simplify the procedures, for example, by enabling your Directors not to offer shares to such citizens but to sell their rights on their behalf.

Additionally, the Resolution would authorise your Directors to allot equity securities and sell shares held as treasury shares up to an aggregate nominal amount of £330,000 (i.e. 1,320,000 ordinary shares of 25 pence each), representing approximately 5 percent of the Company's issued ordinary share capital as at 16 March 2009 (being the latest practicable date prior to the printing of this document), for cash otherwise than to existing shareholders in proportion to their existing shareholdings. This proposed limit is in line with the guidelines issued by the Investment Committees of the Association of British Insurers and the National Association of Pension Funds. The Board confirms its intention that no more than 7.5 percent of the Company's issued ordinary share capital will be allotted for cash on a non pre-emptive basis during any rolling three year period and that it will have regard to any guidelines issued by investor protection committees which may be published at the time of any sale of shares held as treasury shares.

The authority conferred by this Resolution replaces a similar authority granted at last year's Annual General Meeting and which is due to expire at the conclusion of this year's Annual General Meeting. The new authority will remain in force until 30 June 2010 or the conclusion of the next Annual General Meeting, whichever is the earlier.

**RESOLUTION NUMBER 3
AUTHORITY FOR PURCHASE OF OWN ORDINARY SHARES**

This Resolution is being proposed to renew the Company's current authority (granted at last year's Annual General Meeting and due to expire at the conclusion of this year's Annual General Meeting) to buy back up to 14.9 percent of its own issued ordinary share capital.

It is proposed now that the Company be authorised to make market purchases of the Company's ordinary shares up to a maximum nominal amount of £985,000 (i.e. 3,940,000 ordinary shares of 25 pence each), representing approximately 14.9 percent of the Company's issued ordinary share capital as at 16 March 2009 (being the latest practicable date prior to the printing of this document).

Renewing this authority will give your Directors greater flexibility to manage your Company's balance sheet more efficiently. This authority will only be exercised if, in the opinion of the Directors, to do so would be likely to result in an increase in earnings per ordinary share or otherwise to benefit the overall financial position of the Company and is likely to promote the success of the Company for the benefit of its shareholders as a whole. Any such purchase will only take place within the limits of available reserves and provided that levels of interest cover remain adequate so that the Company continues to have the financial flexibility to develop its business. Should the Directors exercise the authority provided by this Resolution, any shares so purchased, up to a maximum of 10 percent of the Company's issued share capital, may be held as treasury shares.

The maximum purchase price (exclusive of expenses) which may be paid for an ordinary share in terms of the authority is the higher of (a) an amount equal to 105 percent of the average of the middle market quotations for an ordinary share derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the contract for the purchase price is made; and (b) an amount equal to the higher of the price of the last independent trade and the highest current independent bid as derived from the London Stock Exchange Trading System. This price limit reflects the requirements of the Listing Rules of the UK Listing Authority ("the Listing Rules").

Where shares are purchased under this authority and are cancelled (or are cancelled subsequent to having been held as treasury shares), the amount of the Company's issued (but not authorised) share capital will be reduced accordingly.

It is proposed that the general authority conferred by the Resolution will commence immediately after the Annual General Meeting and will remain in force until the conclusion of next year's Annual General Meeting or, if earlier, 30 June 2010. It is, however, the Directors' present intention to seek annual renewal of this authority. Under the Listing Rules, the Company is not permitted, subject to certain limited exceptions, to purchase any of its ordinary shares during (a) the period of sixty days immediately preceding a preliminary announcement of its annual results or, if shorter, the period from the relevant financial year end up to and including the time of such announcement; (b) the period of sixty days immediately preceding the publication of its annual financial report or, if shorter, the period from the relevant financial period up to and including the time of such publication; and (c) the period from the end of the relevant financial period up to and including the time of publication of its interim results. The Company may utilise the purchase authority by either a single purchase or a series of purchases, where market conditions allow.

As at 16 March 2009 (being the latest practicable date prior to the printing of this document), there were 497,908 outstanding options over the Company's ordinary shares, granted under the Company's savings-related share option scheme. Based on the number of shares in issue as at 16 March 2009, if these options were exercised in full, the resulting ordinary shares would represent approximately 1.8 percent of the so-enlarged issued ordinary share capital of the Company; if the buy-back authority the subject of this Resolution were exercised in full and the options were also fully exercised, the ordinary shares issued pursuant to the exercise of options would represent 2.2 percent of the then issued ordinary share capital of the Company (excluding any shares then held as treasury shares).

**RESOLUTION NUMBER 4
NOTICE PERIOD FOR GENERAL MEETINGS OTHER THAN ANNUAL GENERAL MEETINGS**

Resolution 4 will be proposed as a resolution to approve the holding of general meetings, other than Annual General Meetings, on not less than 14 days' notice in accordance with the Company's Articles of Association ("the Articles"). Although the Articles currently permit this, regulations are due to come into force on 3 August 2009 to implement the EU Shareholder Rights Directive in the UK, which, as currently drafted, will require the passing of a shareholder resolution to authorise such notice. Without the passing of Resolution 4, the minimum notice period under the regulations, as currently drafted, would be 21 days. Although the final form of the regulations is yet to be confirmed, the Directors nevertheless consider it to be in the best

interest of shareholders to pass Resolution 4 to ensure that the current flexibility is maintained and the Company is not constrained by the regulations implementing the Directive when they come into force. As the regulations are currently drafted the Resolution will not be effective if put to the vote on a show of hands unless it is passed without any vote being cast against. Before any meeting is convened on less than 21 days notice the Company will be required, in terms of the current draft regulations, to offer shareholders the facility to vote at such meeting by electronic means. It is the Board's current intention, based on the present draft of the regulations, to seek a similar shareholder approval on an annual basis as the regulations will limit the period in which the Company can otherwise rely on the approval.

**RESOLUTION NUMBER 7
DECLARATION OF FINAL DIVIDEND**

A final dividend for the year ended 31 December 2008 of 7.5p per ordinary share is recommended by the Directors and is put to shareholders for their approval. If approved the dividend will be paid on 21 July 2009 to holders of ordinary shares on the register of shareholders of the Company as at the close of business on 13 March 2009, making a total dividend in respect of the year ended 31 December 2008 of 14.5p per ordinary share.

**RESOLUTION NUMBER 8
RE-ELECTION OF MR MCLATCHIE**

Resolution 8 is being proposed in connection with the announcement made in 2003 by Mr C McLatchie, Chairman of the Group, that he intends to put himself forward for re-election as Director on an annual basis. As shareholders may be aware, Mr McLatchie's decision to seek such annual re-election was taken in response to developments on Corporate Governance which suggest that it may no longer be considered appropriate for Mr McLatchie to continue in his role as Chairman, having previously served as both Chairman and Chief Executive. Mr McLatchie's fellow Directors continue to believe that this factor is of lesser importance than his experience and value to the Group. Mr McLatchie has been employed within the Group for over twenty four years, serving as Chairman and Chief Executive since 1988 until May 2003 when he stepped down as Chief Executive.

RECOMMENDATION

Your Directors consider that the Resolutions set out in the Notice of Annual General Meeting are most likely to promote the success of the Company for the benefit of its shareholders as a whole and they unanimously recommend you to vote in favour of the Resolutions set out in the special business of the Annual General Meeting, as they intend to do in respect of the 596,498 ordinary shares which they own and control, representing approximately 2.3 percent of the issued ordinary share capital of the Company as at 16 March 2009 (being the latest practicable date prior to the printing of this document).

ACTION TO BE TAKEN

A reply-paid form of proxy for use by ordinary shareholders is enclosed. Please complete and return the form of proxy in accordance with the instructions printed on it as soon as possible. In order to be valid, forms of proxy must be completed and deposited with the Company's Registrars, Computershare Investor Services PLC, The Pavillions, Bridgwater Road, Bristol, BS99 6ZY not later than 12.00 noon on 12 May 2009. Completion of a form of proxy will not preclude shareholders from attending and voting in person should they so wish.

Yours faithfully



**CAMERON MCLATCHIE
CHAIRMAN**
Registered Office:
One London Wall
London
EC2Y 5AB