

NOTICE TO ALL MEMBERS OF THE TENSAR INTERNATIONAL LIMITED RETIREMENT BENEFITS PLAN

SUMMARY FUNDING STATEMENT

Why have you sent me this Summary Funding Statement?

Last year we provided you with the third Summary Funding Statement for the Tensar International Limited Retirement Benefits Plan (the "Plan"). This set out the financial position of the Plan based on the last completed actuarial valuation as at 5 April 2006. This update includes the latest position for you based on the Plan's funding position as at 5 April 2008. The financial security of the Plan affects the benefits you will receive, so we recommend you take time to read through this statement. We will send you a similar statement each year to update you on this important issue with the next statement to be issued once the results of the 2009 actuarial valuation have been completed.

How is the Plan's financial security measured?

If you are an active member then each year you will earn benefits in the Plan linked to your salary. If you have left the Plan, you will have earned benefits during your Plan membership which will be payable on retirement. If you have retired then in general you will be receiving a pension from the Plan. The estimated cost of providing the benefits earned to date by all the active members and those who have left the Plan together with the pension benefits already in payment are known as the Plan's liabilities.

Money is collected from the active members ("contributions") and from the Company itself and then invested to help provide the benefits due. These contributions are held in a communal fund, not in separate funds for each individual. The total amount of money invested is known as the Plan's assets.

To check the Plan's financial security we compare the value of its liabilities with its assets. If the Plan has fewer assets than liabilities, it is said to have a "shortfall". If the assets are more than the liabilities there is said to be a "surplus". The value of the Plan's assets, expressed as a percentage of the value of its liabilities, is known as the Plan's funding level. It is worth noting that if a Plan has a "shortfall" then this does not mean that there exists an immediate problem. In such cases we will work with the Company to find the best way of removing the "shortfall".

We carry out an in-depth look at the Plan's finances at least every three years. This is called an actuarial valuation. We ask a qualified, independent professional, known as an Actuary, to do this. We also check the financial security of the Plan on a regular basis between valuations.

What is the current measure of the Plan's financial security?

The latest actuarial valuation of the Plan was carried out as at 5 April 2006 and showed that on an ongoing basis:

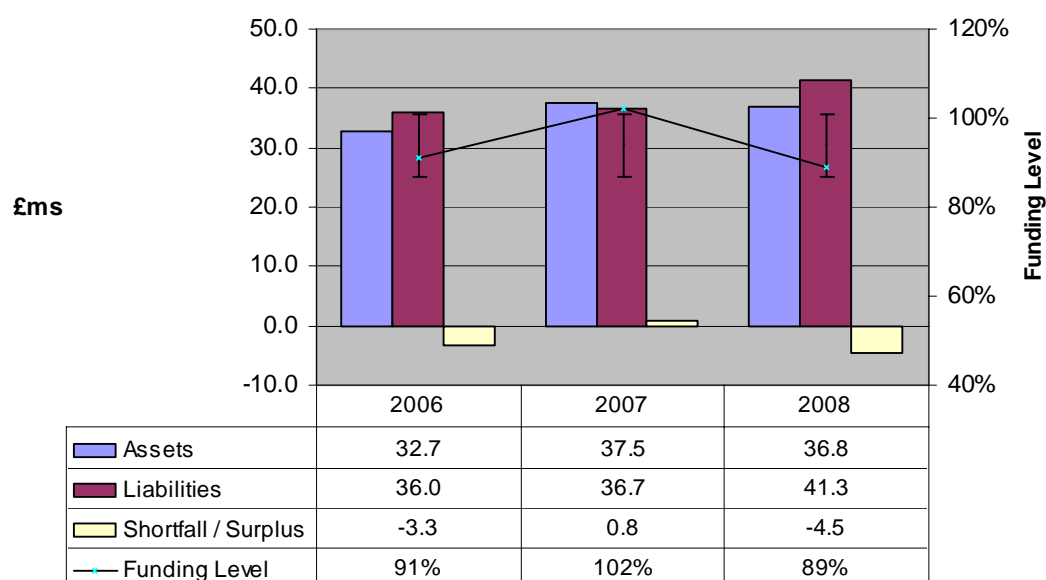
The value of the liabilities were £36.0 million

The Plan's assets were valued at £32.7 million

This means that there was a shortfall of £3.3 million

Scheme funding level 91%

Annual updates have been carried out as at 5 April 2007 and 5 April 2008 and the results are shown in the table below, alongside the 2006 valuation results:



The deterioration in the Plan's funding position since 5 April 2007 is due to:

- (i) The effect of higher expected price inflation which has resulted in an increased estimate of the Scheme's liabilities.
- (ii) The investment return on the Plan's assets being lower than expected

A new actuarial valuation to assess the Plan's financial position at 5 April 2009 is currently being carried out by the Trustees. The results of this valuation are expected to be published in 2010 and will be included in subsequent member reports.

In carrying out the valuation the Trustees will need to decide how the current financial conditions should be reflected in the measurement of the value of the Plan's liabilities and agree the approach with the Company. The basis on which contributions are paid will also be reassessed.

Until decisions are reached on the assumptions to be adopted, a realistic assessment of the deficit for the purposes of deciding upon contribution levels can

not be made. However it is expected that the amount of deficit is likely to be greater than that estimated at April 2008.

How much money is paid into the Plan each year?

To correct the shortfall as at 5 April 2006, the Company is paying contributions of £350,000 per annum, payable with effect from May 2008. At the time of setting up the shortfall contributions in 2008, it was calculated that these steps would clear the shortfall by May 2013. The shortfall is now estimated to have increased and so the period to clear the shortfall will be longer unless contributions are increased or there is a strong recovery in asset values which makes good some of the increased shortfall.

To calculate the amount of the shortfall, assumptions have to be made about what will happen in the future, for example, the rate at which the Scheme's assets will grow. If the assumptions do not turn out to be exactly right, it may be necessary to increase the level of deficit contributions to the Scheme for the shortfall to be paid off by May 2013.

In addition, the Company pays contributions to the Plan of 12.1% of Pensionable Salaries to meet the cost of providing pension benefits for the future service of active members. Active members pay contributions of 6.0% of Pensionable Salaries. Currently the total Company contribution (including the annual amount to clear the shortfall) is 20.9% of the total of Pensionable Salaries for active members, and so, a total of 26.9% of the pay of all contributing members is currently being paid into the Plan.

Although there was a shortfall at 5 April 2008, all members who have retired have still received the full amount of their pension.

How do you know what contributions should be paid into the Plan?

Following each actuarial valuation, and based on the advice of the Actuary, the Trustees and the Company agree what contributions should be paid into the Plan so that we can expect to be able to continue to pay member's pensions. This agreement is then recorded in a document called the Schedule of Contributions.

We review and update the Schedule of Contributions at least each time the Plan has an actuarial valuation.

The valuation and Schedule of Contributions follow standards we have set out in a separate document called the Statement of Funding Principles. This document describes how we will manage the Plan, with the aim of being able to continue to pay members' benefits.

Is my pension guaranteed?

Our aim is for there to be enough money in the Plan to pay pensions now and in the future, but this depends on the Company carrying on in business and continuing to pay for the Plan.

If the Company goes out of business or decides to stop paying for the Plan, it would be obligated by law to pay the Plan enough money to buy all the benefits built up by

members from an insurance company, provided in the former case there are sufficient funds available to pay creditors in full. This is known as the Plan being “wound-up”.

The comparison of the Plan’s assets to the cost of buying the benefits from an insurance company is known as the “solvency position”.

Is there enough money in the Plan to provide my full benefits if the Plan was wound-up?

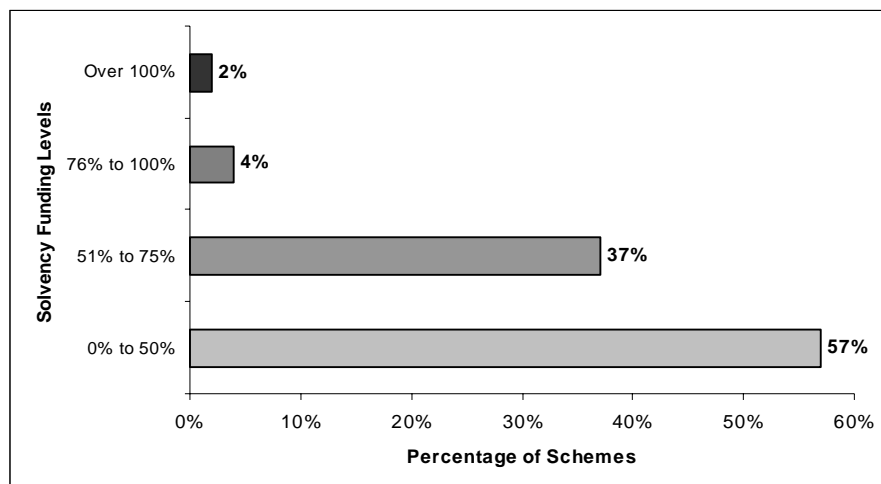
The liabilities of the Plan if it is wound up are significantly greater than if it is assumed to remain ongoing. This is due to the more cautious assumptions insurance companies make concerning investment returns and the expense loadings and profit margins included in their terms. Looking at pension schemes in general, the vast majority will have a significant shortfall on this basis.

The fact that we show the solvency position does not mean that the Company is thinking of winding up the Plan. It is just another piece of information we hope will help you understand the financial security of your benefits.

The actuarial valuation as at 5 April 2006 showed that the Plan’s assets could not have paid for the full benefits of all members to be provided by an insurance company if the Plan had wound-up at that date.

The liabilities if the Plan were to be wound-up were	£57.5 million
The Plan’s assets were	£32.7 million
This means that there was a shortfall of	£24.8 million
This gives a funding level of	57%

As noted above, the vast majority of pension schemes have a significant shortfall when measured on this solvency basis. This is illustrated by the following chart based on information published by The Pensions Regulator in early 2006, which shows the distribution of schemes according to the funding bands shown:



It can be seen that more than half of schemes have a solvency basis funding level of less than 50%, and nearly all schemes are less than 75% funded. In other words,

when measured on this very stringent solvency basis, the Tensar International Limited Retirement Benefits Plan, which has a solvency basis of 57%, is not at all unusual.

What happens if the Plan is wound-up and there is not enough money to pay for all my benefits?

Whilst the Company must pay the shortfall it does depend on the Company having the means to make the payment.

The Government has set up the Pension Protection Fund (PPF) to pay benefits to members should the Plan be wound-up when the Plan and the Company do not have enough money to cover the cost of buying all members' benefits with an insurer.

The pension you would receive from the PPF may be less than the full benefit you have earned in the Plan, the level of reduction depending on your age and when your benefits are earned.

Further information and guidance is available on the PPF website at www.pensionprotectionfund.org.uk. Or you can write to the Pension Protection Fund at Knollys House, 17 Addiscombe Road, Croydon, Surrey, CR0 6SR.

Can I take my benefits out of the Plan before I am due to retire?

If you are an active member then you can opt out the Plan before you reach retirement and your pension will then be based on your service and salary when you leave and reduced for its earlier payment. If you wish you can then take your earned benefits out of the Plan before you reach retirement. This is known as a transfer value.

If you have already left the Plan then you can take your benefits out of the Plan before you reach retirement, also through payment of a transfer value.

If you have retired then you are receiving your pension and so are unable to take your benefits out of the Plan. There is no transfer value option.

If you are thinking of taking a transfer value from the Plan for any reason or ceasing to contribute, you should consult a professional advisor, such as an independent financial advisor, before taking any action. The law prevents the Trustees from providing members with financial advice.

Where can I get more information?

If you have any other questions, or would like any more information, please contact the Trustees of the Tensar International Limited Retirement Benefits Plan c/o David Johnstone, Finance Director, Tensar International Limited, Cunningham Court, Lions Drive, Shadsworth Business Park, Shadsworth, Blackburn, BB1 2QX.

A list of documents which provide further information is attached. If you want us to send you a copy of any of these documents please let us know.

The Trustees would like to remind you that there are a number of documents relating to the Plan to be found on the Company's website. These documents include the

current Explanatory Booklet, the Plan's formal Report and Accounts and the latest newsletter from the Trustees.

If you change address you should let us know so that we can update our records. Please mark any correspondence with your name and National Insurance number.

The Trustees of the Tensar International Limited Retirement Benefits Plan
August 2009

Additional documents available on request

The Statement of Funding Principles

This explains how we (the Trustees) plan to manage the Plan with the aim of being able to continue to provide the benefits that members have built up.

The Statement of Investment Principles

This explains how we (the Trustees) invest the money paid into the Plan.

The Schedule of Contributions/Recovery Plan

This shows how much money is being paid into the Plan by the Company and the contributing members, and includes a certificate from the actuary showing that it is sufficient.

The Annual Report and Accounts of the Tensar International Retirement Benefits Plan

This shows the Plan's income and expenditure during each Plan year. The Plan year ends on 5 April.

The Formal Actuarial Valuation Report as at 5 April 2006

This contains the details of the Actuary's check of the Plan's situation as at 5 April 2006.

The Actuarial Reports as at 5 April 2007 and 5 April 2008

This contains the details of the actuary's review of the Scheme's situation as at 5 April 2007 and 5 April 2008.

The Tensar International Retirement Benefits Plan Information Booklet

This is the members' handbook for the Plan. You should have been given a copy when you joined the Plan, but we can let you have another copy.