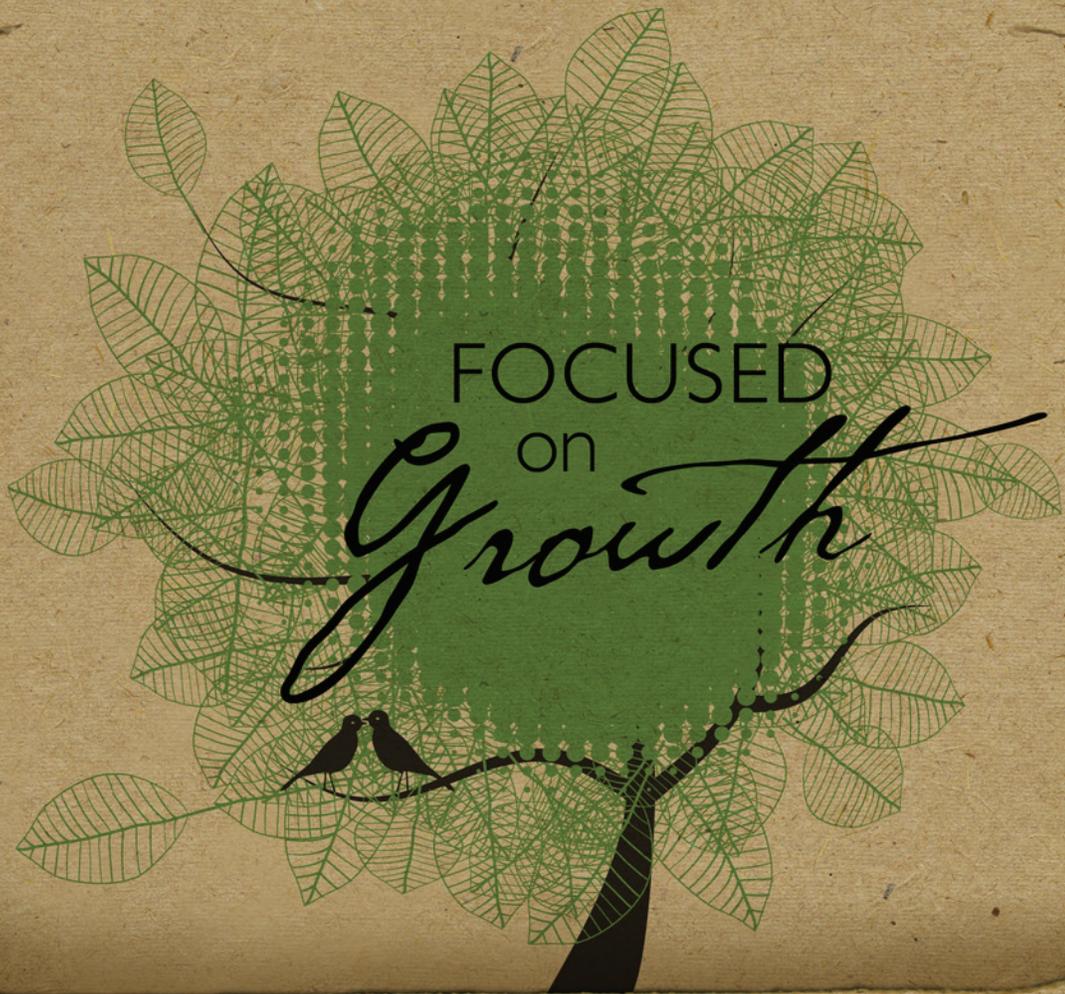


call2recycle®

RECHARGING THE PLANET. RECYCLING YOUR BATTERIES.™



RECHARGEABLE BATTERY RECYCLING CORPORATION  
2010 ANNUAL REPORT

## U.S. Call2Recycle BOARD MEMBERS

**Andy Sirjord** (Chairman)  
Sanyo Energy (USA) Corporation

**Linda Biagioni**  
Stanley Black&Decker

**James Bremner**  
Varta Microbattery, Inc.

**Roger Dower**  
The Johnson Foundation

**Charlie Monahan**  
Panasonic Energy Corporation

**Wayne Rifer**  
Green Electronics Council

**Doug Smith**  
Sony Electronics, Inc.

**Chip Wildes, Jr.**  
Saft America, Inc.

## CANADIAN Call2Recycle BOARD MEMBERS

**Nick Aubry** (Chairman)  
Sony Canada

**Kent Hatton**  
Energizer Canada, Inc.

**Alan Moyer**  
Panasonic Canada

**Susan Nieuwhof**  
Procter & Gamble Canada

**Carl Smith**  
Call2Recycle

**Gary vanHeerwaarden**  
Rayovac Canada

## Call2Recycle OFFICERS

**Carl Smith**  
Chief Executive Officer / President

**Greg Broe**  
VP, Finance & Administration

**Linda Gabor**  
VP, Marketing & Account Management

**Joe Zenobio**  
Executive Director, Call2Recycle Canada



© 2011 Call2Recycle®, operated by the non-profit Rechargeable Battery Recycling Corporation, is dedicated to promoting environmental sustainability by providing free battery and cell phone recycling in North America. Learn more at [call2recycle.org](http://call2recycle.org) or 877.2.RECYCLE.

CALL2RECYCLE.ORG

# Call2Recycle

## CLOSING THE DECADE WITH DOUBLE-DIGIT GROWTH



Sometimes it's best to let the figures tell the story.

During 2010 Call2Recycle generated double-digit growth in battery collections – the first time in recent history. Our 10.1 percent increase over 2009 is a testament to the partner network our company has nurtured for sixteen years and its commitment to our success. We are grateful to the licensees, communities and public agencies, businesses, retailers and consumers that co-authored this achievement.

Together we redirected 6.7 million pounds of rechargeable batteries (3 million kilograms) and 400,000 pounds of primary batteries (182,000 kilograms) from landfills – equivalent to the weight of 260 school buses. There isn't a more visible measure of responsible stewardship than this. Thank you, stakeholders, for making 2010 a remarkable year for battery recycling.

In Canada, the expansion to collections of all household batteries is a resounding success with British Columbia and Ontario leading the charge. British Columbia alone realized a 400 percent surge in 2010 collections. We are positioned to support all-battery recycling programs in other provinces as mandates to collect household batteries under 5 kilograms are initiated. Stateside, we continue to monitor California legislation as the bellwether for battery recycling trends, laws and proclivities.

During 2010 Call2Recycle was particularly focused on penetrating the healthcare and higher education markets. We maintained a strong presence in national media that targeted healthcare and higher education audiences. This focus, along with our attention to core community/municipality alliances and an emerging military market, will drive our 2011 efforts.

Awareness of our central message showed significant gains in 2010 among key constituencies, which tells us that Call2Recycle is catching on as an established, recognizable source for battery recycling in the U.S. and Canada. In Atlanta we improved our environmental footprint, too, reconfiguring our office into an eco-friendly space. Communication is better, enthusiasm higher and our stewardship stance more apparent to visitors.

We won't rest on last year's laurels, however. We still face a challenged economy, tight budgets and many tests. Caution is still the byword. Federal, state and provincial regulations throughout the U.S. and Canada will demand our attention, adherence and response. Call2Recycle is well positioned. We anticipate good things in 2011, and ideally another remarkable year.

A handwritten signature in black ink that reads "Carl E. Smith". The signature is fluid and cursive, written on a white background.

– Carl Smith, CEO and President

Double-digit collections  
growth nets  
*6.7 million*  
pounds of rechargeable batteries

# Call2Recycle

## COLLABORATION IS KEY

We've all heard the adage: There's strength in numbers. During 2010 we made strength in numbers our operating philosophy.

I'm referring to the numbers of partners, affiliates, and board members who have embraced our goal of collecting and recycling rechargeable batteries, household batteries, and cell phones across North America, and to the influence they bring to bear on the success of our ventures. At Call2Recycle, we call this relationship-driven outreach, and it means that our relationships determine our results.

It's one thing for Call2Recycle to marshal its resources solo to pursue battery collections. It's quite another thing to collaboratively network with major retailers, industry associations, public policymakers and hundreds of other influencers in pursuit of the same objective. Their reach, their inroads, their muscle and credibility are driving our successes exponentially. In fact, they can tell our story as effectively as we can.

During 2010 we restructured our marketing and communications organization to fully support this web of advocates. We've interwoven marketing, customer service and account management into cross-functional teams. Together, we better identify opportunities, respond to inquiries, develop tailored programs, support business requirements, and maximize the clout of our partners and affiliates. Our outreach programs are data-, insight-, and measurement-driven. MyCall2Recycle, for example, was a late summer and fall campaign that tapped into our national retail partnerships with RadioShack, Lowe's, Staples, DeWALT and Earth911. The campaign generated a staggering number of used rechargeable batteries. And for the record, the menu item "Battery Recycling" generated more clicks than any other on the Earth911 web site. MyCall2Recycle is featured later in this annual report. Also of note was our partnered collection program with Sony, which netted thousands of pounds of rechargeable batteries.



To enhance brand visibility and coherence, we launched a retooled Canadian Call2Recycle website that seamlessly blended – look and feel – with the US site. Wherever possible we included web links in our advertising and promotional outreach programs that brought consumers directly to [call2recycle.org](http://call2recycle.org).

Combining of forces, internally and externally, is working. Harnessing the power and number of our relationships is the key. We have every reason to expect greater return from our 2011 partnerships.

– Linda Gabor, Vice President, Marketing & Account Management



## Call2Recycle RESURGENCE IN FINANCIAL HEALTH

Like most organizations, we began 2010 concerned about how the stalled economy might affect the financial health of our Call2Recycle program. Based on our 2010 financial results, our concerns were unfounded.

Call2Recycle's robust financial performance last year can be attributed to three factors: the strength of our investment portfolio and the results it yielded; increased battery sales which boosted revenue via license fees; and key proactive management actions, including the introduction of our new battery collection kit, which reduced our operating costs. The results were dramatic. Call2Recycle's net assets have rebounded to pre-2008 levels, thus providing the resources to continue to grow and serve new markets.

We can look to 2011 with confidence. Call2Recycle has the financial strength to address new regulatory pressures, face dynamic changes in the marketplace, and embrace outreach opportunities.

– Greg Broe, Vice President, Finance & Administration



## Call2Recycle TAPS JOE ZENOBIO FOR OFFICER POSITION



As Canada accelerates its battery collection programs and expands into household battery recycling, the need for a dedicated director became apparent. In August, Joe Zenobio was chosen to fill the critical role of Executive Director for Call2Recycle Canada. Zenobio is chartered with driving the strategic direction for our growing Canadian presence and serving as the liaison between battery manufacturers, government agencies, consumers and Call2Recycle's program participants.

Joe Zenobio has served in various business leadership roles in Canada and the U.S. He has held positions as president, chief operating officer, and senior vice president for GS1, one of the world's largest e-commerce and value chain organizations.

"Joe's experience in managing strategies to address the needs of multiple stakeholders is already proving to be beneficial as our program continues to grow in Canada," Call2Recycle CEO and President Carl Smith said. "He's the right person to handle the ever-changing battery recycling landscape in Canada."

# Call2Recycle

## THE POWER OF THE MESSAGE

As the Call2Recycle brand gained traction in 2010, battery collections mounted. This was the correlation we wanted to see.

Through phone and web-based communications, Polaris Market Research conducted wave 2 of its brand awareness study (the results of the first study were released in June, 2009 as a benchmark) and determined that awareness among sustainable industry opinion leaders, licensees, and collection site managers rose significantly after Call2Recycle's first year of brand implementation. Along with brand awareness, Polaris investigated patterns of use, interpretation and overall reception.

The MyCall2Recycle campaign demonstrated that our burgeoning brand has teeth. A first of its kind, MyCall2Recycle was designed to educate consumers about battery recycling through targeted messaging while spotlighting retail organizations that practice corporate responsibility and sustainability. Call2Recycle teamed with DeWALT, Lowe's, RadioShack and Staples to give the campaign weight and reach. Running from July 21 through October 1, MyCall2Recycle included a dedicated website, national media and public relations, co-branded communications, radio and TV advertising, incentives for recycling-minded consumers who brought used rechargeable batteries and cell phones, social media coverage on Facebook®, Twitter® and YouTube®, and partnership with eco-magnet Earth911. Five metro markets were chosen for collection drives: Atlanta, Chicago, Dallas/Ft. Worth, San Diego and Toronto.

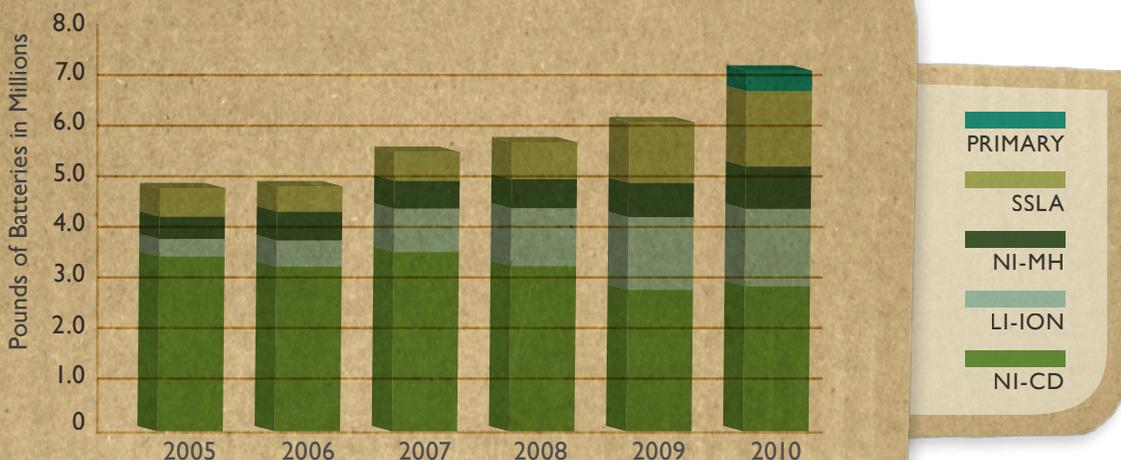
MyCall2Recycle results proved the power of the message. We collected 1,240,363 pounds of batteries – a 13 percent leap from the same time the previous year. We generated 294 million media impressions, earned 18,611 website page views, reached 7 million viewers and listeners on TV and radio, and interacted with more than 3,500 visitors on our five-city collection drive. The MyCall2Recycle landing page on the Earth911 web site and custom battery recycling newsletter gave us exposure to 100,000 consumers in a two-week period. Earth911 reported nearly 6 thousand page views and more than 5,000 newsletter readers.

Partnering with Earth911 was a boon for our brand. During 2010 Earth911 featured 70 articles pertaining to batteries, 17 of them referencing Call2Recycle. In fact, Call2Recycle accounted for 24 percent of all Earth911 battery coverage, generating nearly 38,000 page views. There were more click-throughs on the "Battery Recycling" menu item than any other option on the Earth911 website.

We continue to see the value of social media in driving the Call2Recycle brand. Facebook® and Twitter® fans doubled during the MyCall2Recycle campaign. We closed 2010 with more than 3,000 social media advocates. We also

bolstered brand recognition and involvement with a stronger emphasis on outbound email communication with licensees and collection site managers.

### Call2Recycle North American Collections



# Call2Recycle

## EXTENDING OPPORTUNITY ACROSS NORTH AMERICA

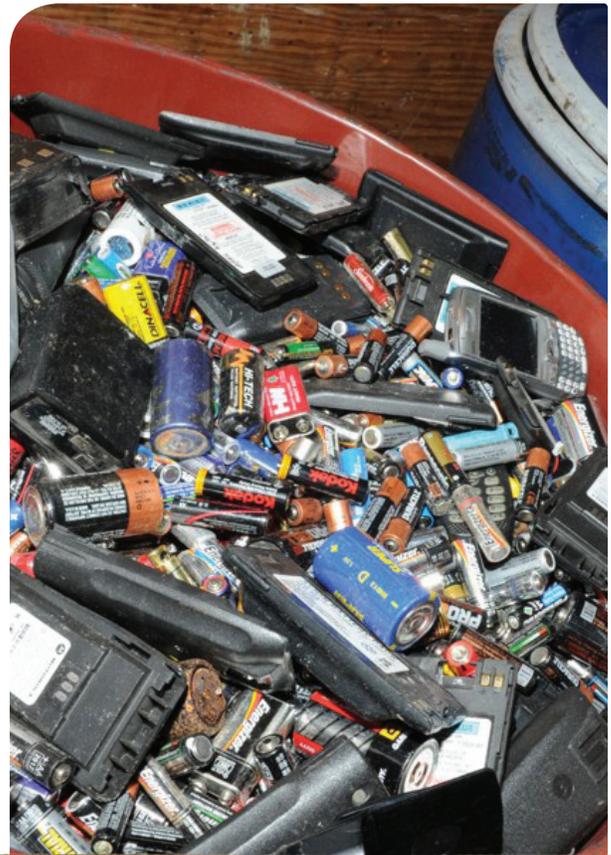
2010 showed us that Call2Recycle is a factor in shaping battery policies, regulations and programs.

As part of the July Product Stewardship Institute's (PSI) National Forum held in Boston, we sponsored the development of a Battery Stewardship Briefing Document. This A-to-Z "how to" handbook is the blueprint for safe battery disposal and recycling. It includes information on battery composition, markets and lifestyle management. Call2Recycle stakeholders, via interviews and discussion, contributed to the contents and context of the finished product.

Call2Recycle participated in Project Harmony last year – a collaborative research program with global design firm IDEO. The purpose was to investigate battery take-back practices in business offices, retail stores, hospitals, universities, military bases, and public agencies: How well were they performing? Could they be improved? An important finding was that take-back programs designed to collect multiple items were underperforming due to design flaws. Suggested improvements included signage based on pictorials rather than words, proper shaping of collection kiosks, visibility and location near entrances, and employee training. Respected trade publications like *Environmental Leader*, *Sustainable Facility* and *Resource Recycling* published the results of this study as feature articles.

We were pleased to help New York state retailers comply with new battery recycling regulations. Signed into law by former Governor David Paterson on December 10, 2010, the mandate stipulates that manufacturers of rechargeable batteries must collect and recycle them at no cost to New York consumers. Furthermore, retailers that sell rechargeable batteries are required to accept used, spent batteries regardless of whether the consumer purchases replacement batteries in his or her store. Governor Paterson also called on consumers to responsibly recycle rechargeable batteries according to the provisions of the new state law. "The passing of this bill allows us to expand our program and to educate many more New Yorkers on the importance of recycling their rechargeable batteries," Call2Recycle CEO and President Carl Smith noted.

To improve logistics and reduce costs, Call2Recycle contracted with Toxco, a Canadian battery recycler located in British Columbia. Effective March 2010, Toxco now handles all battery sorting in the western half of Canada. INMETCO remains our recycling partner in the U.S.



Legislation passed in 2010 has brought a new awareness to the importance of recycling batteries in the U.S. and Canada.

# Call2Recycle

## OUR PROGRAM SOARS IN CANADA

### British Columbia announces all-battery recycling

It became official in a letter from David Ranson, Director of the Environmental Management Act, dated March 1, 2010 to Call2Recycle CEO and President Carl Smith. In it Mr. Ranson wrote, "I have completed my review of the submission plan and hereby approve the Call2Recycle submission plan for batteries used in electronics or electrical products and mobile phones."

British Columbians are now recycling household batteries along with rechargeable batteries at nearly 1,500 collection locations throughout the province. Call2Recycle is the recycling vehicle for the first government-mandated collection program for all household batteries – including alkaline – by the British Columbia Ministry of Environment.

"Our voluntary battery collection program has been a resounding success in British Columbia, and we look forward to the public's response as they divert more batteries and cell phones out of community landfills under the expanded initiative," said Joe Zenobio, Executive Director, Call2Recycle Canada. "We're pleased to partner with British Columbians as environmental stewards."

John Yap, British Columbia Parliamentary Secretary for Clean Technology to the Minister of Energy and Mines added, "We fully support Call2Recycle's efforts to recycle batteries and cell phones into new products and keep them out of our solid waste stream, which will help the environment and the economy."



Canadian home improvement expert Shell Busey of the HouseSmart Referral Network (left), Carl Smith, CEO and President of Call2Recycle (center), and the Honourable John Yap, Parliamentary Secretary for Clean Technology to the Minister of Energy and Mines (right), inaugurated North America's first government-mandated recycling program for all household batteries at Stanley Park in Vancouver, B.C., on June 8, 2010.

### Call2Recycle poised for recycling opportunities in other provinces

Call2Recycle is also positioned to continue its support in Ontario. At the time of this writing, Call2Recycle submitted an Industry Stewardship Plan to Waste Division Ontario proposing to recycle all household batteries throughout Ontario. If the plan is accepted, more than 2,100 Ontario retailers, communities and businesses that currently serve as rechargeable battery collection sites will also be able to collect household batteries. Call2Recycle will expand by enrolling new locations, and conduct outreach programs to inform and educate Ontarians about the expanded recycling opportunity. Call2Recycle has had a mutually beneficial, 14-year-long relationship with Ontario, during which we have collected nearly 1,000 tons of rechargeable batteries.

Industry Stewardship Plans (ISPs) were also submitted in 2010 for Manitoba and Quebec provinces. Implementation is tentatively scheduled for 2011 in Manitoba and 2012 in Quebec.

# Call2Recycle OUR PROGRAM SOARS IN CANADA (CONT.)

## Canadian collections get a boost

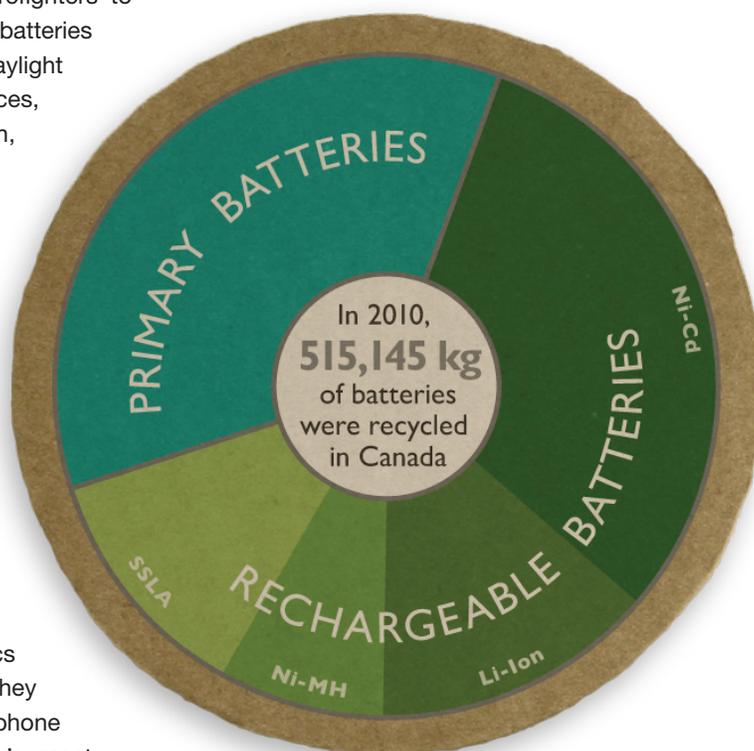
The CN Tower was the site of Call2Recycle's Greater Toronto Area Awareness Event, a battery recycling outreach and collection drive that featured NHL hockey legend Guy Lafleur, who signed an autograph for every Ontarian who brought a battery for recycling. Thousands of consumers (and hockey fans) were in attendance for the September 25th event along with government representatives. Canadian media outlets covered the festivities. "We hope that our expanded program will help Ontarians make battery recycling a part of their green habits," noted Joe Zenobio, Executive Director for Call2Recycle Canada.

What's as easy as 1-2-3? For residents of Hamilton, Ontario, it was collecting 3,000 kilograms (6,600 pounds) of batteries and cell phones in a single month (October 5 to November 7). In fact, Hamiltonians blew away the original target number and responded with 6,300 kilograms (13,860 pounds) of used batteries. The results of the collection drive were announced in a press conference sponsored by the City of Hamilton and Call2Recycle prior to the Hamilton Bulldogs hockey game on December 3. The over-achievers were rewarded with a community event that brought Guy Lafleur and members of the Oldtimers' Hockey Legends Team to Copps Coliseum.

The 3,000 kilogram (6,600 pounds) challenge dovetailed with a campaign chartered by local Hamilton firefighters to remind residents to change their smoke detector batteries and recycle them when resetting their clocks for daylight savings time. Pat Parker, Director of Support Services, Operations and Waste Management Division, summed it up this way: "We are thrilled that the city surpassed the collection goal and ... we hope everyone will remember that battery recycling is important and can be done easily at any of Call2Recycle's collection sites."

All-battery collections got another boost when Best Buy Canada and Future Shop added household battery recycling in their nationwide stores. London Drugs followed suit, announcing household battery collection in all their store locations.

What's the connection between Canada's Weather Network, the 2010 Winter Olympics in Vancouver, and Call2Recycle? Together they represent a strong forum for battery and cell phone recycling outreach. Using the Weather Network's most prolific website in all of Canada, along with the talents of premier sports broadcaster Rod Black, the group blended blogs, public service announcements (PSAs) and Olympic athlete interviews to tell the Call2Recycle story.



# Call2Recycle

## BARNSTORMING THE MESSAGE

The Call2Recycle team shared our battery recycling message in many of the most impactful seminars, symposia, and trade shows of 2010. CEO and President Carl Smith addressed two major gatherings of influencers and decision-makers: September's International Congress for Battery Recycling held in Brussels, Belgium and the 5th World Recycling Convention in Hong Kong during November. Carl's presentation included a best practices and industry trends review.

The FIME International Medical Expo in Miami, Florida in August was a prime opportunity to disseminate our stewardship message to the healthcare industry, and we took advantage of it in both presentations and meetings. An equally vital market – higher education – was the topic at September's College and University Hazardous Waste Conference in Indianapolis. Again, the Call2Recycle opportunity was a very compelling message at the event.

Call2Recycle benefitted from other recycling and municipal gatherings during 2010, including the Southeast Recycling Conference, the Maine Resource Recovery Association Conference, North Carolina's ReuseConex National Reuse Conference & Expo, the State of Texas Alliance for Recycling's 13th Annual Recycling & Sustainability Summit, the Southern Arizona Environmental Management Society, and many others.

While the building industry has been depressed for the last few years, the builder market remains a huge consumer of rechargeable batteries and a critical target for recycling opportunities. Call2Recycle participated in the important builder trade show, Greenbuild, and reaffirmed our stewardship commitment to builders, remodelers and contractors. In support of national retailers, a critical channel for battery collections, we attended the Retail Industry Leaders Association (RILA) trade show and promulgated our recycling programs.

During 2010 Call2Recycle was also prominent at the annual RadioShack Summit, the Association for the Healthcare Environment (AHE, formerly ASHES) and Association for the Advancement of Sustainability in Higher Education (AASHE) conferences, the Resource Recycling conference, and targeted events such as the Pacific National Exhibition, Canada Blooms, and the Canadian Old Timers' Hockey Tour.



# Call2Recycle

## A REVAMPED, RETOOLED COLLECTION KIT



It's fitting that an organization that values its stance on eco-stewardship should unveil its revamped battery collection kit on the 40th anniversary of Earth Day, April 22, 2010. As confirmation of a job well done, our new Call2Recycle kit is the first collection system to receive a special permit from the U.S. Department of Transportation under its new safety regulations. The kit's contents – boxes, bags and instructions – passed numerous tests and reviews for quality, performance and safety before earning this important distinction. For our 30,000 public collection sites in the U.S. and Canada this means safe, worry-free shipment to our sorting and recycling centers.

Our new patent-pending kit also received a design/usage award from NAHMMA – the North American Hazardous Materials Management Association.

There are several improvements in this new collection kit. Box materials are Sustainable Forestry Initiative (SFI) recycled content certified, and all graphics and verbiage are printed using soy ink, making them more environmentally friendly. The box is easier to use with a larger opening to accommodate multiple battery and cell phone shapes and sizes. Visual cues are improved and use fewer words. Instructions are clear and concise, and printed on the box rather than the bags. Consumers will see and read the instructions immediately, promoting safe usage. The box is stronger and more stable. It can be opened prior to shipment for content spot checks.

What didn't change is our process of quick replacement. Program participants will remain on our automatic replenishment schedule to receive collection kits whenever a site runs low on inventory. Weight limits and safety requirements remain the same.



**106%** Vault in battery collections  
in the Healthcare industry

# Call2Recycle

## SAFE TRANSPORTATION IS PARAMOUNT

Some batteries can contain toxic materials. It is paramount that all parties involved in the battery collection and recycling process do everything in their power to ensure the safe handling and shipment of product and material. Call2Recycle is keenly aware of this need and committed to the strict adherence of government standards. Furthermore, we embrace compliance transparency.

In April, Call2Recycle completed a Systems Integrity Safety Permit (SISP) agreement with the U.S. Department of Transportation. A SISP priority is to monitor the compliance level of incoming shipments observed at INMETCO, our Pennsylvania recycling partner, and to notify the parties engaged in these shipments of all concerns and issues. As part of the SISP, Call2Recycle created and revised systems, procedures, and processes to promote safety. These included instructions for safely transporting battery packs and improving processing systems at INMETCO.

Transport Canada issued a bulletin on batteries that allows Call2Recycle to transport batteries in Canada as a non-dangerous good. This, along with a Permit of Equivalent Level of Environmental Safety issued under section 190 of the Canadian Environmental Protection Act of 1999, permits us to begin processing all battery box and bulk shipments in Canada – a first for Call2Recycle. In doing so, we will adhere to the highest standards of safety.

Call2Recycle filed an agreement with CHWMEG, Inc., a non-profit trade association comprised of manufacturing and other industrial companies. CHWMEG participants are committed to efficient waste management practices in their environmental stewardship programs. CHWMEG member companies promote reducing, recycling or reusing the waste associated with their operations as a first option. The association conducts comprehensive, independent reviews of commercial facilities that treat, store, dispose, recycle or transport waste. As a member of CHWMEG, Call2Recycle gains and benefits from an unbiased audit of our downstream facilities, including INMETCO, Toxco, and Newalta.



*New* **BATTERY COLLECTION KIT**  
promotes easy use and  
**SAFE TRANSPORTATION**

## Call2Recycle COMMUNITY COMMITMENT

It's a given that Call2Recycle has made significant contributions to environmental stewardship on the national stage. That makes it easy to lose sight of the individual contributions that happen behind the scenes. Adopt-A-Family is a good example. Launched in 2009 as part of the Families First program, Adopt-A-Family is a Call2Recycle employee-driven sponsorship that assists families in need. In 2010 our employees chose a seven-member family in Georgia and gifted the equivalent of \$1,000 in clothing, household items and children's toys.

Our sponsorship of Team Spyder 1622, the U.S. For Inspiration and Recognition of Science and Technology (FIRST) Robotics Team at Poway High School in San Diego, is another example of contribution and support at the local level. A stop on the 2010 MyCall2Recycle collection drive (July 21 through October 1), Poway High School's students displayed a robot they designed and built that was powered by rechargeable batteries. Call2Recycle sponsored and helped fund the Robotics Team's trips to national competitions. This partnership encourages responsible battery recycling in high schools and places of higher learning.



Sponsored by Call2Recycle, the award-winning U.S. FIRST Robotics Team of Poway, CA took home two awards for their rechargeable battery-powered robot.



In 2010, Call2Recycle diverted  
*7.14 million pounds* (3.2 million kilograms)  
of **batteries** from landfills – equivalent to the weight of  
**260 school buses**

## RECHARGEABLE BATTERY RECYCLING CORPORATION AND AFFILIATE

Condensed 2010 and 2009 Combined Financial Statements

Condensed Combined Statements of Financial Position

Reported in U.S. Dollars

	2010			2009
	(\$'000)			(\$'000)
December 31,	USA	Canada	Combined	Combined
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 470	\$ 6	\$ 476	\$ 412
Receivables, No Allowance Deemed Necessary	3,071	639	3,710	3,542
Due From (To) Affiliate	201	(201)	-	-
Prepaid expense and other assets	274	19	293	300
Long-term investments	20,540	-	20,540	17,042
Net property and equipment	401	1	402	151
<b>Total Assets</b>	<b>24,957</b>	<b>464</b>	<b>25,421</b>	<b>21,447</b>
<b>LIABILITIES and NET ASSETS</b>				
Accounts Payable and Accrued Expenses	1,039	365	1,404	1,051
Unearned revenue	7,258	0	7,258	7,486
<b>Total liabilities</b>	<b>8,297</b>	<b>365</b>	<b>8,662</b>	<b>8,537</b>
Net assets				
Unrestricted net assets	16,660	117	16,777	12,915
Cumulative Translation Adjustment	-	(18)	(18)	(5)
Total net assets	16,660	99	16,759	12,910
<b>Total liabilities and net assets</b>	<b>\$ 24,957</b>	<b>\$ 464</b>	<b>\$ 25,421</b>	<b>\$ 21,447</b>

### INDEPENDENT AUDITORS' REPORT

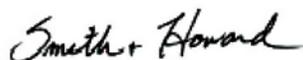
Board of Directors

Rechargeable Battery Recycling Corporation and Rechargeable Battery Recycling Corporation of Canada

*We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined statement of financial position of Rechargeable Battery Recycling Corporation and Rechargeable Battery Recycling Corporation of Canada (non-profit organizations collectively referred to as "RBRC") as of December 31, 2010 and 2009, and the related combined statements of activities, changes in net assets, and cash flows for the years then ended (not presented herein); and in our report dated March 23, 2011, we expressed an unqualified opinion on those combined financial statements.*

*In our opinion, the information set forth in the accompanying condensed combined financial statements is fairly stated, in all material respects, in relation to the combined financial statements from which it has been derived.*

March 23, 2011




## RECHARGEABLE BATTERY RECYCLING CORPORATION AND AFFILIATE

Condensed 2010 and 2009 Combined Financial Statements

Condensed Combined Statements of Activities and Changes in Net Assets

Reported in U.S. Dollars

December 31,	2010			2009
	(\$'000)			(\$'000)
	USA	Canada	Combined	Combined
<b>OPERATING ACTIVITIES:</b>				
Revenue				
License fees	\$ 9,919	\$ 114	\$ 10,033	\$ 9,587
All Battery Collection Program Fees	-	892	892	-
Recovered Metals Proceeds, net	2,541	294	2,835	588
Other	214	-	214	114
<b>Total Revenues</b>	<b>12,674</b>	<b>1,300</b>	<b>13,974</b>	<b>10,289</b>
<b>Expenses:</b>				
Program expenses				
Recycling	5,951	1,412	7,363	6,368
Public education	1,797	764	2,561	2,390
Seal administration	306	-	306	290
Total program expenses	8,054	2,176	10,230	9,048
Management and general expenses	1,759	292	2,051	1,618
<b>Total Expenses</b>	<b>9,813</b>	<b>2,468</b>	<b>12,281</b>	<b>10,666</b>
<b>Increase (decrease) in unrestricted net assets before non-operating activities</b>	2,861	(1,168)	1,693	(377)
NON-OPERATING ACTIVITIES:				
Intercompany fees	(1,180)	1,180	-	-
Investment Income	2,169	-	2,169	3,663
<b>Increase (decrease) in unrestricted net assets</b>	3,850	12	3,862	3,286
Unrestricted net assets, beginning of year	12,810	99	12,909	9,650
Translation adjustment	0	(12)	(12)	(26)
<b>Unrestricted net assets, end of year</b>	<b>\$ 16,660</b>	<b>\$ 99</b>	<b>\$ 16,759</b>	<b>\$ 12,910</b>



#### **CORPORATE HEADQUARTERS**

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678-419-9990  
1-877-2-RECYCLE  
[www.call2recycle.org](http://www.call2recycle.org)

#### **CANADA OFFICE**

4576 Yonge Street  
Suite 606  
Toronto, ON M2N 6N4  
1-888-224-9764  
[www.call2recycle.ca](http://www.call2recycle.ca)

Operated by the non-profit Rechargeable Battery Recycling Corporation (RBRC), Call2Recycle® helps people and businesses care for the environment through its network of 30,000 battery and cell phone collection locations, including many retail partners across North America. A world leading recycling program, Call2Recycle has diverted more than 60 million pounds of rechargeable batteries and cell phones from local landfills since its inception in 1994. Consumers, businesses and municipalities count on Call2Recycle as a way to dispose of a growing source of household waste, support green business practices and fulfill their mission for a more sustainable earth. The free program meets or exceeds the most rigorous recycling standards in the world.