MATERIAL CHANGE REPORT

PURSUANT TO

SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)
SECTION 118(2) OF THE SECURITIES ACT (ALBERTA)
SECTION 84(1) OF THE SECURITIES ACT (SASKATCHEWAN)
SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)
SECTION 73 OF THE SECURITIES ACT (QUEBEC)
SECTION 81(2) OF THE SECURITIES ACT (NOVA SCOTIA)
SECTION 76(2) OF THE SECURITIES ACT (NEWFOUNDLAND)

Item 1. Reporting Issuer:

Royal Group Technologies Limited (the "Company")
1 Royal Gate Boulevard
Vaughan, Ontario
L4L 8Z7

Item 2. Date of Material Change:

March 12, 2003

Item 3. Press Release:

A press release was issued by the Company on March 12, 2003 in Vaughan, Ontario. A copy of the press release is attached to this report as schedule "A".

Item 4. Summary of Material Change:

The Company has revised its earnings guidance for the second quarter of fiscal 2003. The Company announced that fully diluted earnings per share for the second quarter of fiscal 2003 are anticipated to be in the range of $0.02 to $0.06. The Company had previously expected second quarter earnings per share to be in the range of $0.16 to $0.19.

Item 5. Full Description of Material Change:

See the press release dated March 12, 2003 attached to this report as schedule "A".

Item 6. Reliance of Section 75(3) of the Act:

Not applicable.

Item 7. Omitted Information:

Not applicable.

Item 8. Senior Officer:

For further information, please contact:

Mark O. Badger
Vice President, Corporate Communications

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Item 9. Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

Dated this 20th day of March, 2003 at Vaughan, Ontario.

ROYAL GROUP TECHNOLOGIES LIMITED

BY: "Scott Bates"
Scott Bates
Corporate Secretary

Press Release

For Immediate Release,
March 12, 2003

Royal Group Revises Earnings Guidance for Second Quarter

Royal Group Technologies Limited (RYG: TSX, NYSE) announced today that it is revising its diluted earnings expectations for its second quarter, ending March 31st, 2003, to a range of $0.02 to $0.06 per share, with a revised sales expectation of $390 to $410 million. The company had previously expected earnings to be in the range of $0.16 to $0.19 per share, with sales in the range of $420 to $440 million. The anticipated earnings shortfall can be attributed, in order of significance, to greater than expected losses in Window Coverings, broad-based unfavorable product mix/sales volume shortfall and margin compression throughout the Group. Royal will formally release financial results for the second quarter of fiscal 2003 on Tuesday May 6th.

Persistent harsh weather experienced over the past several weeks has postponed sales orders and shipments, principally of higher margin products. The increasing fear of war has also impacted order rates. These extenuating conditions are compounded by negative economic trends, particularly in the United States, where sales pricing power has been weak, as has consumer confidence and spending. Historically, a significant portion of second quarter earnings are realized in March. However, it is evident that earnings in March of the current year will fall short of expectations, due to the difficult environment.

Royal Group provided a commentary on the status of its business in the second quarter as well as its intended responses thereto, as follows:

<u>Product Segment</u>

Home Improvement Products

- Custom Profile sales into the renovation market have been deferred due to harsh weather and war fears. Sales in the quarter are now expected to increase only nominally from last year. In response, the pace of production has been slowed. Finished product pricing strategies are being reviewed.

- Exterior Cladding sales will increase, but are curtailed primarily by weather. A price increase has been announced effective April 7th. In response to expanding demand for Exterior Cladding products and opportunities to penetrate additional geographic markets in North America, expansion of manufacturing and distribution through existing infrastructure locations is being reviewed.

Consumer Products

- Window Covering sales are expected to decline from last year and will be below previous expectations, due to weak consumer spending and an extended roll out of custom Window Covering programs. Significant restructuring of senior sales and marketing management in US Window Covering operations has been effected in an effort to ensure the timely execution of sales and marketing strategies. Specific action plans are being implemented to reduce and balance existing inventories, improve shipping logistics and utilize excess capacity.
- Outdoor Products sales will increase from last year, with the rate of growth curtailed by weather and war fears. Specifically, new fencing and decking sales introductions are driving growth, with shed sales postponed by harsh weather.
- Housewares & Furniture sales will be down from last year, principally relating to housewares, as a result of soft consumer spending and an increasingly competitive environment. Specific action plans are being formulated to reduce existing inventory.

Construction Products

- Pipe and Fitting sales will be up from last year, with growth curtailed by weather. Selling price increases have been implemented, with additional increases anticipated. Specific action plans are being implemented to balance and reduce inventory levels.
- Sales of Commercial Doors continue to expand as a result of the addition of new customers and products, as well as buoyant construction markets in the Southern United States.

RBS & Foreign Operations

- Sales from Royal Building Systems/Foreign Operations will remain in line with the same quarter last year. Actions are focussed on introducing existing building products into foreign operations, export activities from existing facilities, and utilization of the company's Mexican facility for manufacture of goods destined for North American markets.

Support Segment

- In response to rapidly rising costs, raw material cost containment programs are being developed with suppliers and finished product selling price increases are being selectively coordinated with the Products Segment.
- Machinery sales to third parties will be significantly higher than expected, as Machinery capacity is increasingly being utilized to effect sales to third parties. However, selling prices are weak, as sales volume is aggressively being pursued to absorb costs. Tooling capacity will be analyzed separately for efficiency improvements.

Capital expenditures not yet committed are being reviewed for reapproval by the CEO and President, with anticipated reductions coming from the Support Segment, Housewares & Furniture and Pipe & Fittings.

Royal's investment in working capital continues to be reviewed. Most significantly, a Group-wide review of inventory practices is being conducted, with the objective of increasing turns and earnings.

Royal Group advised that it will provide new sales, earnings, capital expenditure and cash flow guidance for the 2003 fiscal year when it reports its second quarter results on May 6th. This will allow time for the present weather conditions to abate, the potential war fear issue impact to be determined and further assessment of consumer confidence trends.

The company continues to expect significant reductions to short term debt for the fiscal year through application of free cash flow. Royal is anticipating reduced cash flow from operations, but intends to achieve an offset by curtailment of capital expenditures and investment in working capital.

Douglas Dunsmuir, Royal Group's President, advised that "discussions have taken place with many customers and distributors regarding market trends, with most noting that potential sales impacted by harsh weather and war fears should be largely realized once the current environment improves". He also commented that, "Royal's profitability should significantly improve as sales volumes accelerate and fixed costs are better absorbed".

Royal Group Technologies Limited is a manufacturer of innovative, polymer-based home improvement, consumer and construction products. The company has extensive vertical integration, with operations dedicated to provision of materials, machinery, tooling, real estate and transportation services to its plants producing finished products. Royal's manufacturing facilities are primarily located throughout North America, with international operations in South America, Europe and Asia. Additional investment information is available on Royal Group's web site at www.royalgrouptech.com under the "Investor Relations" section.

For further information contact:

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OR
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environmental regulations, currency risk exposure and other risks described from time to time in publicly filed disclosure documents and securities commission reports of Royal Group Technologies Limited and its subsidiaries and affiliates. In view of these uncertainties we caution readers not to place undue reliance on these forward-looking statements. Statements made in this document are made as of March12, 2003 and Royal disclaims any intention or obligation to update or revise any statements made herein, whether as a result of new information, future events or otherwise.