

connecting

RR DONNELLEY

2009 Annual Report

RR Donnelley is a provider of integrated communication services. We work collaboratively with our customers to help them create, produce, deliver, and process content. Around the world, they turn to us to help them connect with their audiences: customers, prospects, employees, shareholders, and communities.

Across the breadth of the supply chain, we enable multichannel, multimedia communications. You may experience our work every day, in a store, online, in the mail, or in a host of other settings.

An example could be as close as your mobile device.

We help to design, print, and distribute the retail inserts, catalogs, direct mail and other communications that might have drawn your attention to the products you buy. If you went to a store to consider which mobile device to purchase, you may have seen merchandising

materials that we produced and distributed.

The associate who helped you in the store may have used training materials that we produced. Or, if you shopped online, you may have looked at product photographs that we took, organized in a digital asset library, and accessed for use in a variety of promotions.

When you brought your handset home and opened the box, you may have been touching our work. We provide supply chain management services that enable manufacturers to more efficiently assemble a variety of sophisticated consumer products. When your first statement arrived, online or in the mail, we may have been the ones who produced it and presented it to you. It is even possible that we helped to process your remittance when you paid your monthly bill.

RR Donnelley helps our customers *connect with you.*

our customers to their audiences



Listen.

At RR Donnelley, listening to our customers guides our R&D professionals as they develop new products and services. For example, we listened to our customers when they told us that they would like to be able to make one-to-one communications and print-on-demand applications more flexible and affordable. That led to a breakthrough announcement during 2009. In-house, we developed a digital printing technology that combines the full variability of inkjet printing with the speed, quality and economics of offset materials.

We listened as clients told us that they want to use mobile devices to create a speed-to-market advantage and ensure compliance with regulatory requirements. In response, we enhanced our ProspectusCentral® offering by creating an iPhone application that enables financial services representatives to send a client a prospectus electronically, immediately after a meeting.

Catalogers told us that they would like to increase revenues with communications that speak even more directly to the recipients' interests. In response, we created catalogs that include personalized offers – such as targeted coupons – that are based on each recipient's buying habits.

Publishers said that they need to streamline the supply chain for books and open up fresh opportunities to produce books on demand. We enhanced our in-house capabilities with an alliance that puts our proprietary ProteusJet® digital print engines in-line with book binding units. Now RR Donnelley can help publishers carefully match production to demand to slash inventory costs and obsolescence.

Across the breadth of our product and service offering, our ideas create unique benefits for our customers.

our ideas

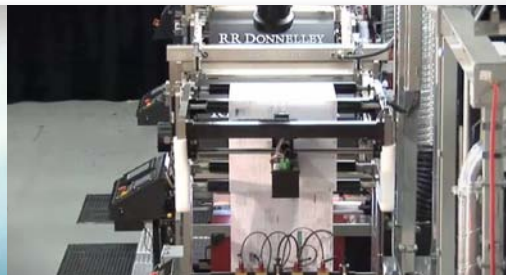
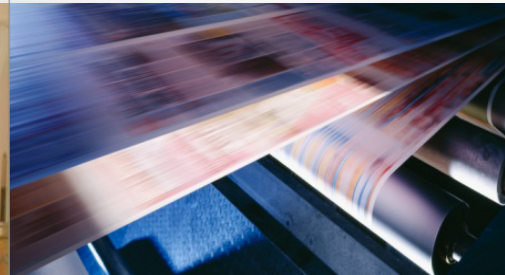


An innovation that creates new advertising space for a publisher to sell. A print production strategy that slashes expensive obsolescence. Documents reviewed in a virtual rather than a physical data room.

These are the kinds of *solutions* that RR Donnelley representatives help our customers implement every day. The results that they produce are measurable and material: increased ROI, reduced costs and cycle times, enhanced compliance, more effective communications, and more.

What allows RR Donnelley to create so many different custom solutions for our customers? It is the breadth of our integrated offering and the innovations that we develop. Our representatives draw on the industry's most comprehensive array of capabilities, allowing them to provide solutions that address every facet of a communication's life cycle – from content creation to final delivery. Our customers also benefit from unique RR Donnelley resources, from proprietary web-based systems to patented digital printing engines.

to solutions



We speak our customers' languages around the world. Literally.

Whether customers operate in a single country or across the globe, we are ideally positioned to serve them. For example...

- Our extensive geographic reach allows us to help our customers implement regional production strategies – particularly ideal for digital print-on-demand programs. Producing close to where the communications will be delivered saves time and reduces distribution costs.
- We serve customers' manufacturing operations with just-in-time services that are responsive to their production forecasts. For example, our materials arrive precisely as leading mobile device and other technology products manufacturers are ready to package their products.
- With a book production platform that spans three continents we help customers achieve the optimal mix of cycle time and cost.

- In financial centers around the world, our service teams provide expertise and round-the-clock production services to support capital markets and compliance projects.

- Our proven on-site and off-shore model combines local customer intimacy with affordable, best-in-class professional legal support, premedia, and other services.

Managing our global operations as a single platform also delivers significant operating efficiencies. We leverage our procurement scale, plan capital expenditures based upon emerging global needs, and continue to drive common operating standards. These standards contribute to continuous improvement in every important performance metric: safety, quality, waste reduction, and productivity.

Though RR Donnelley is global, our approach is based on an intense commitment to personal service. So customers enjoy these global resources and best practices with a distinctly *local* flavor.

During 2009 we made acquisitions, opened new facilities, or invested in new businesses in North America, Latin America, Europe and Asia.

our capabilities to the world

RR Donnelley's global reach connects the world with approximately 160 manufacturing locations in North America, Latin America, Europe and the Middle East, and Asia.



2009 Financial Summary

(dollars in millions)	2009	2008	2007	Change from 2008	
				\$	%
Net Sales	\$9,857.4	\$11,581.6	\$11,587.1	(1,724.2)	-14.9%
Cash Flow from Continuing Operations	1,425.8	1,018.8	1,181.7	407.0	39.9%
Capital Expenditures	195.0	322.9	482.0	(127.9)	-39.6%
Cash Flow from Continuing Operations less Capital Expenditures	1,230.8	695.9	699.7	534.9	76.9%

Prepare	Produce	Deliver	Process
Color Services & Prepress Composition Content Conversion for the Web Creative Services Digital Asset Management Digital Workflow Solutions Direct Marketing Campaigns Facilities Management Packaging Design Photography Soft Proofing & Collaboration Translation Services	Books Catalogs Sheet-fed, Web and Offset Commercial Printing Financial Printing Digital Printing Direct Mail Printing, Imaging and Fulfillment Directories Document Organization and Storage Electronic and Printed Billing Statements Forms and Labels HTML Conversion Magazines Retail Inserts SEC EDGAR® Filings Signage and Banners TOPS® Office Products	Co-mailing and Co-palletization Compliance Management Expedited Services Fulfillment International Mail Inventory Management Print Distribution Print Systems Integration Third Party Logistics Management Tracking and Measurement USPS Drop Shipping	Business Communication Services Business Process Outsourcing Call Centers Database Services Document Outsourcing and Management Document Print and Mail Services e-Solutions Financial Analysis and Reporting Global Real Estate Services Litigation Support Market Research Print and Document Management Print and Media Solutions Supply Chain Management Solutions

Dear Fellow Shareholders: **Maintain strong liquidity.**
Achieve operational excellence. That was our focus as 2009 began – with the world in the midst of the worst financial crisis in a lifetime.

As this year opened, your company faced a number of external challenges, including questions about major customers' solvency, about financial institutions' willingness to provide credit to businesses and consumers, and about whether consumers had structurally changed their buying habits.

The condition of the economy confronted us with a number of internal issues as well. Perhaps more important to the future of RR Donnelley, we had to strike the right balance between making drastic reductions in our work force and facilities and staying the course in order to be ready to take full advantage when economic conditions improved.

Our goal was to ensure that RR Donnelley would transcend all of these challenges in order to lay the foundations for renewed growth – organic and via acquisition. Though we are not satisfied with all of the year's financial outcomes, we are pleased to report that RR Donnelley has done just that.

Maintaining Strong Liquidity

RR Donnelley has a diverse and balanced operating platform. We serve customers across the world with a broad array of integrated communication solutions. These range from conventional printing to a growing roster of Internet-enabled collaborative business services. We are also quick to calibrate our variable cost structure to expected customer demand.

These factors, along with our balanced approach to capital deployment, enabled RR Donnelley to continue to maintain strong liquidity, even as our industry saw approximately 1,000 facilities close their doors, presumably forever.

As a result of our ongoing financial discipline, your Board of Directors maintained RR Donnelley's dividend at \$1.04 per share during 2009. During the course of the year we generated \$1.4 billion of operating cash flow, an increase of \$400 million from 2008. We also reduced debt by over \$800 million and took advantage of an opportunity to structure an even more favorable debt maturity profile.

Since just 2004 we have returned approximately \$3.2 billion to our equity and fixed income investors.

We work hard to align our employees' interests with yours, so management and most employees did not receive any variable compensation during 2009 that was related to 2008's performance. Nevertheless, they continued to do a superb job of serving customers, controlling costs, reducing waste, and even making important contributions in the communities in which they live and work. Maintaining strong liquidity is not simply a function of management's actions; it is the consequence of our employees' daily commitment to operational excellence.

Staying The Course And Positioning RR Donnelley For Renewed Growth

During 2009 your company made acquisitions, opened new facilities, or invested in new businesses in Latin America, North America, Europe and Asia. We also continued to introduce innovative new capabilities across the breadth of our platform. For example ...

- In another in a series of digital printing firsts, we announced our latest imaging technology breakthrough, which combines the full variability of inkjet imaging with the speed, quality, flexibility and economics of offset materials. This innovation offers our customers advantages across a number of applications. For example, we can use it to help catalogers craft personalized messages on their mailings that guide consumers to items and promotions that reflect the preferences that they have revealed through their shopping patterns. We listen carefully to our customers' needs and build solutions that deliver a host of benefits, including cost compression, enhanced communications, and improved ROI.
- This year we deployed our proprietary ProteusJet® variable imaging units. In collaboration with a company called Muller Martini we announced that we will put this equipment inline with binding units to produce books on demand. Our ability to produce books in quantities from one to a million is helping publishers to pursue new strategies for managing inventory and distribution and to mine their back lists for new revenues. We also announced plans to create a technology alliance with HP to collaborate on the development of digital printing solutions for inkjet-based digital presses.

You probably see in your own crowded email box the challenge marketers and others have in gaining an audience's attention. We believe that affordable, highly personalized printed communications will play a vital

role in driving traffic to websites, stores, fundraisers' events, and other important destinations. That is why we continue to position RR Donnelley as the leader in variable digital printing.

At the same time, we are not naïve to the fast growth in the online presentation of information. In response, we continue to enable our own proprietary web-enabled solutions for mobile devices. We introduced *Pivot*, which helps our statement processing customers to bring content seamlessly to life in printed and online formats. Our Premedia Technologies capabilities help customers in a variety of industries to create, manage, retrieve, and repurpose images that will appear in a variety of media. This year our CustomPoint® system, which customers use to place self-service digital printing and other orders with RR Donnelley added its millionth customer profile. The number of CustomPoint users has swelled by 40% in the past two years, with the number of orders placed through the system growing by 42%.

Although the media through which communications are delivered will evolve, our customers will continue to seek our help in preparing, producing, delivering and processing content. During 2009 we introduced a series of innovations that position us to be a vital resource to them.

Operational Excellence

During the first week of 2009 we announced the acquisition of an operation that expanded our platform in Latin America. The year concluded with that facility having helped us to post double-digit EBIT increases in Chile, where it is located. We believe that its fast integration and quick adoption of our performance culture reflects RR Donnelley's focus on operational excellence.

Operational excellence is revealed in a number of ways; first among them is safety. Safety is a function of qualities such as teamwork, following documented processes, and being alert all of the time.

These same attributes contribute to quality, efficiency, waste reduction and more. We are very pleased that nearly 100 RR Donnelley operations across the world reached important safety milestones during 2009, but will continue to strive for a perfect safety record in all of our facilities, each and every year.

Throughout 2009 our employees were recognized with a host of awards from industry groups and more important, from our customers. These recognitions showed that even in the face of tremendous global economic uncertainty, our people never compromised on delivering exceptional quality and value. That is RR Donnelley's heritage and a commitment that we carry into 2010 and beyond.

2010

During 2010 we will continue to pursue the strategies that brought your company through the challenges related to the unprecedented financial conditions that characterized 2009. We will maintain the strong liquidity that will enable us to take advantage of the best opportunities to enhance our platform, whether through strategic acquisitions or internal development. We will also work to achieve operational excellence in every phase of our business.

We are grateful to our employees for the manner in which they rose to the significant challenges of 2009, to our customers for the continued opportunity to collaborate with them and to serve them, and to you, our shareholders for your confidence.

Sincerely,



Thomas J. Quinlan III
President & Chief Executive Officer
April 2010

Message from the Chairman

Dear Fellow Shareholders:

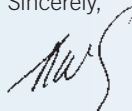
The events that have unfolded since the global economic crisis emerged in 2008 have brought into bold relief the vital role that an active, independent Board of Directors plays in maintaining an organization's strength and focus.

During 2009, in the face of unprecedented business uncertainty, your company introduced a range of innovative new products and services, expanded its global capabilities, and positioned RR Donnelley to respond quickly to the best emerging opportunities. The results that your company delivered and our confidence in the ability of RR Donnelley employees to surmount the obstacles before them enabled your Board to maintain the dividend throughout an extremely challenging year. We are especially proud that these achievements came without compromising the nearly century-and-a-half tradition of integrity and trust on which this remarkable business has been built.

As we provide active counsel, advice, and oversight to management, your Board works with them to ensure that your company's Principles of Ethical Business Conduct are brought to life every day, through the actions and interactions of all RR Donnelley employees worldwide. Ongoing training and frequent communications bring real-world clarity to our shared vision for how your company will conduct itself.

We remain committed to sustaining that vision and to your company's continued role as our industry's leader.

Sincerely,



Stephen M. Wolf
Chairman of the Board of Directors
April 2010

Current Members of the Board of Directors

THOMAS J. QUINLAN III

47, President and Chief Executive Officer, RR Donnelley. Director since 2007. Background: Finance and operations. Directorships: None.

STEPHEN M. WOLF

68, Chairman of the Board of Directors, RR Donnelley; Managing Partner, Alpilles, LLC; Chairman, Trilantic Capital Partners. Director since 1995. Background: Airline industry. Directorships: Philip Morris International Inc.; Chrysler Group, LLC.

LEE A. CHADEN (1)

68, Retired Executive Chairman, Hanesbrands Inc., former CEO, Sara Lee Branded Apparel, a division of Sara Lee Corporation. Director since 2008. Background: Consumer products. Directorships: Carlson Companies, Inc.; Hanesbrands Inc.

E.V. (RICK) GOINGS (2,3)*

64, Chairman and Chief Executive Officer, Tupperware Brands Corporation. Director since 2008. Background: Consumer products. Directorships: Tupperware Brands Corporation.

JUDITH H. HAMILTON (2)

65, Retired President and CEO, Classroom Connect Inc., division of Harcourt Inc./Reed Elsevier PLC. Director since 1995. Background: Information technology. Directorships: Novell, Inc.

SUSAN M. IVEY (1)

51, Chairman, President and Chief Executive Officer, Reynolds American Inc. Director since 2009. Background: Marketing. Directorships: Reynolds American Inc.

THOMAS S. JOHNSON (3)

69, Retired Chairman and CEO, GreenPoint Financial Corp. Director since 1990. Background: Banking and financial services. Directorships: Alleghany Corporation; The Phoenix Companies, Inc.

JOHN C. POPE (1,4)

61, Chairman, PFI Group, LLC, and Waste Management, Inc. Director since 1996. Background: Airline and railroad equipment industries. Directorships: Con-way, Inc.; Dollar Thrifty Automotive Group, Inc.; Kraft Foods, Inc.; Waste Management, Inc.

MICHAEL T. RIORDAN (1,3,4)

59, Former Chairman, President and CEO, Paragon Trade Brands, Inc. Director since 1999. Background: Paper industry. Directorships: Clearwater Paper Corporation.

OLIVER R. SOCKWELL (2)

66, Retired President and CEO, Construction Loan Insurance Corporation (Connie Lee) and subsidiary, Connie Lee Insurance Company. Director since 1997. Background: Financial services, insurance, education, government. Directorships: Wilmington Trust Corporation.

(1) Audit Committee

(2) Corporate Responsibility & Governance Committee

(3) Human Resources Committee

(4) Director service includes services as a director of Moore Wallace Incorporated, Moore Corporation Limited and Wallace Computer Services, Inc.

* Not standing for re-election

Corporate Information

CORPORATE HEADQUARTERS

RR Donnelley
111 South Wacker Drive
Chicago, Illinois 60606-4301
312.326.8000
www.rrdonnelley.com

ANNUAL MEETING OF SHAREHOLDERS

Information about the RR Donnelley Annual Meeting of Shareholders is in our proxy which is also available online at www.rrdonnelley.com

STOCK EXCHANGE LISTINGS

NASDAQ Stock Market, Chicago Stock Exchange. Symbol: RRD

INVESTOR RELATIONS

Shareholders, securities analysts, portfolio managers and representatives of financial institutions seeking information about the company should contact Investor Relations at the company's address, by calling 800.742.4455 or e-mailing investor.info@rrd.com.

ORDERING ADDITIONAL ANNUAL REPORTS

RR Donnelley's 2009 Annual Report may be obtained without charge by completing and submitting the form at our website, by writing to Investor Relations at the company's address or by calling 800.742.4455 during business hours.

FORMS 10-K & 10-Q

A copy of our Annual Report on Form 10-K for fiscal 2009 is available at our website. Additional copies of our Annual Report on Form 10-K or interim financial reports filed with the SEC may be obtained by contacting our Investor Relations Department at 800.742.4455.

CORPORATE SOCIAL RESPONSIBILITY

RR Donnelley recognizes that businesses impact customers, employees, shareholders, communities, and the environment. We work to go beyond legal obligations as we take steps to further improve the quality of life for employees and their families as well as for the local communities in which we live and work.

Please visit the RR Donnelley Corporate Social Responsibility report at www.rrdonnelley.com to learn about our company's efforts relating to:

- Sustainability
- Diversity and Inclusion
- Environmental, Health and Safety
- Ethics and Compliance
- External Affairs/Community Relations
- Wellness Programs

STOCK TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.
P.O. Box 43069

Providence, RI 02940-3069

Telephone:

Inside the United States:

800.446.2617

Outside the United States:

781.575.2723

TDD/TTY for hearing impaired:

800.952.9245. Operators are available

9:00 a.m. to 5:00 p.m., Eastern Time,

Monday-Friday. An interactive

automated system is available around

the clock every day. Internet:

www.computershare.com

REINVESTMENT AND DIRECT DEPOSIT OF DIVIDENDS

RR Donnelley shareholders have the opportunity to increase their holdings through a Dividend Reinvestment Plan, which permits either dividend reinvestment, voluntary cash investments or both, without incurring brokerage commissions or other administrative costs. Also, RR Donnelley shareholders may elect to have their dividends directly deposited electronically in a checking or savings account. Shareholders may request additional information about the Dividend Reinvestment Plan and direct deposit of dividends by writing or calling the Stock Transfer Agent.

INFORMATION CONTACTS

Computershare Trust Company, N.A. Automated Telephone Response Center may be reached 24 hours a day at 800.446.2617. Operators are available from 9:00 a.m. to 5:00 p.m., Eastern Time, Monday-Friday, and will perform the following functions over the telephone when a shareholder identifies his or her account by providing a taxpayer identification number, registration of the securities and the address of record:

- information regarding stock transfer requirements
- address changes
- replacement of dividend checks
- duplicate 1099 forms and W-9 tax certification forms
- transcripts of shareholder accounts
- duplicate reinvestment statements
- requests for dividend reinvestment brochures and authorization cards
- information regarding the direct deposit of dividends

Requests for information on topics not covered here should be sent in writing, with reference to the company, to the address noted above for the Stock Transfer Agent and Registrar.

SAFE HARBOR STATEMENT

This document includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future results. When we use words such as "anticipates," "believes," "expects," "estimates," "intends," "plans" and similar expressions, we do so to identify forward-looking statements. Our actual results may differ materially from those anticipated in these forward-looking statements, which involve assumptions, risks and uncertainties.

As of December 31, 2009, the Company had approximately 56,800 employees.

As of February 12, 2010, there were approximately 9,070 stockholders of record of our common stock.

GLOBAL PRODUCTS AND SERVICES

books
business communication services
business process outsourcing
catalogs
commercial print
direct mail
directories
distribution, logistics, print fulfillment and kitting
document outsourcing and management
e-business solutions
financial printing and communications
forms, labels and office products
global print and packaging supply chain services
magazines
premedia technologies
proprietary digital print technologies
real estate services
retail inserts
RFID and barcoding
supply chain management solutions
translation services

RR DONNELLEY

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The Forest Stewardship Council (FSC) is an international non-profit organization that has developed principles that define and promote responsible management of the world's forests. RR Donnelley supports responsible forest management with more than 120 FSC chain-of-custody certified facilities worldwide.

RR Donnelley's Corporate Social Responsibility Report describes our sustainability initiatives and practices in detail. For more information about the RR Donnelley Corporate Social Responsibility report, please visit our website at <http://www.rrdonnelley.com>



**Printed with
inks containing
soy and/or
vegetable oils**

This report is printed on 30% post-consumer waste paper stock.

PRODUCTION NOTES

Annual report printed by RR Donnelley on a 40", 8-color Heidelberg Speedmaster CD 102 with in-line UV coating. The report uses Hybrid UV 4-color process inks, 1 PMS ink, spot dull varnish, spot gloss UV and spot dull textured UV (sunflower image) applied with a 30 BCM roller. The two-image-flip lenticular cover tip-on was printed by RR Donnelley using 4-color process inks and opaque white.