



Investor Update

Fourth Quarter 2007 Review

Thursday, February 28, 2008

Disclaimer

Any forward-looking statements contained in this presentation involve risks, uncertainties and assumptions and should not be taken as guarantees of future performance. Actual results could vary materially from those anticipated in forward-looking statements.

Statement of Earnings

Fourth Quarter Ended December 31st

(Millions of Cdn \$)



| <u>Continuing Operations (excludes ColepCCL)</u> | | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excluding currency translation & divestiture</u> |
|--|---|-----------------|-----------------|---------------|---|
| 1) | Sales | <u>\$ 249.7</u> | <u>\$ 256.8</u> | (2.8%) | +5% |
| | Income before undernoted items | 42.7 | 43.1 | (0.9%) | |
| | Depreciation and amortization | <u>18.4</u> | <u>17.6</u> | | |
| | Operating income | 24.3 | 25.5 | (4.7%) | |
| | Interest expense, net | <u>4.8</u> | <u>5.0</u> | | |
| | | 19.5 | 20.5 | (4.9%) | |
| 2) | Restructuring & other items - net gain (loss) | <u>3.2</u> | <u>(7.2)</u> | | |
| | Earnings before income taxes | 22.7 | 13.3 | +70.7% | |
| 3) | Income taxes | <u>2.3</u> | <u>(8.4)</u> | | |
| | Net earnings | <u>\$ 20.4</u> | <u>\$ 21.7</u> | (6.0%) | |
| | <i>Tax rate before restructuring & other items and favourable tax adjustments</i> | <u>19.5%</u> | <u>25.5%</u> | | |

Comparatives impacted by acquisition – Label ITW (Jan/07) and by disposal – Label Houten (Oct/06)

- 1) Sales, excluding currency translation and a divestiture, were up 5% due to an acquisition compared to a strong fourth quarter 2006.
- 2) Restructuring and other items in 2007 was a net recovery of \$3.2 million (\$2.7 million after tax) due to the gain on exchange on the ColepCCL receivable, currency exchange gain on a repatriation of capital from a foreign operation, and net of a restructuring cost in the Container Division
- 3) 2007 included favourable income tax adjustments of \$2.1 million due primarily to corporate tax rate reductions in Canada

Statement of Earnings

Twelve Months Ended December 31st
(Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excluding currency translation & divestitures</u> |
|--|-------------------|-------------------|---------------|--|
| <u>Continuing Operations (excludes ColepCCL)</u> | | | | |
| 1) Sales | <u>\$ 1,144.3</u> | <u>\$ 1,029.5</u> | +11.2% | +13% |
| Income before undernoted items | 206.9 | 176.1 | +17.5% | |
| Depreciation and amortization | <u>75.9</u> | <u>67.0</u> | | |
| Operating income | 131.0 | 109.1 | +20.1% | |
| Interest expense, net | <u>23.2</u> | <u>20.6</u> | | |
| | 107.8 | 88.5 | +21.8% | |
| 2) Restructuring & other items - net gain(loss) | <u>4.1</u> | <u>(11.5)</u> | | |
| Earnings before income taxes | 111.9 | 77.0 | +45.3% | |
| 3) Income taxes | <u>18.5</u> | <u>12.1</u> | | |
| Net earnings | <u>\$ 93.4</u> | <u>\$ 64.9</u> | +43.9% | |
| 4) <i>Tax rate before restructuring & other items and favourable tax adjustments</i> | <u>25.9%</u> | <u>28.0%</u> | | |

Comparatives impacted by acquisitions – Label ITW (Jan/07), Label Prodesmaq (Jan/06); and by disposals – CCL Dispensing (Feb/06), Label Houten (Oct/06)

- 1) Sales, excluding currency translation and divestitures, were up 13% due to organic growth & acquisitions.
- 2) 2007 restructuring & other items was a net recovery due to the exchange gain on the ColepCCL receivable and a gain on repatriation of capital from a foreign operation
- 3) 2007 included favourable tax adjustments of \$9.9 million consisting of tax settlements in subsidiaries, reduced corporate tax rates globally and the utilization of previous tax losses

Earnings per Class B Share

Periods Ended December 31st



| | Fourth Quarter | | | YTD | | |
|--|----------------|----------------|---------------|---------------|----------------|---------------|
| | <u>2007</u> | <u>2006</u> | <u>change</u> | <u>2007</u> | <u>2006</u> | <u>change</u> |
| Net earnings | <u>\$2.03</u> | <u>\$ 0.78</u> | +160% | <u>\$4.59</u> | <u>\$ 2.41</u> | +90% |
| Diluted earnings | <u>\$1.95</u> | <u>\$ 0.75</u> | +160% | <u>\$4.42</u> | <u>\$ 2.33</u> | +90% |
| Net earnings - continuing operations | \$0.64 | \$ 0.67 | (4%) | \$2.90 | \$ 2.02 | +44% |
| Net earnings - discontinued operations | <u>\$0.04</u> | <u>\$ 0.11</u> | | <u>\$0.34</u> | <u>\$ 0.39</u> | |
| Net earnings - total operations | <u>\$0.68</u> | <u>\$ 0.78</u> | (13%) | <u>\$3.24</u> | <u>\$ 2.41</u> | +34% |
| Net gain (loss) from restructuring & other items and favourable tax adjustments | <u>\$0.14</u> | <u>\$ 0.20</u> | | <u>\$0.42</u> | <u>\$ 0.04</u> | |



Currency Translation:

2006 – U.S. dollar averaged \$1.13 vs. \$1.21 in 2005 for the year (down 6%) and euro was \$1.42 vs. \$1.51 the previous year (also down 6%)

2007 – U.S. dollar averaged \$0.98 vs. \$1.14 in 2006 for the quarter (down 14%) and euro was \$1.42 vs. \$1.47 same quarter last year (down 3%)

| <u>Impact of Currency on E.P.S.</u> | <u>As Reported</u> | | | | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 4Q07 Act vs. 4Q06 Act | 2007 Act vs. 2006 Act | 2006 Act vs. 2005 Act | 2005 Act vs. 2004 Act | 2004 Act vs. 2003 Act |
| | Currency translation | \$ 0.05 | \$0.00 | \$ 0.15 | \$ 0.11 |
| Currency transactions | \$ 0.04 | \$0.09 | \$ 0.07 | \$ 0.09 | \$ 0.27 |
| Total Negative Impact | \$ 0.09 | \$ 0.09 | \$ 0.22 | \$ 0.20 | \$ 0.32 |

Excluding ColepCCL negative impact on continuing operations was \$0.10 for 2007 (ColepCCL was favourable \$0.01)



| | | 2007 History | | | | |
|------------------------|--------------------------------------|-----------------|----------------|----------------|----------------|------------------|
| | <u>Currency</u> | <u>1st Qtr</u> | <u>2nd Qtr</u> | <u>3rd Qtr</u> | <u>4th Qtr</u> | <u>Year 2007</u> |
| 1) | Cdn \$ vs US \$ | \$1.17 | \$1.10 | \$1.05 | \$0.98 | \$1.07 |
| | - % change compared to Par | (15%) | (9%) | (5%) | 2% | (7%) |
| 2) | Cdn \$ vs Euro | \$1.54 | \$1.48 | \$1.44 | \$1.42 | \$1.47 |
| | - % change compared to C\$ 1.50 | (3%) | 1% | 4% | 6% | 3% |
| 2007 EPS impact | | | | | | |
| | Currency translation - negative(pos) | (\$0.05) | (\$0.01) | \$0.01 | \$0.05 | NIL |
| | Currency transactions | <u>\$0.01</u> | <u>\$0.02</u> | <u>\$0.02</u> | <u>\$0.04</u> | <u>\$0.09</u> |
| | Total Impact | <u>(\$0.04)</u> | <u>\$0.01</u> | <u>\$0.03</u> | <u>\$0.09</u> | <u>\$0.09</u> |
| | ColepCCL Contribution | <u>\$0.11</u> | <u>\$0.09</u> | <u>\$0.10</u> | <u>\$0.04</u> | <u>\$0.34</u> |

Note: ColepCCL contribution excludes the benefit of the \$145 million cash received on the sale

Balance Sheet (selected items)

As At December 31st

(Millions of Cdn \$, except Book Value per Share)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> |
|--|-------------|-------------|---------------|
| 1) Net working capital (receivables, inventory, prepaids, payables and accruals) | \$ 70.7 | \$ 5.4 | +1,209.3% |
| Property, plant & equipment (net) | \$ 630.8 | \$ 628.0 | +0.4% |
| Intangible assets & goodwill | \$ 400.9 | \$ 428.5 | (6.4%) |
| Total assets | \$1,488.2 | \$ 1,542.6 | (3.5%) |
| 2) Net debt (net of cash and cash equivalents) | \$ 306.8 | \$ 317.1 | (3.2%) |
| Shareholders' equity | \$ 717.9 | \$ 652.6 | +10.0% |
| Book value per B share | \$ 22.12 | \$ 20.24 | +9.3% |
| Total shares outstanding (<i>in millions</i>) | 32.9 | 32.6 | +0.9% |

1. Due to ColepCCL receivable of \$73 million

2. ITW sleeve acquisition added \$16 million of net working capital and \$106 million of net debt

Debt Summary

As At December 31st

(Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Increase</u> <u>(Decrease)</u> |
|---|-----------------|-----------------|--------------------------------------|
| Bank advances | \$ - | \$ 12.4 | \$ (12.4) |
| Long-term debt - senior notes (2007 - US\$326.8 MM, 2006 - US\$336.2 MM) | 324.0 | 391.8 | (67.8) |
| Long-term debt - all other | 79.4 | 37.9 | 41.5 |
| Total debt | 403.4 | 442.1 | (38.7) |
| Cash and cash equivalents | (96.6) | (125.0) | 28.4 |
| Net debt | \$ 306.8 | \$ 317.1 | \$ (10.3) |
| Net debt to total capitalization | 29.9% | 32.7% | |

- **Net debt includes ColepCCL cash proceeds of \$73 million and impacted by ITW acquisition (\$106 million)**
- **Other long-term debt up by \$41.5 million due primarily to new bank line to acquire ITW sleeve business**
- **Net debt to total capitalization: Sep/07 – 37.7%, Jun/07 – 38.4%, Mar/07 - 40.0%**
- **Repayment made on 1997 senior notes - US\$9.4 million paid Sep/07. Other than the annual US\$9.4 million repayment, no other repayments of senior notes or new bank line until 2010**

Cash Flow Highlights

Twelve Months Ended December 31st

(Millions of Cdn \$)



Inflows:

| | <u>2007</u> | <u>2006</u> |
|---|-------------|-------------|
| Net earnings | \$ 147.9 | \$ 77.4 |
| Depreciation and amortization - continuing operations | 75.9 | 67.0 |

Outflows:

| | | |
|--|-------|-------|
| Net change in non-cash working capital | 16.9 | (6.3) |
| Additions to property, plant & equipment | 163.5 | 150.4 |
| Future income taxes | 5.4 | 7.5 |
| Dividends | 15.2 | 13.8 |

Other:

| | | |
|--|--------|------|
| Business acquisitions including net debt assumed | 105.6 | 62.2 |
| Proceeds on business disposals | 69.5 | 27.1 |
| Net proceeds from bank advances and long term debt | 39.0 | 21.8 |
| Increase(decrease) in cash and cash equivalents | (28.4) | 4.8 |

Capital Spending Highlights

Twelve Months Ended December 31st, 2007

(Millions of Cdn \$)



| <u>Divisions</u> | <u>Capital Spending</u> | <u>Depreciation</u> | <u>Difference</u> |
|------------------|-------------------------|---------------------|-------------------|
| Label | \$ 130.1 | \$ 57.4 | \$ 72.7 |
| Container | 11.6 | 11.3 | 0.3 |
| Tube | 9.6 | 6.8 | 2.8 |
| ColepCCL | 12.0 | 6.8 | 5.2 |
| Corporate | 0.2 | 0.4 | (0.2) |
| | <u>\$ 163.5</u> | <u>\$ 82.7</u> | <u>\$ 80.8</u> |

* excludes amortization of intangibles and other assets

Major Investment Projects (over \$1 million)

| | | |
|---------------------------|----------------|---|
| Label Division | \$ 6.9 | Mexico (plant relocation) |
| | 5.3 | Memphis, Tennessee (plant relocation) |
| Container Division | 2.5 | Downpayment for production line in Mexico |
| Tube Division | 8.3 | Integrated tube line in U.S. and new tube plant in Brazil |
| | 71.5 | Other major capacity expansions / equipment |
| | <u>\$ 94.5</u> | TOTAL MAJOR SPENDING |

Income From Operations
 Fourth Quarter Ended December 31st
 (Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> |
|---|----------------|----------------|---------------|
| Label | \$ 24.5 | \$ 26.6 | (7.9%) |
| Container | 2.9 | 2.8 | +3.6% |
| Tube | <u>(0.8)</u> | <u>0.6</u> | |
| | 26.6 | 30.0 | (11.3%) |
| Corporate expense | <u>(2.3)</u> | <u>(4.5)</u> | (48.9%) |
| Operating income | 24.3 | 25.5 | (4.7%) |
| Interest expense (net) | <u>4.8</u> | <u>5.0</u> | (4.0%) |
| Earnings before restructuring & other items and income taxes | 19.5 | 20.5 | (4.9%) |
| Restructuring & other items - net gain (loss) | <u>3.2</u> | <u>(7.2)</u> | |
| Earnings before income taxes | <u>\$ 22.7</u> | <u>\$ 13.3</u> | +70.7% |

Income From Operations
 Twelve Months Ended December 31st
 (Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> |
|---|-----------------|----------------|---------------|
| Label | \$ 122.5 | \$ 100.7 | +21.6% |
| Container | 17.8 | 16.6 | +7.2% |
| Tube | <u>0.4</u> | <u>4.5</u> | (91.1%) |
| | 140.7 | 121.8 | +15.5% |
| Corporate expense | <u>(9.7)</u> | <u>(12.7)</u> | (23.6%) |
| Operating income | 131.0 | 109.1 | +20.1% |
| Interest expense (net) | <u>23.2</u> | <u>20.6</u> | +12.6% |
| Earnings before restructuring & other items and income taxes | 107.8 | 88.5 | +21.8% |
| Restructuring & other items - net gain (loss) | <u>4.1</u> | <u>(11.5)</u> | |
| Earnings before income taxes | <u>\$ 111.9</u> | <u>\$ 77.0</u> | +45.3% |



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation & divestiture</u> |
|-------------------------|------------------------|------------------------|---------------|---|
| 1) Sales | <u>\$ 198.0</u> | <u>\$ 199.4</u> | (0.7%) | +6.4% |
| Operating income | <u>\$ 24.5</u> | <u>\$ 26.6</u> | (7.9%) | |
| Return on sales | <u>12.4%</u> | <u>13.3%</u> | | |
| EBITDA | <u>\$ 38.4</u> | <u>\$ 39.4</u> | (2.5%) | |
| % of Sales | <u>19.4%</u> | <u>19.8%</u> | | |

- 1) Sales decline of 1% in the fourth quarter mainly due to currency translation net of a disposition of 7%, offset by the ITW acquisition of 6%
- Sales in Personal Care North America were down slightly as customers experienced a softer U.S. market and a reduction in new product launches, compared to a very strong 4Q06; partially offset by increased volumes in shrink sleeves and in-mould labels for home care products
 - Sales for the total Specialty business in the U.S. were slightly ahead of last year as there was a relatively stronger promotional label market, compared to 2006, while agricultural chemical labels were flat
 - Healthcare sales in North America were up slightly due chiefly to the strength in expanded content labels
 - U.S. sales in total were slightly ahead of last year in local currency
 - Continued growth in the Beverage business in Europe and flat sales in Personal Care
 - Sales in the European Healthcare & Specialty businesses were strong and the businesses remain very profitable
 - Battery business experienced good growth in the China, but with declines in Europe and the U.S.
 - Thailand was substantially ahead of last year and the Guangzhou China showed continued growth
 - Latin America continued to show good sales growth in Brazil and with the recently acquired ITW sleeve business. Mexico sales were flat with improved profitability
 - Operating income negatively impacted by plant moving costs of \$0.8 million in Memphis, Mexico and Paris
 - Overall, ITW business continued to perform above its recent history and management's expectations
 - Return on sales for the quarter continued to exceed our internal targets
 - Customer orders continue to be reasonably firm

Label

Twelve Months Ended December 31st
(Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation & divestiture</u> |
|-------------------------|------------------------|------------------------|---------------|---|
| Sales | <u>\$ 904.4</u> | <u>\$ 784.1</u> | +15.3% | +16.0% |
| Operating income | <u>\$ 122.5</u> | <u>\$ 100.7</u> | +21.6% | |
| Return on sales | <u>13.5%</u> | <u>12.8%</u> | | |
| EBITDA | <u>\$ 179.8</u> | <u>\$ 149.3</u> | +20.4% | |
| % of Sales | <u>19.9%</u> | <u>19.0%</u> | | |



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation</u> |
|-------------------------|----------------|----------------|---------------|-----------------------------------|
| 1) Sales | <u>\$ 39.1</u> | <u>\$ 42.1</u> | (7.1%) | +1.1% |
| Operating income | <u>\$ 2.9</u> | <u>\$ 2.8</u> | 3.6% | |
| Return on sales | <u>7.4%</u> | <u>6.7%</u> | | |
| EBITDA | <u>\$ 5.6</u> | <u>\$ 5.6</u> | 0.0% | |
| % of Sales | <u>14.3%</u> | <u>13.3%</u> | | |

- 1) Sales were down 7% for the quarter compared to 2006 due to currency translation, otherwise up 1%
- The Division experienced a modest sales increase before currency translation as management has been able to pass on higher aluminum costs to its key customers and has benefited from the demand for aluminum aerosol containers with bag-in-can technology
 - Despite significant price increases in the last year, the aluminum container continues to be in demand
 - Personal Care volume in the aerosol format was modestly below prior year due to volume losses from predatory competitive pricing and customer uncertainty concerning consumer demand in the U.S. market
 - Mexican aerosol container sales volumes were substantially higher in the fourth quarter compared to last year; the growth by our global customers located in Mexico provides further justification for the seventh and eighth new aluminum container lines to be installed in the new plant in Guanajuato, Mexico for start-up later in 2008
 - Penetanguishene, Ontario operation's profit margins were affected by the foreign exchange rate impact on U.S. currency transactions and negatively impacted income in the fourth quarter by \$1.4 million compared to 2006

Container

Twelve Months Ended December 31st
(Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation</u> |
|-------------------------|-----------------|-----------------|---------------|-----------------------------------|
| Sales | <u>\$ 181.5</u> | <u>\$ 176.3</u> | 2.9% | +5.9% |
| Operating income | <u>\$ 17.8</u> | <u>\$ 16.6</u> | 7.2% | |
| Return on sales | <u>9.8%</u> | <u>9.4%</u> | | |
| EBITDA | <u>\$ 29.0</u> | <u>\$ 27.2</u> | 6.6% | |
| % of Sales | <u>16.0%</u> | <u>15.4%</u> | | |



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation</u> |
|------------------|-----------------|----------------|---------------|-----------------------------------|
| 1) Sales | <u>\$ 12.6</u> | <u>\$ 15.3</u> | (17.6%) | (4.0%) |
| Operating income | <u>\$ (0.8)</u> | <u>\$ 0.6</u> | | |
| Return on sales | <u>-6.3%</u> | <u>3.9%</u> | | |
| EBITDA | <u>\$ 0.9</u> | <u>\$ 2.3</u> | (60.9%) | |
| % of Sales | <u>7.1%</u> | <u>15.0%</u> | | |

- 1) Sales were down 18% for the quarter compared to 2006 excluding foreign currency translation
- Tube sales were lower due to the slowing economy in the U.S. and the impact it has had on consumer spending, customers' inventory levels and the related marketing plans of our personal care customers for cosmetic and skin care products; sales orders have picked up in January and February
 - Operating income decreased in the quarter due to the downturn in sales and new orders with the current level of fixed overhead to support the business negatively impacting margins
 - Equipment has been ordered for the new operations in Mexico and Brazil which are targeted to start up in late 2008

Tube

Twelve Months Ended December 31st
(Millions of Cdn \$)



| | <u>2007</u> | <u>2006</u> | <u>Change</u> | <u>Excl. currency translation & divestiture</u> |
|-------------------------|----------------|----------------|---------------|---|
| Sales | <u>\$ 58.4</u> | <u>\$ 69.1</u> | (15.5%) | (8.5%) |
| Operating income | <u>\$ 0.4</u> | <u>\$ 4.5</u> | (91.1%) | |
| Return on sales | <u>0.7%</u> | <u>6.5%</u> | | |
| EBITDA | <u>\$ 7.3</u> | <u>\$ 11.6</u> | (37.1%) | |
| % of Sales | <u>12.5%</u> | <u>16.8%</u> | | |
