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News Release

Stock Symbol: TSX – CCL.A and CCL.B

For Immediate Release – Thursday, February 26, 2009

CCL Releases Annual Results and Increases Dividend By 7%

For periods ended December 31 (in millions of Cdn dollars, except per share data)	Three months (Unaudited)			12 months (Unaudited)		
	2008	2007	% Change	2008	2007	% Change
Sales	\$ 291.3	\$ 249.7	16.7	\$ 1,189.0	\$ 1,144.3	3.9
EBITDA (Note 1)	\$ 44.9	\$ 42.7	5.2	\$ 216.4	\$ 206.9	4.6
Goodwill impairment loss	\$ (31.4)	\$ -		\$ (31.4)	\$ -	
Restructuring and other items – net (loss) gain	\$ (6.6)	\$ 3.2		\$ (3.1)	\$ 4.1	
Net earnings from continuing operations	\$ (25.7)	\$ 20.4		\$ 48.0	\$ 93.4	(48.6)
Net earnings from discontinued operations, net of tax	-	1.4		-	11.0	
Gain on sale of discontinued operations	-	43.5		-	43.5	
Net earnings	\$ (25.7)	\$ 65.3		\$ 48.0	\$ 147.9	(67.5)

Per Class B share

Basic earnings:

Continuing operations	\$ (0.80)	\$ 0.64		\$ 1.50	\$ 2.90	(48.3)
Discontinued operations	-	0.04		-	0.34	
Gain on sale of discontinued operations	-	1.35		-	1.35	
Net earnings	\$ (0.80)	\$ 2.03		\$ 1.50	\$ 4.59	(67.3)

Diluted earnings:

Continuing operations	\$ (0.77)	\$ 0.61		\$ 1.46	\$ 2.79	(47.7)
Discontinued operations	-	0.04		-	0.33	
Gain on sale of discontinued operations	-	1.30		-	1.30	
Net earnings	\$ (0.77)	\$ 1.95		\$ 1.46	\$ 4.42	(67.0)

Goodwill impairment loss	\$ (0.97)	-		\$ (0.97)	-	
Restructuring and other items and favourable tax adjustments – net (loss) gain	\$ (0.18)	\$ 0.14		\$ (0.07)	\$ 0.42	
Adjusted basic earnings per Class B share from continuing operations (note 2)	\$ 0.35	\$ 0.50	(30.0)	\$ 2.54	\$ 2.48	2.4

Number of outstanding shares (in 000's)
Weighted average for the period
Actual at period end

32,090
32,556

32,284
32,880

Toronto, February 26, 2009 - CCL Industries Inc., a world leader in the development of labelling solutions and specialty packaging for the consumer products and healthcare industries, announced today its financial results for the fourth quarter and fiscal year ended December 31, 2008 and the declaration of its quarterly dividend.

Full Year 2008 Results (see attached Appendix)

Sales from continuing operations of \$1,189.0 million in 2008 compared to \$1,144.3 million in 2007, up a satisfactory 4% considering the deterioration in the global economy. This performance comes off a strong year in 2007, with growth of 11% over the 2006 sales level despite unfavourable currency translation. The annualized impact of the CD-Design and Clear Image acquisitions in 2008 provided a significant part of the sales growth, partially offset by a small divestiture in early 2008. Organic growth was flat in 2008 with increases in the Label and Tube Divisions offset by the Container Division. In 2008, currency translation had a 1% positive effect on sales for the year compared to 2007.

EBITDA (a non-GAAP measure; see note 1 below) for 2008 was \$216.4 million, up 5% from the \$206.9 million in the comparable 2007 period.

Net earnings from continuing operations for 2008 were \$48.0 million, down 49% from \$93.4 million earned in 2007. In 2008, net earnings from continuing operations were negatively affected by the goodwill impairment loss of \$31.4 million recorded in the Tube Division. In addition, there was the negative effect of restructuring and other items of \$3.1 million (\$2.0 million after tax). There was a positive impact on net earnings in 2007 due to restructuring and other items of \$4.1 million (\$3.7 million after tax) and by the introduction of lower tax rates in certain jurisdictions and other tax matters of \$9.9 million.

Net earnings in 2008 of \$48.0 million were down 68% from \$147.9 million in 2007. The 2007 net earnings included the operating results of the discontinued ColepCCL business of \$11.0 million and a gain on its disposal of \$43.5 million after less than four years of ownership.

Earnings per Class B share for the year 2008 from continuing operations were \$1.50 compared to \$2.90 earned in 2007, a decrease of 48%. In 2008, earnings per share from continuing operations were negatively affected by the goodwill impairment loss of \$0.97 and restructuring and other items of \$0.07. In 2007, earnings per share from continuing operations were affected positively by restructuring and other items of \$0.12 per share and favourable tax matters of \$0.30 per share. Unfavourable currency translation and transactions in 2008 reduced earnings per share from continuing operations by \$0.01 compared to 2007. Net earnings per share in 2008 were \$1.50 per Class B share and were \$4.59 in 2007 including the operating earnings and gain on sale from discontinued operations of \$1.69 per share. Diluted earnings per Class B share were \$1.46 in 2008 and \$4.42 in 2007.

Adjusted basic earnings per Class B share from continuing operations (a non-GAAP measure; see note 2 below) were \$2.54 in 2008, up 2% from \$2.48 in 2007.

Fourth Quarter 2008 (see attached Appendix)

Sales from continuing operations for the fourth quarter of 2008 were \$291.3 million, up \$41.6 million, or 17%, from \$249.7 million recorded in last year's fourth quarter. This sales performance was primarily due to the significant impact of favourable comparative currency translation accounting for 13% of the growth and slightly higher sales due to acquisitions with nominal overall organic growth. The increase in sales came from the Label Division, up \$39.9 million and Tube up \$3.5 million offset in part by Container, which was down \$1.8 million. This sales performance is in line with that of CCL's customers reflecting the significant global recession affecting all regions of the world.

Divisional operating income in the fourth quarter of 2008 was \$24.2 million, down \$3.4 million, or 12%, from \$27.6 million in the fourth quarter of 2007. The income reduction would have been greater were it not for significant favourable currency effects and recent acquisitions. The reduction in operating income came from Container (\$4.6 million) and Tube (\$0.6 million) while Label had an increase of \$1.8 million. Foreign currency transactions also positively impacted Container by \$1.7 million in the fourth quarter of 2008 relative to 2007, due to the strength of the U.S. dollar.

EBITDA (a non-GAAP measure; see note 1 below) for the fourth quarter of 2008 was \$44.9 million, up 5% from the \$42.7 million in the comparable 2007 period.

Corporate expenses of \$3.1 million were down by \$0.2 million due primarily to lower performance-related bonuses in 2008 versus 2007.

Net interest expense of \$7.7 million in this year's fourth quarter was up by \$2.9 million from last year's \$4.8 million due primarily to higher debt levels, lower interest income and unfavourable currency translation on U.S. dollar-denominated debt.

In the fourth quarter of 2008, a non-cash goodwill impairment loss of \$31.4 million was recorded for the Tube Division with no tax benefit. Restructuring and other items in the fourth quarter 2008 totalled \$6.6 million (\$5.5 million after tax). Restructuring and other items consisted of the loss provision for the residual lease payments and exit costs for the Tube Division's building in Los Angeles, CA, as a result of its move to a new location of \$3.1 million (\$2.0 million after tax) and the loss on the shutdown of the Lille, France operation in the Label Division of \$3.5 million with no tax effect.

Restructuring and other items in the fourth quarter of 2007 were a net gain of \$3.2 million (\$2.7 million after tax). The restructuring and other items consisted of Container's restructuring of \$0.4 million (\$0.2 million after tax), more than offset by a \$1.3 million gain on repatriation of capital with no tax effect and a gain on the euro-denominated note receivable from the sale of ColepCCL of \$2.3 million (\$1.6 million after tax). The gain from the sale of ColepCCL was \$43.5 million and the income earned from this discontinued operation in the two months of ownership in the fourth quarter of 2007 was \$1.4 million.

Tax expense in the fourth quarter of 2008 was \$1.1 million. The net loss from continuing operations before tax was \$24.6 million; however, the goodwill impairment loss and the shutdown of the Lille, France operation were not subject to a tax recovery. Excluding the goodwill impairment loss and restructuring and other costs, the effective tax rate was 16.6%. This is lower than the Canadian federal and provincial tax rate of 31.5% as the Company has benefited from lower overall tax rates in foreign jurisdictions.

Tax expense in the fourth quarter of 2007 was \$2.3 million with a tax rate of 10.6% due primarily to the benefit of tax rate reductions in certain jurisdictions of \$2.1 million. Excluding the benefit of tax rate reductions and restructuring and other costs, the tax rate for the fourth quarter of 2007 would have been 19.5%. This is lower than the average year's rate due primarily to the non-taxable nature of certain restructuring and other items in the fourth quarter and higher earnings in lower taxed jurisdictions.

The net loss in the fourth quarter of 2008 was \$25.7 million compared to \$65.3 million of net earnings in last year's fourth quarter.

The loss per Class B share was \$0.80 in the fourth quarter of 2008 compared with the \$2.03 earnings per Class B share in fourth quarter 2007. Favourable currency translation and transactions reduced the loss per share from continuing operations compared to last year by \$0.06 per share and \$0.04 per share, respectively.

The goodwill impairment loss negatively affected Class B earnings per share by \$0.97 and restructuring and other items negatively affected Class B earnings per share by \$0.18 in the fourth quarter of 2008.

Restructuring and other items in the fourth quarter of 2007 positively affected earnings per share by \$0.08. In addition, favourable tax adjustments added \$0.06 per share. The gain on the sale of ColepCCL was \$1.35 per share and earnings from discontinued operations were \$0.04 per share.

Adjusted basic earnings per Class B share from continuing operations (a non-GAAP measure; see note 2 below) were \$0.35 in the fourth quarter of 2008, down 30% from \$0.50 in the corresponding period of 2007.

Geoffrey T. Martin, President and Chief Executive Officer said, "We continue to be generally pleased by the performance of our business in the fourth quarter despite the turbulent global economic environment. CCL completed another record year in operational earnings net of corporate expenses despite the challenging times. Our earnings per share from continuing operations in 2008, excluding a non-cash goodwill impairment loss, restructuring and other items and favourable tax adjustments were 2% higher than the record year of 2007. Our strategy to replace the earnings from our disposed ColepCCL joint venture with organic and acquisition growth in our specialty packaging core has progressed well given the circumstances.

"In the fourth quarter, organic sales growth in the Label Division, excluding the benefits of currency translation and acquisitions, was 3% compared to a strong

fourth quarter in 2007 and was in line with similar results reported by many of our large global customers, demonstrating the benefit of geographic spread in these troubled times,” continued Mr. Martin. “Although somewhat impacted by the challenges of major exchange rate movements in Latin America, our Label Division continues to perform well with improved fourth quarter operating income as we strategically expand into new product lines and markets, invest in high-end equipment and plants globally and complete accretive acquisitions including Eltex GmbH in December.”

Mr. Martin further stated, “Our Container and Tube Divisions operate exclusively in the North American market and recorded small operating losses in the fourth quarter due to the challenges associated with the fragile U.S. economy. The Container Division saw sales volumes decline in the personal care market and fluctuations in aluminum costs created margin challenges while its Mexican operation struggled with income erosion caused by the devaluation of the peso against the U.S. dollar in the last half of the year. The Tube Division reported sales growth in the fourth quarter of 2008 but rising commodity costs and operational challenges, largely attributable to relocating its Los Angeles operation, prevented an improvement in profitability. After a review of the Tube Division’s results and the valuation of comparable businesses at this time, it was determined that the \$31.4 million in goodwill it was carrying was impaired and gave rise to a non-cash goodwill impairment loss.”

Mr. Martin continued by saying, “Overall, 2008 was another good year for CCL. We are very well positioned in our global specialty packaging businesses and maintain meaningful competitive advantages in most of our operations. In the current economic environment, our outlook for 2009 remains very cautious and is dependent on the impact of macroeconomic events on our customers. So far, our order levels in 2009 have been reasonable. In businesses where we do have softness, we are taking actions to reduce cost and will continue to do so as circumstances require. We also expect a positive impact from currency translation on comparative results in early 2009 due to the recent weakness in the Canadian dollar. Financially, we are in a very satisfactory position as our debt leverage is conservative and we have significant liquidity to pursue opportunities.”

Mr. Martin concluded, “As a result of our favourable cash flow and our expectations for 2009, your Board of Directors has declared a 7% increase in the dividend, after seven consecutive years of increases in the annualized dividend payout. The dividend of \$0.15 on the Class B non-voting shares and \$0.1375 on the Class A voting shares will be payable to shareholders of record at the close of business on March 17, 2009 to be paid on March 31, 2009. CCL has now increased the dividend by 88% since 2002 and continues its record of paying quarterly dividends without reduction or omission for over 25 years.”

The Company’s financial position remains strong. At the end of December 2008, cash and cash equivalents amounted to \$136 million compared to \$97 million at December 31, 2007 and the Company has an unused line of credit available of \$90 million. Net debt (a non-GAAP measure, defined as current debt plus long-term debt less cash and cash equivalents) amounted to \$456 million at the end of 2008, which is \$149 million higher than the \$307 million level from a year ago. Net debt to

total book capitalization at year-end 2008 was 37.8%, up from 29.9% at the end of 2007.

With headquarters in Toronto, Canada, CCL Industries now employs approximately 5,400 people and operates 55 production facilities globally located to meet the sourcing needs of large international customers. CCL Label is the world's largest converter of pressure sensitive and film materials for label applications and sells to leading global customers in the consumer packaging, healthcare, automotive and consumer durable markets. CCL Container and CCL Tube are leading producers of aluminum aerosol cans, bottles and extruded plastic tubes for consumer packaged goods customers in the United States, Canada and Mexico.

Note 1 - EBITDA - A critical financial measure used extensively in the packaging industry and other industries to assist in understanding and measuring operating results and is also considered as a proxy for cash flow and a facilitator for business valuations. This non-GAAP measure is defined as earnings before interest, taxes, depreciation and amortization, excluding goodwill impairment loss and restructuring and other items. We believe that it is an important measure as it allows us to assess our ongoing business without the impact of interest, depreciation and amortization and income tax expenses, as well as non-operating factors and one-time items. As a proxy for cash flow, it is intended to indicate our ability to incur or service debt and to invest in property, plant and equipment, and it allows us to compare our business to those of our peers and competitors who may have different capital or organizational structures. EBITDA is a measure tracked by financial analysts and investors to evaluate financial performance and is a key metric in business valuations. EBITDA is considered an important measure by lenders to the Company and is included in the financial covenants of our senior notes and bank lines of credit.

Note 2 – Adjusted Basic Earnings Per Class B Share from Continuing Operations is an important non-GAAP measure to assist in understanding the ongoing earnings performance of the Company excluding items of a one-time or non-recurring nature. It is not considered a substitute for Basic Net Earnings per Class B share but it does provide additional insight into the ongoing financial results of the Company. This non-GAAP measure is defined as basic net earnings per Class B share excluding goodwill impairment loss, and restructuring and other items and favourable tax adjustments.

Any forward-looking statements contained in this press release, including statements relating to the outlook of CCL Industries Inc.'s various divisions and products and CCL's growth and expansion plans, involve risks, uncertainties and assumptions and should not be taken as guarantees of future performance. A number of factors could cause actual results, performance or achievements to vary materially from those anticipated in forward-looking statements, including: general economic and business conditions and specific conditions affecting the sector in which CCL operates, including pricing pressures; CCL's ability to attract and retain its customer base; technological change; competition; changes in, or failure to comply with, existing government regulations or failure to obtain required permits or licenses; changes in business strategy or development plans; risks associated with operating and product hazards; the ability to attract and retain qualified personnel; and other factors. The foregoing list of factors is not exhaustive of the factors that may affect the actual outcome of events that are the subject of forward-looking statements.

Unless noted otherwise, all amounts are expressed in Canadian dollars.

For more information, contact:

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Note: CCL will hold a conference call at 4:00 p.m. EST today, Thursday, February 26, 2009 to discuss these results. The Annual Audited Financial Statements and the Management's Discussion and Analysis will be posted on the Company's website and SEDAR on March 10, 2009.

To access this call, please dial:

416-641-6140 – Local

1-866-542-4262 – Toll Free

Conference Replay will be available from Thursday, February 26, 2009 at 6:00p.m. EST until Thursday, March 12, 2009 at 11:59p.m. EDT

To access Conference Replay, please dial:

416-695-5800 – Local

1-800-408-3053 – Toll Free

Access code: 3282377

For more details on CCL, visit our website - www.cclind.com

APPENDIX

CCL INDUSTRIES INC.

Consolidated Statements of Earnings

Unaudited

(In thousands of Canadian dollars)

	Three months ended December 31st				12 months ended December 31st			
	Sales		Operating Income		Sales		Operating Income	
	2008	2007	2008	2007	2008	2007	2008	2007
Label	\$ 237.9	\$ 198.0	\$ 27.3	\$ 25.5	\$ 971.3	\$ 904.4	\$ 134.3	\$ 126.9
Container	37.3	39.1	(1.7)	2.9	154.9	181.5	9.3	17.8
Tube	16.1	12.6	(1.4)	(0.8)	62.8	58.4	(0.8)	0.4
	<u>\$ 291.3</u>	<u>\$ 249.7</u>	24.2	27.6	<u>\$1,189.0</u>	<u>\$1,144.3</u>	142.8	145.1
Corporate expense			(3.1)	(3.3)			(11.5)	(14.1)
Interest expense, net			(7.7)	(4.8)			(23.9)	(23.2)
Goodwill impairment loss			(31.4)	-			(31.4)	-
Restructuring and other items – net (loss) gain			(6.6)	3.2			(3.1)	4.1
Income taxes			(1.1)	(2.3)			(24.9)	(18.5)
Net earnings from continuing operations			(25.7)	20.4			48.0	93.4
Net earnings from discontinued operations			-	1.4			-	11.0
Gain on sale of discontinued operations			-	43.5			-	43.5
Net earnings			\$ (25.7)	\$ 65.3			\$ 48.0	\$ 147.9

CCL INDUSTRIES INC.

Consolidated Balance Sheets
Unaudited
(In thousands of Canadian dollars)

December 31, 2008 and 2007

	2008	2007
Assets		
Current assets:		
Cash and cash equivalents	\$ 136,269	\$ 96,602
Accounts receivable, trade	155,977	127,105
Other receivables and prepaid expenses	26,443	97,710
Income and other taxes receivable	2,153	–
Inventories	87,105	69,606
	<u>407,947</u>	<u>391,023</u>
Property, plant and equipment	830,833	630,810
Other assets	57,630	33,340
Future income tax assets	43,474	32,135
Intangible assets	47,537	26,132
Goodwill	379,253	374,750
	<u>\$ 1,766,674</u>	<u>\$ 1,488,190</u>

Liabilities and Shareholders' Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 250,764	\$ 221,254
Income and other taxes payable	–	2,501
Current portion of long-term debt	25,947	21,211
	<u>276,711</u>	<u>244,966</u>
Long-term debt	566,575	382,166
Other long-term items	66,492	48,796
Future income tax liabilities	106,378	94,403
	<u>1,016,156</u>	<u>770,331</u>
Shareholders' equity:		
Share capital	191,273	190,504
Accumulated other comprehensive loss	(67,497)	(85,455)
Contributed surplus	4,826	6,715
Retained earnings	621,916	606,095
	<u>750,518</u>	<u>717,859</u>
	<u>\$ 1,766,674</u>	<u>\$ 1,488,190</u>

CCL INDUSTRIES INC.

Consolidated Statements of Earnings

Unaudited

(In thousands of Canadian dollars)

Years ended December 31, 2008 and 2007

	2008	2007
Sales	\$ 1,189,025	\$ 1,144,260
Cost of goods sold	923,323	878,584
Selling, general and administrative expenses	127,491	128,304
Depreciation and amortization	6,919	6,380
	131,292	130,992
Interest	23,949	23,157
	107,343	107,835
Goodwill impairment loss	31,386	–
Restructuring and other items, net loss (gain)	3,094	(4,137)
Earnings before income taxes	72,863	111,972
Income taxes	24,877	18,466
Net earnings from continuing operations	47,986	93,506
Net earnings from discontinued operations, net of tax	–	10,957
Gain on sale of discontinued operations	–	43,452
Net earnings	\$ 47,986	\$ 147,915
Basic earnings per Class B share:		
Continuing operations	\$ 1.50	\$ 2.90
Discontinued operations	–	0.34
Gain on sale of discontinued operations	–	1.35
Net earnings	\$ 1.50	\$ 4.59
Diluted earnings per Class B share:		
Continuing operations	\$ 1.46	\$ 2.79
Discontinued operations	–	0.33
Gain on sale of discontinued operations	–	1.30
Diluted earnings	\$ 1.46	\$ 4.42

CCL INDUSTRIES INC.

Consolidated Statements of Cash Flows

Unaudited

(In thousands of Canadian dollars)

Years ended December 31, 2008 and 2007

	2008	2007
Cash provided by (used for):		
Operating activities:		
Net earnings	\$ 47,986	\$ 147,915
Earnings from discontinued operations, net of tax	–	(10,957)
Gain on sale of discontinued operations	–	(43,452)
Items not involving cash:		
Depreciation and amortization	85,144	75,912
Goodwill impairment loss	31,386	–
Executive compensation	2,028	2,370
Future income taxes	6,495	(5,435)
Restructuring and other items, net of tax	1,965	(1,947)
Gain on sale of property, plant and equipment	(1,464)	(2,644)
	173,540	161,762
Net change in non-cash working capital	42,808	(16,928)
Cash provided by continuing operations	216,348	144,834
Cash provided by discontinued operations	–	17,360
Cash provided by operating activities	216,348	162,194
Financing activities:		
Proceeds on issuance of long-term debt	184,847	107,055
Retirement of long-term debt	(109,233)	(63,987)
Increase (decrease) in bank advances	–	(4,038)
Issue of shares	4,413	4,183
Purchase of shares held in trust	(4,437)	(4,357)
Repurchase of shares	(18,097)	–
Dividends	(17,512)	(15,233)
Cash provided by financing activities	39,981	23,623
Investing activities:		
Additions to property, plant and equipment	(192,801)	(163,453)
Proceeds on disposal of property, plant and equipment	4,395	6,486
Proceeds on product line disposal	9,411	–
Proceeds on business dispositions	–	69,526
Business acquisitions	(40,677)	(105,575)
Long-term investments	(10,747)	(8,795)
Cash used for investing activities	(230,419)	(201,811)
Effect of exchange rates on cash	13,757	(12,404)
Increase (decrease) in cash and cash equivalents	39,667	(28,398)
Cash and cash equivalents, beginning of year	96,602	125,000
Cash and cash equivalents, end of year	\$ 136,269	\$ 96,602