CCL

2014
Annual Report

CCL IS A GLOBAL
SPECIALITY PACKAGING COMPANY

HEADQUARTERED IN
TORONTO, CANADA

CCL's three business segments are *Label, Avery* and *Container*. Operating in 29 countries on five continents, CCL employs more than 10,200 people at over 101 manufacturing facilities.

CCL LABEL

CCL Label is the world's largest converter of pressure sensitive and extruded film materials for decorative, instructional and functional applications for leading global customers in the consumer packaging, healthcare, automotive and consumer durable segments.

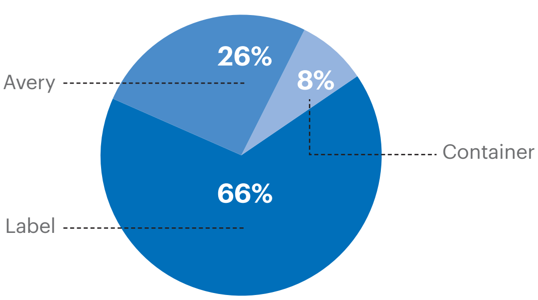
AVERY

Avery provides world-leading software solutions that help small businesses and consumers design online or download templates to digitally print labels, tags, dividers, badges and specialty card products from avery.com. Products are largely sold through distributors, mass market and specialty retailers alongside complementary office supplies.

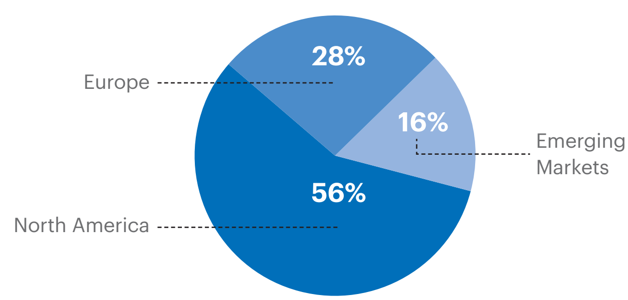
CCL CONTAINER

CCL Container, with plants in Canada, United States and Mexico, is a leading manufacturer of sustainable, impact extruded, aluminum aerosol containers and bottles for premium brands in the North American home and personal care and food and beverage markets.

Sales by Sector



Sales by Geography



CCL Label represents of total CCL sales. 66%

Avery represents of total CCL sales. 26%

CCL Container represents of total CCL sales. 8%

CAUTION ABOUT FORWARD-LOOKING INFORMATION This Annual Report contains forward-looking information and forward-looking statements as defined under applicable securities laws (hereinafter collectively referred to as "forward-looking statements") that involve a number of risks and uncertainties. Forward-looking statements include all statements that are predictive in nature or depend on future events or conditions. Forward-looking statements are typically identified by, but not limited to, the words "believes," "expects," "anticipates," "estimates," "intends," "plans" or similar expressions. Statements regarding the operations, business, financial condition, priorities, ongoing objectives, strategies and outlook of the Company, other than statements of historical fact, are forward-looking statements. Specifically, this Annual Report contains forward-looking statements regarding the anticipated growth in sales, income and profitability of the Company's segments; the Company's improvement in market share; the Company's capital spending levels and planned capital expenditures in 2015; the adequacy of the Company's financial liquidity; the Company's targeted return on equity, earnings per share, EBITDA growth rates and dividend payout; the Company's effective tax rate; the Company's ongoing business strategy; and the Company's expectations regarding general business and economic conditions.

Forward-looking statements are not guarantees of future performance. They involve known and unknown risks and uncertainties relating to future events and conditions including, but not limited to, the uncertainty of the recovery from the global financial crisis and its impact on the world economy and capital markets; the impact of competition; consumer confidence and spending preferences; general economic and geopolitical conditions; currency exchange rates; interest rates and credit availability; technological change; changes in government regulations; risks associated with operating and product hazards; and CCL's ability to attract and retain qualified employees. Do not unduly rely on forward-looking statements as the Company's actual results could differ materially from those anticipated in these forward-looking statements. Forward-looking statements are also based on a number of assumptions, which may prove to be incorrect, including, but not limited to, assumptions about the following: global economic recovery and higher consumer spending; improved customer demand for the Company's products; continued historical growth trends, market growth in specific segments and entering into new segments; the Company's ability to provide a wide range of products to multinational customers on a global basis; the benefits of the Company's focused strategies and operational approach; the Company's ability to implement its acquisition strategy and successfully integrate acquired businesses; the achievement of the Company's plans for improved efficiency and lower costs, including the ability to pass on aluminum cost increases to its customers; the availability of cash and credit; fluctuations of currency exchange rates; the Company's continued relations with its customers; and general business and economic conditions. Should one or more risks materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied in the forward-looking statements. Further details on key risks can be found throughout this report and particularly in Section 4: "Risks and Uncertainties."

Except as otherwise indicated, forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made may have on the business. Such statements do not, unless otherwise specified by the Company, reflect the impact of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them and therefore cannot be described in a meaningful way in advance of knowing specific facts.

The forward-looking statements are provided as of the date of this Annual Report and the Company does not assume any obligation to update or revise the forward-looking statements to reflect new events or circumstances, except as required by law.

Unless the context otherwise indicates, a reference to "CCL" or "the Company" means CCL Industries Inc., its subsidiary companies and equity accounted investments.

Donald G. Lang
Executive Chairman

Geoffrey T. Martin
President and
Chief Executive Officer

2014 WAS A RECORD YEAR FOR CCL, MARKED BY SOLID ORGANIC GROWTH, UNDERLYING PROFIT IMPROVEMENT AND SUCCESSFUL BOLT-ON ACQUISITIONS AT CCL LABEL, OUTSTANDING RESULTS FOR THE FIRST FULL YEAR FROM OUR AVERY BUSINESS AND A STEADY PERFORMANCE AT CCL CONTAINER. NET EARNINGS PASSED THE $200 MILLION MARK FOR THE FIRST TIME, RECORD FREE CASH FLOW[1] OF $264 MILLION EQUATED TO 122% OF EARNINGS AND WE REACHED THE 20% RETURN ON EQUITY[1] HURDLE; ALL OF WHICH COMBINED TO DRIVE OUR STOCK PRICE TO RECORD HIGHS.

STRONG OPERATING PERFORMANCE

Despite mixed global macroeconomic news, CCL posted solid growth in both sales and profitability across all our markets and in most of the countries in which we operate. Sales increased 37% and, with all business segments contributing to our success, adjusted basic earnings per share[1] (“adjusted EPS”) improved 47% from $4.43 for 2013 to $6.53 for 2014. Foreign currency translation augmented adjusted EPS by 33 cents.

Restructuring and other expenses fell signficantly to less than $9 million in 2014 compared to over $45 million last year. The vast majority of the 2013 charges related to the Avery and Designed & Engineered Solutions (“DES”) businesses acquired from Avery Dennison that delivered a significant payback in 2014, particularly at Avery where results exceeded expectations as cost savings came quickly and at a higher level than anticipated. Restructuring and other expenses in 2014 related to the announced CCL Label transactions, especially the Sancoa and TubeDec (“Sancoa“) acquisition, plus the final cost reduction actions at Avery internationally and at the DES business in North America. In addition, we consolidated a number of sub-optimal operations at CCL Label, as announced at the end of the third quarter and implemented in the fourth quarter. These initiatives are expected to pay back over the next two years.

CCL LABEL

CCL Label is the world’s largest converter of pressure sensitive and extruded film materials for decorative, functional and information applications at large global customers. With revenue in excess of $1.7 billion, this Segment represents approximately two-thirds of CCL’s sales and operating income.[1] CCL Label services four main customer groups globally: Home & Personal Care, Healthcare & Specialty, Food & Beverage and the new CCL Design sector.

CCL Label operates in 29 countries, on five continents. Our global network was built by acquisition in developed regions, with greenfield sites and joint ventures in emerging and frontier markets. In 2014 we completed new plant projects in Bangkok, Thailand; Karachi, Pakistan; Calamba, Philippines; and Moscow, Russia. Our commitment to invest in facilities, new markets and advanced technologies has given us the scale, specialized operations and capabilities to support customers’ product launches, innovations and supply-chain initiatives around the world.

2014 economic conditions were challenging but CCL Label outperformed, increasing sales 28% over 2013. Emerging Markets registered double-digit organic sales growth and represent approximately 19% of segment revenue; Developed Markets posted mid-single digit organic sales growth in slow markets. Excluding the impact of currency translation, worldwide sales increased over 20% and operating income[1] improved 18% compared to 2013. Most market sectors and geographic regions performed at or above management expectations. CCL Label's EBITDA[1] as a percentage of sales exceeded 20% and remains at the high end of the range for the specialty packaging industry. A modest year-over-year decline was entirely due to acquisition mix; legacy margins were up slightly.

Home & Personal Care operations in North America and Europe continued to be impacted by soft end markets for consumer staples, even with the improving macroeconomic picture in the United States. After a strong first half, Emerging Market growth rates dropped appreciably, particularly in Asia as reported by many global customers. Latin America growth was relatively unaffected but the rise of the U.S. dollar inflated the cost of materials in local currencies and temporarily squeezed margins. Markets in the Middle East slowed in the first half but firmed later in the year. In difficult circumstances the sector globally delivered organic growth in line with results at key customers, augmented by the Sancoa acquisition, which signficantly enhanced our position in both tubes and labels in North America. Profit gains were stronger, including solid progress from the core business and a good second half of the year at Sancoa. We completed significant capacity expansion projects at our two North American tube plants, which gives us a leading platform for the future combined with the TubeDec product line of labelled and laminated tubes that came with Sancoa. In addition, we completed the construction of our tube plant in Thailand in partnership with Taisei of Japan; trading should commence in the first half of 2015.

Our **Healthcare & Specialty** sector delivered solid sales and profit improvement globally for the year. The North American Healthcare business rebounded from a difficult 2013, when key customers were affected by FDA quarantines, and surpassed its previous highs in 2012. This was partly offset by a slow year for agricultural chemicals, with many customers impacted by unusual winter and spring weather conditions. The Specialty plant we acquired as part of the DES business had a solid first full year, and in Europe we acquired Bandfix AG, which took CCL into Switzerland for the first time where many of the world's leading pharmaceutical and chemical companies are headquartered. The European business was affected by the continuing transfer of production to other regions for certain customers but the underlying pharamaceutical and chemical business was stable. Emerging Markets grew but profits were impacted by currency challenges and poor results in Australia. Healthcare & Specialty remains the highest-margin CCL Label sector.

The **Food & Beverage** sector outperformed in 2014, generating double-digit organic sales growth, significant profit improvement and robust performance in Emerging Markets. The new wine label plant in Sonoma, California, opened last year grew much faster than expected, posting a solid profit for 2014; we are now planning to add 50% more capacity in 2015. Acrus-CCL in Chile grew strong double digits and also moved into profit. Late in the year we acquired Druckerei Nilles GmbH ("Nilles"), a leading wine label producer in Germany. Despite the crisis in Russia, CCL-Kontur gained significant share in the vodka market, and around the world we made strong progress with leading spirits brands, especially with new package designs in the premium category. In the beer, juice and carbonated soft drinks market, we see extensive new opportunities globally for our patented, clear pressure sensitive wash-off labels and continue to invest in our unique proprietary coating technology – making us almost entirely backward integrated into the raw materials science in this space. We invested in Advanced Packaging Films, the extrusion facility acquired in 2013 and expect to move into profit in the coming year; in-house innovation capabilities in both stretch and shrink film materials are a strategic imperative going forward. The Sleeve business overall posted strong gains in sales and profits, especially in Europe and Emerging Markets. We acquired Dekopak Ambalaj San Ve Tic. A.S. in Turkey and completed the construction of a new facility in Russia, taking us into important new territories. We expect Food & Beverage to be the fastest-growing sector at CCL Label for the immediate future.

CCL Design sales passed the $200 million mark in 2014 with most of the growth coming from the 2013 INT Autotechnik GmbH ("INT") and DES acquisitions; sales at our legacy business were up mid-single digits organically in strong end markets for automobiles and durable goods globally. Margins in this space are the lowest of our four market sectors at CCL Label but we see significant expansion opportunities from improved operational execution and new product opportunities in the coming years. Profits were negatively impacted by $1.7 million due to a bankruptcy at a major Tier 1 customer in Germany. Early in 2015 we announced a $30 million investment to build a greenfield site in Mexico, expand two major facilities in the United States, develop advanced converting technologies to reduce cost and create new capabilities globally. This included the acquisition of INT's associate business in Detroit, Michigan, allowing us to offer metal tread plates to automotive OEMs on a global basis.

AVERY

Performance in the first full year with our new consumer arm certainly exceeded expectations. We gained share and grew sales in the important label category and delivered comprehensively on our cost synergy targets announced at the time of the acquisition. The combination delivered outstanding results: $109 million operating income[1] on sales of $666 million. Late in 2014 we launched our "WePrint"™ service on avery.com. This new initiative allows consumers and small businesses to design labels and cards online and have them printed by Avery on our new digital printing engines. Simultaneously, we acquired Nilles in Germany, which has a unique online service to supply custom printed labels on a roll for larger users. These new "web to print" services will be a strong global growth platform for the Company over the next decade as digital technology advances. We launched Avery Pro Media, a range of pre-die cut labels used by large format professional digital printers and acquired Label Connections Ltd. in the United Kingdom and its PCL brand, which focuses on the same market. There are many possibilities to expand our Avery franchise from its roots in the mailing address category focused on office workers to these new applications in digital printing that are growing exponentially from a small base and across all end markets. We remain focused on the base business, and our reinvigorated team at Avery have taken share in the core printable media product lines focused on administrative and home consumers. In other categories, we focused on reducing cost, improving service and innovations to bring greater value to our important trade partners. We are committed to all these product lines despite industry-wide challenges as society and business move rapidly into digital technologies. Success was broad-based in all regions of the world, including Canada where we opened a state-of-the-art new label manufacturing plant in Whitby, Ontario. Secular declines in certain product lines could make overall organic sales growth challenging in the near term, but we have many new product and channel opportunities plus interesting options to develop our Avery franchise by acquisition around the world. We continue to focus on managing costs, particularly around those product lines that face top line challenges. Avery had the highest return on total capital[1] in 2014 of CCL Industries' three reporting Segments that are detailed in our consolidated financial statements.

CCL CONTAINER

Demand for aerosols was stable in 2014 but growth limited by soft end use markets in the Personal Care Sector in the United States evidenced by reports from mass market retailers and our major customers. Excluding the impact of currency, sales increased 2% to $201 million and operating income[1] posted steady progress to $18 million. At the end of 2013, we announced the planned closure of our aerosol container plant in Penetanguishene, Ontario. During 2014 we moved one production line to our Mexican operation and invested to expand our facility in the United States, adding new capacity to engineer the move of the remaining equipment from the Canadian plant. We expect the remaining consolidation to commence in the second half of 2015 and conclude by the end of 2016; the decline in the Canadian dollar lifted some of the pressure to make these moves quickly. We are targeting an annualized lift of $10 million in Segment EBITDA[1] from 2013 levels once the moves are completed. Late in 2014, we announced a joint venture with Rheinfelden from Germany to build a new aluminum slug plant in the United States. The aluminum aerosol industry has only one credible source of supply in NAFTA countries, with imports the only alternative. The new venture will supply both CCL and its competitors.

TRANSFORMED FINANCIAL POSITION

CCL delivered record $264 million free cash flow[1] in 2014, equal to 122% of earnings. Our net debt to EBITDA leverage ratio[1] fell to 0.9 times at year-end, despite a major acquisition just 18 months prior and a number of bolt-on transactions since. Net working capital[1] in 2014 reached all-time lows as a percentage of sales, even though CCL doubled in size over the last three years. We invested $139 million net of disposals in new equipment and facilities to improve productivity, expand capabilities and add to geographic reach. We expect capital expenditures to continue at or below depreciation for the foreseeable future and are planning for $150 million in 2015. Our balance sheet has significant capacity to raise returns to shareholders. While acquisitions have always been our priority, the annual dividend more than doubled over the decade to 2013 and increased 50% from $1.00 per Class B share in March 2014 to $1.50 per Class B share payable in March 2015. CCL total shareholder return[2] was 61% in 2014 and, measured over the past five years, returns reached 387%.

With over 95% of our revenue coming from outside of Canada, CCL continues to provide domestic shareholders with considerable geographic risk diversification. The continuing decline in the value of the Canadian dollar relative to the U.S. dollar could provide a tailwind in 2015 with a positive currency translation impact on both sales and earnings. As we saw in the fourth quarter of 2014, this can bring currency transaction challenges which might offset some or all of this benefit. For the 2014 year, foreign exchange translation contributed 33 cents of adjusted EPS.

For more than a decade CCL proved to shareholders we can bring value as an acquirer and market consolidator of small and medium sized businesses in the specialty packaging space. In 2013 and 2014 we stepped up to integrate a much larger transaction; when successful, as in this case, the greater financial impact of size for shareholders is clear for all to see. Our balance sheet has considerable capacity as we go into 2015, and we are focused on a combination of bolt-on transactions and transformative larger opportunities.

GLOBAL LEADERSHIP, GOVERNANCE AND SUSTAINABILITY

CCL is committed to a sustainable future. Our leadership has unique experience of our business, understands many different cultures and possesses the entrepreneurial enthusiasm for new directions, often from the younger generation. Our operating philosophy remains to "think global and act local" with authority and accountability decentralized. Acquisitions, joint ventures and licence holders bring us knowledge of frontier markets, new technologies and innovations. Our corporate team's goals are to remain small, agile, technically excellent and deeply focused on servicing the needs of the business. People remain a key criteria for assessing acquisition opportunities.

Our Board cycled through some important changes in late 2014 and early 2015. Doug Muzyka and Phil Gresh decided to step down as Directors; their service and insight has been invaluable and will be sorely missed. We welcome Mandy Shapansky and Kathleen Keller-Hobson, who together bring gender diversity, deep business experience, technology insight and legal skills to our deliberations. CCL's Board of Directors continues to provide broad based counsel to management and strong corporate governance.

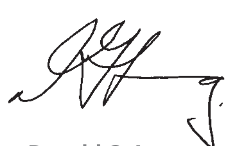
CCL is committed to developing initiatives to reduce the carbon footprint of our products and services. New plants are built to exacting standards to minimize our carbon footprint. Many operations have moved to eliminate wooden pallets and corrugated boxes in collaborative logistic partnerships, using multi-trip returnable plastic packaging with suppliers and customers. Our patented wash-off technology facilitates multi-trip use of glass bottles decorated with pressure sensitive labels, reducing waste going to landfill. CCL's tubes include products that use resins made from post-consumer plastics, and our aerosol manufacturing process has no waste that goes to landfill. Super Stretch Sleeves, or Triple S®, decorate PET beverage containers without adhesive or heat and allow for the easy removal of the label for bottle recycling. We developed systems with our suppliers to close loop recycle liner waste for pressure sensitive labels and down gauge to thinner face stocks for many of our label products.

2015 AND A NEW IMAGE

In 2014 we redesigned the consumer identity for Avery with a new logo that links to its past in both colour and shape, successfully retaining – while also contemporizing – its important brand franchise. You can see the new look on the inside cover of the back page of our annual report. This gave us the enthusiasm to tackle the same subject for our core business. The design speaks to our global presence, the idea of a label with a nod to our past, and includes the acronym "CCL" – the founding name for the Company. The new corporate identity will unify our business to business franchises under a single brand, even though we will continue to use many different legal entity names and secondary trading descriptors around the world. We felt it appropriate to give our new look front page prominence.

For the year ahead, we will focus on securing and developing the base successfully built during this transformational 2014. Global macro uncertainties continue, but this seems to be the new norm as it's hard to recall any year without such concerns in the recent past. We continue to extend our geographic reach with greenfield sites planned for CCL Label in both Korea and Argentina. Acquisitions remain a key focus. We have opportunities, skilled management for execution, a strong balance sheet and favourable financing markets. We will be disciplined.

Finally, we would like to thank our customers and suppliers for their unwavering support and recognize our employees around the world – now topping 10,000 – for their creativity, entrepreneurial spirit and commitment that we believe has made CCL a dynamic and interesting place to work.



Donald G. Lang
Executive Chairman

Geoffrey T. Martin
President and
Chief Executive Officer

1 Non-IFRS measures. See section 5 of CCL's Management's Discussion and Analysis for more detail.

2 Non-IFRS measure. See Management Information Circular for more details.

FINANCIAL HIGHLIGHTS

(In thousands of Canadian dollars, except per share and ratio data)

	2014	2013	% Change
Sales	$ 2,585,637	$ 1,889,426	36.8%
EBITDA*	$ 481,590	$ 355,565	35.4%
% of sales	18.6%	18.8%	
Restructuring and other items – net loss	$ 9,104	$ 45,248	
Net earnings	$ 216,566	$ 103,588	109.1%
% of sales	8.4%	5.5%	
Per Class B share			
Basic earnings	$ 6.31	$ 3.04	107.6%
Diluted earnings	$ 6.19	$ 2.99	107.0%
Adjusted basic earnings*	$ 6.53	$ 4.43	47.4%
Dividends	$ 1.10	$ 0.86	27.9%
As at December 31			
Total assets	$ 2,618,375	$ 2,401,648	9.0%
Net debt*	$ 437,196	$ 502,951	(13.1%)
Total equity	$ 1,216,219	$ 1,018,135	19.5%
Net debt to total book capitalization*	26.4%	33.1%	
Return on equity (before other expenses)*	20.1%	15.8%	
Number of employees	10,200	9,700	5.2%

* A non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A.

This Management's Discussion and Analysis of the financial condition and results of operations ("MD&A") of CCL Industries Inc. ("CCL" or "the Company") relates to the years ended December 31, 2014 and 2013. In preparing this MD&A, the Company has taken into account information available until February 26, 2015, unless otherwise noted. This MD&A should be read in conjunction with the Company's December 31, 2014, year-end consolidated financial statements, which form part of the CCL Industries Inc. 2014 Annual Report dated February 26, 2015. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and, unless otherwise noted, both the financial statements and this MD&A are expressed in Canadian dollars as the reporting currency. The major measurement currencies of CCL's operations are the Canadian dollar, Chilean peso, the U.S. dollar, the euro, the Argentinian peso, the Australian dollar, the Brazilian real, the Chinese renminbi, the Danish krone, the Japanese yen, the Mexican peso, the Philippine peso, the Polish zloty, the Russian rouble, the South African rand, the Swiss franc, the Thai baht, the Turkish lira, the U.K. pound sterling and the Vietnamese dong. All per Class B non-voting share ("Class B share") amounts in this document are expressed on an undiluted basis, unless otherwise indicated. CCL's Audit Committee and its Board of Directors (the "Board") have reviewed this MD&A to ensure consistency with the approved strategy of the Company and the results of the Company.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information and forward-looking statements as defined under applicable securities laws (hereinafter collectively referred to as "forward-looking statements") that involve a number of risks and uncertainties. Forward-looking statements include all statements that are predictive in nature or depend on future events or conditions. Forward-looking statements are typically identified by, but not limited to, the words "believes," "expects," "anticipates," "estimates," "intends," "plans" or similar expressions. Statements regarding the operations, business, financial condition, priorities, ongoing objectives, strategies and outlook of the Company, other than statements of historical fact, are forward-looking statements. Specifically, this MD&A contains forward-looking statements regarding the anticipated growth in sales, income and profitability of the Company's segments; the Company's improvement in market share; the Company's capital spending levels and planned capital expenditures in 2015; the adequacy of the Company's financial liquidity; the Company's targeted return on equity, earnings per share, EBITDA growth rates and dividend payout; the Company's effective tax rate; the Company's ongoing business strategy; and the Company's expectations regarding general business and economic conditions.

Forward-looking statements are not guarantees of future performance. They involve known and unknown risks and uncertainties relating to future events and conditions including, but not limited to, the uncertainty of the recovery from the global financial crisis and its impact on the world economy and capital markets; the impact of competition; consumer confidence and spending preferences; general economic and geopolitical conditions; currency exchange rates; interest rates and credit availability; technological

INDEX

7 1. Corporate Overview
7 A) The Company
8 B) Customers and Markets
8 C) Strategy and Financial Targets
11 D) Recent Acquisitions and Dispositions
12 E) Consolidated Annual Financial Results
14 F) Seasonality and Fourth Quarter Financial Results

17 2. Business Segment Review
17 A) General
20 B) Label Segment
23 C) Avery Segment
24 D) Container Segment
25 E) Joint Ventures

26 3. Financing and Risk Management
26 A) Liquidity and Capital Resources
27 B) Cash Flow
28 C) Interest Rate, Foreign Exchange Management and Other Hedges
29 D) Equity and Dividends
30 E) Commitments and Other Contractual Obligations
31 F) Controls and Procedures

31 4. Risks and Uncertainties

37 5. Accounting Policies and Non-IFRS Measures
37 A) Key Performance Indicators and Non-IFRS Measures
42 B) Accounting Policies and New Standards
43 C) Critical Accounting Estimates
44 D) Related Party Transactions

44 6. Outlook

change; changes in government regulations; risks associated with operating and product hazards; and CCL's ability to attract and retain qualified employees. Do not unduly rely on forward-looking statements as the Company's actual results could differ materially from those anticipated in these forward-looking statements. Forward-looking statements are also based on a number of assumptions, which may prove to be incorrect, including, but not limited to, assumptions about the following: global economic recovery and higher consumer spending; improved customer demand for the Company's products; continued historical growth trends, market growth in specific segments and entering into new segments; the Company's ability to provide a wide range of products to multinational customers on a global basis; the benefits of the Company's focused strategies and operational approach; the Company's ability to implement its acquisition strategy and successfully integrate acquired businesses; the achievement of the Company's plans for improved efficiency and lower costs, including the ability to pass on aluminum cost increases to its customers; the availability of cash and credit; fluctuations of currency exchange rates; the Company's continued relations with its customers; and general business and economic conditions. Should one or more risks materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied in the forward-looking statements. Further details on key risks can be found throughout this report and particularly in Section 4: "Risks and Uncertainties."

Except as otherwise indicated, forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made may have on the business. Such statements do not, unless otherwise specified by the Company, reflect the impact of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them and therefore cannot be described in a meaningful way in advance of knowing specific facts.

The forward-looking statements are provided as of the date of this MD&A and the Company does not assume any obligation to update or revise the forward-looking statements to reflect new events or circumstances, except as required by law.

Unless the context otherwise indicates, a reference to "CCL" or "the Company" means CCL Industries Inc., its subsidiary companies and equity accounted investments.

1. CORPORATE OVERVIEW

A) The Company

CCL Industries Inc. is the world's largest converter of pressure sensitive and extruded film materials for a wide range of decorative, instructional and functional applications for large global customers in the consumer packaging, healthcare, automotive and consumer durables markets. Extruded plastic tubes, folded instructional leaflets, precision printed and die cut metal components with LED displays and other complementary products and services are sold in parallel to specific end-use markets. Avery is the world's largest supplier of labels, specialty converted media and software solutions to enable short run digital printing in businesses and homes alongside complementary office products sold through distributors and mass market retailers. CCL's Container Segment is a leading producer of impact extruded aluminum aerosol cans and bottles for consumer packaged goods customers in the United States, Canada and Mexico.

Founded in 1951, the Company has been publicly listed under its current name since 1980. CCL's corporate offices are located in Toronto, Canada, and Framingham, Massachusetts, United States. The corporate offices provide executive and centralized services such as finance, accounting, internal audit, treasury, risk management, legal, tax, human resources, information technology and environmental, health and safety and oversight of operations. CCL employs in excess of 10,000 people in over 100 production facilities located in North America, Latin America, Europe, Australia, Asia and the Middle East, including equity investments in Russia operating four facilities, the Middle East operating five facilities, Chile operating one facility, Thailand operating one facility and the United States, which late in the year announced plans to invest in an aluminum slug facility. The Company also has a label and tube licence holder operating two plants in Indonesia.

B) Customers and Markets

CCL's legacy customer base is comprised of a significant number of global consumer product, healthcare, chemical and durable goods companies. With the addition of Avery in 2013, CCL has diversified its customer base to include mass market merchandisers, retail superstores, wholesalers, e-tailers and contract stationers. A strategy of many CCL customers is a continuous focus on growing their global market positions. Recent industry trends include customer consolidation, even among the largest players, and a disproportionate growth in sales in emerging markets and relatively lower growth in the developed world.

Demand for consumer staples and healthcare products generally remains consistent throughout economic cycles as the end use often requires daily consumption. These markets are less volatile than consumer durables and the information technology industry that have higher price points and can be impacted by changes in how society works. Products sold to retailers can be impacted by white collar employment levels and the trend towards a digital society. Certain markets, such as beverage, agro-chemical and back-to-school products, are more seasonal in nature and affect the variability of quarterly sales and profitability.

The state of the global economy and geopolitical events can affect consumer demand and ultimately CCL's customers' plans to promote competitive activity in their categories by developing marketing and sales strategies including the introduction of new products. These factors directly influence the demand for CCL's products. The Company's growth expectations generally mirror the trends of each of the markets and product lines in which CCL's customers compete and the growth of the economy in each geographic region. CCL anticipates improving its market share generally in each market and category over time, which is consistent with its overall historical trend.

The label market is large and highly fragmented with many players but with no single competitor having the substantial operating breadth or global reach of CCL's Label Segment. Avery has a dominant market-leading position for its products in North America, Europe and Australia. It also has a small developing presence in Latin America. The Container Segment operates only in North America including Mexico. There are three direct competitors in the Container business in the United States and one in Mexico.

C) Strategy and Financial Targets

CCL's vision is to increase shareholder value through leading supply chain solutions and product innovations around the world. CCL builds on the strength of its people in marketing, manufacturing and product development; and nurtures strong relationships with its international, national, and regional customers and suppliers. The Company anticipates increasing its market share in most product categories by capitalizing on consumer insights and the growth of its customers, by following market developments such as globalization, new product innovation, branding and consumer trends.

A key attribute of CCL's strategy is maintaining its focus and discipline. The Company aspires to be the market leader and the highest value-added producer in each product line and region in which it chooses to compete. CCL's primary objective is to invest in the growth of the Label Segment globally both organically and by acquisition. The Avery Segment has similar objectives aligned to applications in labels and specialty converted media that enable short run digital printing in businesses and homes. In 2014, the Label Segment acquired companies expanding its Home Personal & Care, Food & Beverage and Healthcare & Specialty businesses within the United States, Turkey, Switzerland and Germany. The Avery Segment acquired companies enhancing its digital print products for commercial graphic arts and roll-fed custom short run label printing in the United Kingdom and Germany. The Company also increased its ownership position in the Chilean Wine Label joint venture to 62.5% in early 2014.

Finally, CCL expects to continue improving the performance of the Container Segment, realizing further operational and financial advances subsequent to the completion of the restructuring plan announced in the fourth quarter of 2013.

The Company's strategic objective in the past decade has been the long-term growth of earnings through the building of a global business platform with investment in new plants and equipment, acquisitions and innovation in new product development. This approach is intended to allow the Company to increase market share and to grow internationally. The acquisition strategy includes seeking attractively priced targets within CCL's core competencies and manufacturing capabilities that will be immediately accretive to earnings. In addition, such acquisitions should generally support its strategic geographic expansion plans and/or provide new technologies, and/or new customer relationships and products to CCL's portfolio.

The Company's financial strategy is to be fiscally prudent and conservative. During good and difficult economic times, the Company has maintained high levels of cash on hand and unused lines of credit to reduce its financial risk and to provide flexibility when acquisition opportunities are available. The Company's resilient financial results, ensuring strong free cash flow, have produced a solid balance sheet capable, if required, of supporting debt levels in excess of the current outstanding debt and the undrawn $296.4 million unsecured revolving line of credit. CCL has sufficient available liquidity and a secure financial foundation for the foreseeable future.

Additionally, CCL has a continuous focus on minimizing its investment in working capital in order to maximize cash flow in support of the growth in the business. In addition, capital expenditures are approved when they are expected to be accretive to earnings and are selectively allocated towards the most attractive growth opportunities.

A key financial target is return on equity before goodwill impairment loss, restructuring and other items and tax adjustments ("ROE," a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). CCL continues to execute its strategy with a goal of achieving a comparable ROE level to its leading peers in specialty packaging. Over the last five years ROE increased dramatically compared to the low posted in the economic crisis of 2009 due to significant accretive earnings from acquisitions, principally Avery and Designed & Engineered Solutions ("DES"), as well as improved results in its legacy operations:

	2014	2013	2012	2011	2010	2009
Return on equity	20.1%	15.8%	11.4%	10.7%	9.5%	7.6%

Another metric used by the investment community as a comparative measure is return on total capital before goodwill impairment loss, restructuring and other items and tax adjustments ("ROTC," a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). The chart below details performance since 2009. CCL targets delivering returns in excess of its cost of capital and has improved its performance consistently since 2009.

	2014	2013	2012	2011	2010	2009
Return on total capital	14.1%	11.9%	9.5%	8.3%	6.7%	4.9%

Another important and related financial target is the long-term growth rate of adjusted basic earnings per Class B share, which excludes goodwill impairment loss, restructuring and other items, tax adjustments, gains on business dispositions and non-cash acquisition accounting adjustments (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). Management believes that taking into account both the relatively stable overall demand for consumer staple and healthcare products globally and the continuing benefits from the Company's focused strategies and operational approach, a positive growth rate in adjusted basic earnings per share is realistic under reasonable economic circumstances.

CCL's historical adjusted basic earnings per share achieved significant positive growth except for the economic downturn in the 2009 year:

	2014	2013	2012	2011	2010	2009
EPS growth rate	47%	52%	13%	18%	23%	(30%)

In 2014, adjusted basic earnings increased by 47% to $6.53 per Class B share. The acquired businesses in 2014 and 2013, in particular the new Avery Segment, contributed meaningfully to the strong improvement in adjusted basic earnings per share. Excluding the impact of currency translation, adjusted basic earnings per share increased 37%. The Company believes continuing growth in earnings per share is achievable in the future as the global economy stabilizes; as operating efficiencies are solidified for the Container Segment post-restructuring and as CCL executes its business strategies for the Label and Avery Segments.

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

The Company will continue to focus on generating cash and effectively utilizing the cash flow generated by operations and divestitures. Earnings before net finance cost, taxes, depreciation and amortization, excluding goodwill impairment loss, earnings in equity accounted investments, non-cash acquisition accounting adjustments, restructuring and other items ("EBITDA," a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) is considered a good indicator of cash flow and is used by many financial institutions and investment advisors to measure operating results and for business valuations. The Company believes that EBITDA is an important measure in evaluating its ongoing business in that it does not include the impact of interest, depreciation and amortization, income tax expenses and non-operating one-time items. As a key indicator of cash flow, EBITDA demonstrates the Company's ability to incur or service existing debt, to invest in capital additions and to take advantage of organic growth opportunities and acquisitions that are accretive to earnings per share. Historically, the Company has experienced positive growth in EBITDA, excluding discontinued operations:

	2014	2013	2012	2011	2010	2009
EBITDA	$ 481.6	$ 355.6	$ 254.6	$ 239.1	$ 219.8	$ 207.9
% of sales	19%	19%	19%	19%	18%	17%

In 2014, EBITDA increased by approximately 27.2%, excluding the positive impact of foreign currency translation. CCL's EBITDA margins remain at the top end of the range of the Company's specialty packaging peers. The Company expects positive growth in EBITDA in the future as the global economy stabilizes and the Company carries out its global growth initiatives.

If net cash flow periodically exceeds attractive acquisition opportunities available, CCL may also repurchase its shares provided that the repurchase is accretive to earnings per share, is at a valuation equal to or lower than valuations for acquisition opportunities, and will not materially increase financial leverage beyond targeted levels. The Company repurchased 50,000 Class B shares for cancellation during 2013.

The framework supporting the above performance indicators is an appropriate level of financial leverage. Based on the dynamics within the specialty packaging industry and the risks that higher leverage may bring, CCL has a comfort level up to a target of approximately 45% for its net debt to total book capitalization (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). As at December 31, 2014, net debt to total book capitalization declined to 26.4% from 33.1% at December 31, 2013, despite the significant acquisitions during the year. This current level of leverage and profitability, including the expectation of significant future deleveraging from operating cash flow, would imply that CCL's debt would be in the investment-grade category. This leverage level is below the target, primarily due to the Company's conservative approach to financial risk and its ability to generate strong levels of free cash flow from operations (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). This leverage level also allows the Company the flexibility to quickly execute its acquisition growth strategy, including larger targets, without significantly exposing its credit quality.

The Board also believes that the dividend payout ratio (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) is an important metric. CCL has paid dividends quarterly for over thirty years without an omission or reduction and has more than doubled the dividend since 2008. The Board views this consistency and dividend growth as important factors in enhancing shareholder value. The Board's target payout of dividends is approximately 25% of adjusted earnings, defined as earnings excluding gains on dispositions, goodwill impairment loss, restructuring and other items and tax adjustments. In 2014, the dividend payout ratio was 17% (2013 – 20%) of adjusted earnings. This dividend payout ratio below the Board's target range reflects the strong net earnings generated by newly acquired business in 2013 and 2014, as well as the improved results for the legacy operations of the Company. After careful review of the current year results and considering the cash flow and income budgeted for 2015, the Board has declared a 25.0% increase in the annual dividend; seven and a half cents per Class B share per quarter, from $0.30 to $0.375 per Class B share per quarter ($1.50 per Class B share annualized).

The Company believes that all of the above targets are mutually compatible and consequently should drive meaningful shareholder value over time.

CCL's strategy and its ability to grow and achieve attractive returns for its shareholders are shaped by key internal and external factors that are common to the businesses it operates. The key performance driver is the Company's continuous focus on customer satisfaction, supported by its reputation for quality manufacturing, competitive price, product innovation, dependability, ethical business practices and financial stability.

D) Recent Acquisitions and Dispositions

CCL is now a global company with increased diversification across the world economy including emerging markets, a broader customer base, new product lines and many different currencies and geographies.

CCL continues to deploy its cash flow from operations into its core segments with both internal capital investments and strategic acquisitions. The following acquisitions were completed over the last two years:

- In February 2014, Sancoa and TubeDec ("Sancoa"), privately owned companies with a common controlling shareholder based in New Jersey, USA, for $73.1 million. Sancoa produces labels and tubes and forms an integral part of the North American Home & Personal Care business.
- In February 2014, DekoPak Ambalaj SAN. Ve Tic. A.S. ("Dekopak"), a privately owned company based in Istanbul, Turkey, for $4.7 million, plus contingent consideration payable in 2017 subject to incremental EBITDA improvement. Dekopak is a leading producer of shrink sleeve labels for global and domestic customers in Turkey.
- In September 2014, Bandfix AG ("Bandfix"), a privately owned company based in Zurich, Switzerland, for $17.9 million. Bandfix produces Specialty labels for European customers, complementing CCL's Healthcare & Specialty business.
- In November 2014, Label Connections Ltd. ("LCL"), a privately owned company based in St. Neots, England, for $2.8 million. LCL is a leading supplier to the commercial graphic arts sector and is the first acquisition within the Avery Segment.
- In December 2014, Druckerei Nilles GmbH ("Nilles"), a privately owned company based in Trittenheim, Germany, for $16.2 million. The Nilles wine label business will be added to CCL's growing Food & Beverage operations and the Nilles e-commerce platform will become a new business unit within the Avery Segment.
- In April 2013, INT, a privately owned company based in Munich, Germany, for $14.4 million. INT is a leading supplier to the German automotive original equipment manufacturers alongside CCL Design.
- In July 2013, the Office & Consumer Products ("OCP") and DES businesses of Avery Dennison Corporation for US$486.7 million. The OCP business is now CCL's new Avery Segment and the DES business has augmented the CCL Design business within CCL Label.
- In October 2013, Advanced Packaging Films, a privately owned company based in Schkopau, Germany, for $9.3 million. This new business trades as Advanced Performance Films ("APF") and forms an integral part of the CCL Label global Food & Beverage business.

Strategically, CCL has positioned itself as a growing specialty packaging company. The acquisitions completed over the past few years, in conjunction with the building of new plants in Thailand, Brazil, Saudi Arabia, Chile, Philippines, Russia and the United States, have positioned the Label Segment as the global leader for labels in the personal care, healthcare, food & beverage, durables and specialty categories. Furthermore with the addition of Avery, CCL is now the world's largest supplier of labels, specialty converted media and software solutions to enable short run digital printing in businesses and homes alongside complementary office products.

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

E) Consolidated Annual Financial Results

Selected Financial Information

Results of Consolidated Operations

	2014	2013	2012
Sales	$ **2,585.6**	$ 1,889.4	$ 1,308.6
Cost of sales	**1,891.5**	1,414.0	996.2
Selling, general and administrative expenses	**358.9**	256.7	160.4
	335.2	218.7	152.0
Earnings in equity accounted investments	**3.7**	1.9	2.2
Net finance cost	**(25.6)**	(25.6)	(20.9)
Restructuring and other items – net loss	**(9.1)**	(45.2)	—
Earnings before income taxes	**304.2**	149.8	133.3
Income taxes	**87.6**	46.2	35.8
Net earnings	$ **216.6**	$ 103.6	$ 97.5
Net earnings per Class B share	$ **6.31**	$ 3.04	$ 2.91
Restructuring and other items loss per Class B share	$ **0.22**	$ 1.03	$ —
Diluted earnings per Class B share	$ **6.19**	$ 2.99	$ 2.86
Adjusted basic earnings per Class B share	$ **6.53**	$ 4.43	$ 2.91
Dividends per Class B share	$ **1.10**	$ 0.86	$ 0.78
Total assets	$ **2,618.4**	$ 2,401.6	$ 1,602.4
Total non-current liabilities	$ **802.0**	$ 839.0	$ 393.0

Comments on Consolidated Results

Sales were $2,585.6 million in 2014, an increase of 36.8% compared to $1,889.4 million recorded in 2013. This improvement in sales can primarily be attributed to a full year of revenue from Avery and DES as well as the other seven aforementioned acquisitions in 2014 and 2013, which aggregated to acquisition related growth of 27.2%. Organic growth of 3.8% and the positive impact from foreign currency translation of 5.8% also contributed to the increase.

Consistent with CCL's 2013 year, approximately 5% of CCL's 2014 sales to end use customers are denominated in Canadian dollars. Consequently, changes in foreign exchange rates can have a material impact on sales and profitability when translated into Canadian dollars for public reporting. The 2014 and 2013 results have been positively impacted by the sequential weakening of the Canadian dollar. The appreciation of the U.S. dollar, euro and the U.K. pound by 7.2%, 7.2% and 12.9%, respectively, was slightly offset by a 1.8% depreciation of the Brazilian real relative to the Canadian dollar in 2014 compared to average exchange rates in 2013. Partially offsetting this recent translation trend some of CCL's foreign operations were negatively impacted by their local currency depreciation to the U.S. dollar on transactions.

Earnings after cost of goods sold and selling, general and administrative ("SG&A") expenses in 2014 were $335.2 million, up $116.5 million from $218.7 million in 2013; primarily reflecting the impact of the significant acquisitions made over the last two years.

SG&A expenses were $358.9 million for 2014, compared to $256.7 million reported in 2013. The increase in SG&A expenses in 2014 relates primarily to the significant acquisitions made over the last two years as well as higher corporate expenses. Corporate expenses for 2014 were $34.7 million, compared to $33.5 million for 2013. The increase in corporate expenses relative to those in 2013 relates predominantly to an increase in executive long-term compensation expenses and an increase in director equity compensation expense connected to their deferred share unit plan and is directly a result of the gain in the Company's share price in 2014.

Operating income (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below) for 2014 was $369.9 million, an increase of 46.7% compared to $252.2 million for 2013. Excluding the $16.7 million non-cash acquisition accounting adjustment to fair value the acquired finished goods inventory for the acquired Avery and DES businesses in 2013, operating income improved 37.6%. Foreign currency translation positively impacted consolidated operating income by 6.5% for 2014 compared to 2013. The Label, Avery and Container Segments each improved operating income for 2014 by 24.3%, 170.5% and 8.5%, respectively, compared to 2013. Further details on the business segments follow later in this report.

EBITDA (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below) in 2014 was $481.6 million, an improvement of 35.4% compared to $355.6 million recorded in 2013. Excluding the impact of currency translation, EBITDA increased by 27.2% over the prior year.

Net finance cost was $25.6 million for 2014 and 2013.

For the full year 2014, restructuring cost and other items represented a loss of $9.1 million ($7.5 million after tax) as follows:

- For the Avery Segment, $1.6 million ($1.3 million after tax) representing the final European severance costs in CCL’s reorganization plan and trailing transaction fees associated with the acquisition of the business.
- For the Label Segment, $7.5 million ($6.2 million after tax) primarily costs associated with the closure of a plant in France, severance expenses associated with the DES and Sancoa businesses and transaction costs related to the six Label Segment acquisitions closed in 2014.

The negative earnings impact of these restructuring and other items in 2014 was $0.22 per Class B share.

For the full year 2013, restructuring cost and other items represented a loss of $45.2 million ($35.1 million after tax) as follows:

- For the Avery and DES acquisitions, $32.7 million ($22.8 million after tax) for severance, facility closure costs, transaction fees and duties and other associated costs with the acquisition and re-organization of the businesses.
- For the Container Segment, $11.0 million ($11.0 million after tax) for severance and asset write downs to close the Canadian operations.
- For a small label plant in France, $1.5 million ($1.3 million after tax) for severance costs to downsize the operation.

The negative earnings impact of these restructuring and other items in 2013 was $1.03 per Class B share.

In 2014, the consolidated effective tax rate was 29.2%, compared to 31.2% in 2013, excluding earnings in equity accounted investments. The combined Canadian federal and provincial statutory tax rate was 25.3% for 2014 (2013 – 25.3%). The decrease in the effective tax rate for 2014 is attributable to a reduction in restructuring charges without any corresponding tax benefit. Excluding the impact of these restructuring charges that impacted tax expense, the overall effective tax rates in 2014 and 2013 were 28.8% and 27.0%, respectively. This increase can be attributed to a higher portion of the Company’s income being earned in higher tax jurisdictions, largely the United States.

Over 95% of CCL’s sales are from products sold to customers outside of Canada, and the income from these foreign operations is subject to varying rates of taxation. The Company’s effective tax rate varies from year to year as a result of the level of income in the various countries, recognition or reversal of tax losses, tax reassessments and income and expense items not subject to tax. The Company’s tax rate may increase in the future if the Company earns a higher percentage of its income in higher tax jurisdictions or if the Company is not able to tax-benefit its future tax losses in certain countries.

Net earnings for 2014 were $216.6 million, an increase of 109.1% compared to $103.6 million recorded in 2013 due to the items described above.

Basic earnings per Class B share were $6.31 for 2014 versus the $3.04 recorded for 2013. Diluted earnings per Class B share were $6.19 for 2014 and $2.99 for 2013.

Adjusted basic earnings per Class B share (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below) was $6.53 for 2014, up 47% from $4.43 in 2013.

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

The movement in foreign currency exchange rates in 2014 versus 2013 had an estimated positive translation impact of $0.33 on adjusted basic earnings per Class B share. This estimated foreign currency impact reflects the currency translation in all foreign operations and the translation of U.S. dollar-denominated transactions in the Canadian Container operation, where almost all sales and a significant portion of input costs are U.S. dollar-denominated.

F) Seasonality and Fourth Quarter Financial Results

2014	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year
Sales					
Label	$ 423.8	$ 423.8	$ 437.3	$ 433.4	**$ 1,718.3**
Avery	132.9	174.2	204.7	154.6	**666.4**
Container	53.0	52.4	47.7	47.8	**200.9**
Total sales	$ 609.7	$ 650.4	$ 689.7	$ 635.8	**$ 2,585.6**
Segment operating income					
Label	$ 69.5	$ 56.0	$ 59.2	$ 58.0	**$ 242.7**
Avery	13.1	28.4	44.9	22.9	**109.3**
Container	6.0	4.8	3.0	4.1	**17.9**
Operating income	88.6	89.2	107.1	85.0	**369.9**
Corporate expenses	6.3	7.4	11.1	9.9	**34.7**
Restructuring and other items	0.9	1.1	—	7.1	**9.1**
Earnings in equity accounted investments	(0.1)	(1.0)	(0.5)	(2.1)	**(3.7)**
	81.5	81.7	96.5	70.1	**329.8**
Finance cost, net	6.7	6.3	6.6	6.0	**25.6**
Earnings before income taxes	74.8	75.4	89.9	64.1	**304.2**
Income taxes	22.2	20.1	26.8	18.5	**87.6**
Net earnings	$ 52.6	$ 55.3	$ 63.1	$ 45.6	**$ 216.6**
Per Class B share					
Basic earnings	$ 1.54	$ 1.61	$ 1.83	$ 1.33	**$ 6.31**
Diluted earnings	$ 1.51	$ 1.58	$ 1.79	$ 1.31	**$ 6.19**
Adjusted basic earnings	$ 1.56	$ 1.63	$ 1.83	$ 1.51	**$ 6.53**

2013		Qtr 1		Qtr 2		Qtr 3		Qtr 4		Year
Sales										
Label	$	312.3	$	309.9	$	360.4	$	361.6	$	1,344.2
Avery		—		—		201.7		153.8		355.5
Container		51.4		51.5		44.5		42.3		189.7
Total sales	$	363.7	$	361.4	$	606.6	$	557.7	$	1,889.4
Segment operating income										
Label	$	56.6	$	45.0	$	48.7	$	45.0	$	195.3
Avery		—		—		16.2		24.2		40.4
Container		5.4		5.2		2.9		3.0		16.5
Operating income		62.0		50.2		67.8		72.2		252.2
Corporate expenses		7.6		6.9		9.3		9.7		33.5
Restructuring and other items		1.3		1.4		18.3		24.2		45.2
Earnings in equity accounted investments		0.4		0.2		0.5		0.8		1.9
		53.5		42.1		40.7		39.1		175.4
Finance cost, net		5.2		5.9		7.7		6.8		25.6
Earnings before income taxes		48.3		36.2		33.0		32.3		149.8
Income taxes		14.2		9.8		9.4		12.8		46.2
Net earnings	$	34.1	$	26.4	$	23.6	$	19.5	$	103.6
Per Class B share										
Basic earnings	$	1.01	$	0.77	$	0.68	$	0.58	$	3.04
Diluted earnings	$	0.99	$	0.76	$	0.67	$	0.57	$	2.99
Adjusted basic earnings	$	1.04	$	0.82	$	1.38	$	1.19	$	4.43

Fourth Quarter Results

Sales for the fourth quarter of 2014 improved 14.0% to $635.8 million, compared to $557.7 million recorded in the 2013 fourth quarter. Excluding currency translation, sales for the fourth quarter of 2014 increased by 9.6% compared to the prior year period. This increase was due to 2.8% of organic growth and 6.8% impact from acquisitions. The Label, Avery and Container Segments posted sales increases of 19.9%, 0.5% and 13.0%, respectively.

Operating income (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below) in the fourth quarter of 2014 was $85.0 million, an increase of 17.7% from $72.2 million in the fourth quarter of 2013. For the fourth quarter of 2014 compared to the same period in 2013, the Label and Container Segments recorded improvements in operating income of 28.9% and 36.7%, respectively. The improvement in the Label Segment was driven by strong results in North America including the acquired Sancoa business, partially offset by a decline in the emerging market results due to start-up costs for the new operation in the Philippines. Results for the Container Segment benefited from the sharp appreciation of the U.S. dollar as all of production from the Canadian plant is sold in the United States, although this benefit was largely offset by the impact of U.S. dollar purchases at the Canadian operations of the Label and Avery Segments. Operating income at the Avery Segment was a strong $22.9 million for the fourth quarter of 2014 compared to $24.2 million in the prior year period. Avery generated a fourth quarter return on sales of 14.8% (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below), at the high end of management’s target range. Foreign currency translation contributed an improvement of 4.2% to the consolidated operating income.

EBITDA (a non-IFRS measure; see “Key Performance Indicators and Non-IFRS Measures” in Section 5A below) for the fourth quarter of 2014 was $111.7 million, an increase of 16.2% compared to the $96.1 million for the 2013 comparable period.

Corporate expenses were $9.9 million in the fourth quarter of 2014, an increase of $0.2 million from $9.7 million recorded in the prior-year period. The increase is attributable to the increase in directors' deferred share unit expense that is directly a result of the gain in the Company's share price during the fourth quarter of 2014.

Net finance cost was $6.0 million for the fourth quarter of 2014 compared to $6.8 million for the fourth quarter of 2013. The decrease was attributable to the reduction in total outstanding debt for the 2014 fourth quarter compared to the same period a year ago.

For the fourth quarter of 2014, restructuring cost and other items represented a loss of $7.1 million ($6.1 million after tax) as follows:

- For the Avery Segment, $1.5 million ($1.1 million after tax) representing the final European severance costs in CCL's reorganization plan and trailing transaction fees associated with the acquisition of the business.
- For the Label Segment, $5.6 million ($5.0 million after tax) primarily for costs associated with the closure of a plant in France, severance expenses associated with the DES business and transaction costs related to the Label Segment acquisitions closed in 2014.

The negative earnings impact of these restructuring and other items in 2014 was $0.18 per Class B share.

For the fourth quarter of 2013, restructuring cost and other items represented a loss of $24.2 million ($20.7 million after tax) as follows:

- For the Avery and DES acquisition, $12.5 million ($9.1 million after tax) for severance, facility closure costs, transaction and other associated costs with the acquisition and re-organization of the businesses.
- For the Container Segment, $11.0 million with no tax impact for severance and asset write downs to close the Canadian operations.
- For a small label plant in France, $0.7 million ($0.6 million after tax) for severance costs to downsize the operation.

The negative earnings impact of these restructuring and other items in 2013 was $0.61 per Class B share.

Tax expense in the fourth quarter of 2014 was $18.5 million compared to $12.8 million in the prior year period. The effective tax rates for these two periods are 29.8% and 40.4%, respectively. The decrease in the effective tax rate, excluding earnings in equity accounted investments, resulted from the aforementioned tax treatment of restructuring charges in the comparative fourth quarters.

The net earnings in the fourth quarter of 2014 were $45.6 million compared to net earnings of $19.5 million in last year's fourth quarter. This increase reflects the items described above.

Basic earnings per Class B share were $1.33 in the fourth quarter of 2014 compared to $0.58 in the fourth quarter of 2013. The movement in foreign currency exchange rates in the fourth quarter of 2014 compared to 2013 had an estimated positive impact on the translation of CCL's basic earnings of $0.04 per Class B share.

Adjusted basic earnings per Class B share (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) were $1.51 for the fourth quarter of 2014, an improvement of 26.9% compared to $1.19 in the corresponding quarter of 2013.

Summary of Seasonality and Quarterly Results

Historically, the seasonality of the Label and Container Segments had evolved such that the first and second quarters were generally the strongest due to the number of work days and various customer-related activities. Also, there are many products that have a spring-summer bias in North America and Europe such as agricultural chemicals and certain beverage products, which generate additional sales volumes for CCL in the first half of the year. However, with the addition of Avery, the third quarter will be the strongest for CCL sales as Avery benefits from the "back-to-school" surge in North America. The final quarter of the year is negatively affected from a sales perspective in the Northern Hemisphere by Thanksgiving and globally by the Christmas and New Year holiday season shutdowns.

Sales and net earnings comparability between the quarters of 2014 and 2013, were primarily affected by regional economic variances, the impact of dramatic foreign currency changes relative to the Canadian dollar, the timing of acquisitions and the effect of restructuring, tax adjustments and other items.

The Label Segment has generally experienced strong demand in its existing and newly acquired operations in the past few years. The Segment increased sales, excluding the impact of currency translation, in all four quarters of 2014, primarily driven by organic growth and acquisitions.

Return on sales (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) for the Label Segment in 2014 was 14.1% compared to 14.5% in 2013 reflecting the margin impact of the acquired DES and Sancoa businesses. The Sancoa acquisition also impacted results for the third and fourth quarters of 2014, historically the slowest periods for CCL's legacy label operations, yet the busiest for Sancoa resulting in an uptick in return on sales for these periods.

The Avery Segment quarterly results mirrored its expected seasonal pattern for 2014, posting robust results for the third quarter of the year reflecting the "back-to-school" intensity in North America. Third quarter 2014 return on sales in the Avery Segment of 21.9% exceeded margin returns for any Segment in any quarter in the Company.

At the Container Segment quarterly results were true to its seasonal pattern, however, the year-over-year sharp depreciation in the Canadian dollar to the U.S. dollar in the fourth quarter of 2014 bolstered the results for the Segment as all the production in the Canadian plant is sold to U.S. based customers. This was largely offset by the reverse effect on U.S. dollar purchases in Canada at the Avery and Label Segments.

Net earnings in 2014 increased 109.1% compared to 2013. Restructuring charges of $42.5 million for the acquired Avery and DES businesses along with the restructuring expense for the Canadian Container operation reduced 2013 third and fourth quarter net earnings. During the fourth quarter of 2014 additional restructuring charges of $7.1 million were recorded to finalize the Avery and DES restructuring plan and costs predominantly associated with the closure of a Label plant in France. Adjusted basic earnings per Class B share (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below), which excludes the impact of restructuring charges and other unique acquisition related items, was $6.53 for 2014, up 47.4% from $4.43 in 2013.

2. BUSINESS SEGMENT REVIEW

A) General

Over the last decade all divisions invested significant capital and management effort to develop world-class manufacturing operations, with spending allocated to geographic expansion, cost-reduction projects, the development of innovative products and processes, the maintenance and expansion of existing capacity and the continuous improvement in health and safety in the workplace, including environmental management. CCL also makes strategic acquisitions for global competitive advantage, servicing large customers, taking advantage of new geographic markets, finding adjacent and new product opportunities, adding new customer segments, building infrastructure and improving operating performance across the Company. Since 2009, average annual capital spending has been broadly in line with annual depreciation expense. The new Avery Segment is less capital intensive as a percentage of sales than CCL's legacy business. Further discussion on capital spending is provided in the "Business Segment Review" sections below.

Although each Segment is a leader in market share or has a significant position in the markets it serves in each of its operating locales, it also operates generally in a mature and competitive environment. In recent years, consumer products and healthcare companies have experienced steady pressure to maintain or even reduce prices to their major retail and distribution channels, which has driven significant consolidation in CCL's customer base. This has resulted in many customers seeking supply-chain efficiencies and cost savings in order to maintain profit margins. The global economic crisis experienced in 2008 and early 2009, the instability of the economic recovery that followed and its effect on the availability of capital accentuated this trend. Volatile commodity costs have also created challenges to manage pricing with customers. These dynamics have been an ongoing challenge for CCL and its competitors, requiring greater management and financial control and flexible cost structures. Unlike some of its competitors, CCL has the financial strength to invest in the equipment and innovation necessary to constantly strive to be the highest value-added producer in the markets that it serves.

Avery reaches its consumers, including small businesses, through distribution channels that include mass-market merchandisers, retail superstores, wholesalers, e-tailers and contract stationers. Merger activity and store closures in these distribution channels can lead to short term volume declines as customer inventory positions are consolidated. Avery is the leading brand in its core markets, with the principal competition being lower priced private label products. Avery has experienced secular decline in its core mailing address label product as e-mail and internet-based digital communication has grown rapidly. In response, Avery has developed innovative new products targeted at applications such as shipping labels and product identification. It is CCL's expectation that growth in these new printable media products and in new markets for existing products may soon exceed the decline in volume for mailing applications and reestablish a growth rate for the Segment. It is also CCL's expectation that Avery will open up new revenue streams in short run digital printing applications. Strategic acquisitions like LCL and Nilles will expand Avery's digital print capabilities to the commercial graphic arts sector and e-commerce platform to custom designed roll fed labels in new markets around the world.

The cost of many of the key raw material inputs for CCL, such as plastic films and resins, paper, specialty chemicals and aluminum, are largely dependent on the economics within the petrochemical and energy industries. The significant cost fluctuations for these inputs can have an impact on the Company's profitability. CCL generally has the ability, due to its size and the use of long-term contracts with both its suppliers and its customers, to mitigate volatility in costs from its suppliers and, where necessary, to pass on price movements to its customers. The success of the Company is dependent on each business managing the cost-and-price equation with suppliers and customers. The cost of aluminum represents the largest component of the Container Segment's product cost. The significant volatility in aluminum costs over the past few years has made it especially challenging to manage pricing with its customers who are generally accustomed to more stable pricing in other product lines. Consequently, the Container Segment successfully introduced pricing mechanisms in its customer contracts that passes through the fluctuations in the cost of aluminum as the commodity price changes on the London Metals Exchange ("LME").

Most of CCL's facilities are in locations with adequate skilled labour, resulting in moderate pressure on wage rates and employee benefits. CCL's labour costs are competitive in each of its businesses. The Company uses a combination of annual and long-term incentive plans specifically designed for corporate, divisional and plant staff to focus key employees on the objectives of achieving annual business plans and creating shareholder value through growth, innovation, cost reductions and cash flow generation in the longer term.

A driver common to all Segments for maximizing operating profitability is the discipline of pricing contracts based on size and complexity, including consideration for fluctuations in raw materials and packaging costs, manufacturing efficiency and available capacity. This approach facilitates effective asset utilization and relatively higher levels of profitability. Performance is generally measured by product against estimates used to calculate pricing, including targets for scrap and output efficiency. An analysis of total utilization versus capacity available per production line or facility is also used to manage certain divisions of the business. In most of the Company's operations, the measurement of each sales order shipped is based on actual selling prices and production costs to calculate the amount of actual profit margin earned and its return on sales relative to the established benchmarks. This process ensures that pricing policies and production performance are aligned in attaining profit margin targets by order, by plant and by division.

Performance measures used by the divisions that are critical to meeting their operating objectives and financial targets are return on sales, cash flow, days of working capital employed and return on investment. Measures used at the corporate level include operating income, return on sales, EBITDA, net debt to total book capitalization, return on equity, return on total capital, free cash flow and adjusted basic earnings per Class B share (all of which are non-IFRS measures; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below). Growth in adjusted earnings per Class B share is a key metric. In addition, the Company monitors earnings per share before restructuring and other items since the timing and extent of restructuring and other items do not reflect or relate to the Company's future ongoing operating performance. Performance measures are primarily evaluated against a combination of prior year, budget, industry standards and other internal benchmarks to promote continuous improvement in each business and process.

Management believes it has both the financial and non-financial resources, internal controls and reporting systems and processes in place to execute its strategic plan, to manage its key performance drivers and to deliver targeted financial results over time. In addition, the Company's internal audit function provides another discipline to ensure that its disclosure controls and procedures and internal control over financial reporting will be assessed on a regular basis against current corporate standards of effectiveness and compliance.

CCL is not particularly dependent upon specialized manufacturing equipment. Most of the manufacturing equipment employed by the divisions can be sourced from many different suppliers. CCL, however, has the resources to invest in large-scale projects to build infrastructure in current and new markets because of its financial strength relative to that of many of its competitors. Most of CCL's direct competitors in the Label Segment are much smaller and may not have the financial resources to stay current in maintaining state-of-the-art facilities. Certain new manufacturing lines take many months for suppliers to construct, and any delays in delivery and commissioning can have an impact on customer expectations and the Company's profitability. The Company also uses strategic partnerships as a method of obtaining proprietary technology in order to support growth plans and to expand its product offerings. CCL's major competitive advantage is based on its strong customer service, process technology, the know-how of its people, market leading brand awareness and loyalty, and the ability to develop proprietary technologies and manufacturing techniques.

The expertise of CCL's employees is a key element in achieving the Company's business plans. This know-how is broadly distributed throughout the Company and its 101 facilities throughout the world; therefore, the Company is generally not at risk of losing its competency through the loss of any particular employee or group of employees. Employee skills are constantly being developed through on-the-job training and external technical education, and are enhanced by CCL's entrepreneurial culture of considering creative alternative applications and processes for the Company's manufactured products.

The nature of the research carried out by the Label and Container Segments can be characterized as application or process development. As a leader in specialty packaging, the Company spends meaningful resources on assisting customers to develop new and innovative products. While customers regularly come to CCL with concepts and request assistance to develop products, the Company also takes its own new ideas to the market. Company and customer information is protected through the use of confidentiality agreements and by limiting access to CCL's manufacturing facilities. The Company values the importance of protecting its customers' brands and products from fraudulent use and consequently is selective in choosing appropriate customer and supplier relationships.

Avery has a strong commitment to understanding its ultimate end users, actively seeking product feedback and using consumer focus groups to drive product development initiatives. Furthermore, it leverages the Label Segment's applications and technology to deliver product innovation that aligns with consumer printable media trends.

The Company continues to invest time and capital to upgrade and expand its information technology systems. This investment is critical to keeping pace with customer requirements and in gaining or maintaining a competitive edge. Software packages are, in general, off-the-shelf systems customized to meet the needs of individual business locations. The Label Segment communicates with many customers and suppliers electronically, particularly with regard to supply-chain management solutions and when transferring and confirming design formats and colours. A core attribute of Avery's printable media products is the customized software to enable short run digital printing in businesses and homes. Avery recognizes that it is critical to relentlessly innovate in its software solutions to maintain its market leading position with consumers. In 2014, Avery launched "WePrint™" expanding its software solutions, and acquired Nilles's e-commerce platform to leverage acquired digital print software into the pre-existing Avery suite.

Within the Avery Segment, all products are sold under the market leading "Avery" brand, and with equal prominence in German speaking countries, the "Zweckform" brand name. The Company recognizes that in order to maintain the pre-eminent positions for Avery and Zweckform, it must continually invest in promoting these brands. Unique consumer insights result in successful easy-to-use products supported by the largest end user website in CCL's industry, advertising, promotions and other brand development activities in a variety of communication mediums. Product quality, innovation and performance are recognized attributes to the success of these brands.

The Company has deployed many initiatives to reduce the carbon footprint of its products and services. These include collaborative logistic partnerships with the Company's customers and suppliers to reduce the usage of wooden pallets and corrugated boxes. CCL continues to develop unique products that help its customers reduce their carbon footprint such as CCL's Super Stretch Sleeves that decorate PET beverage containers without adhesive or energy and CCL's "wash off" labels for reusable bottles, which lowers the impact of glass going to landfill. The Company's greenfield sites are designed and constructed to specific standards to reduce CCL's carbon footprint and some plants have adopted the use of solar power to run their facilities.

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

In addition to CCL's dedication to preserving the environment, the Company recognizes it must be a socially responsible organization. CCL is committed to fair labour practices, maintaining a safe workplace and giving back to its employees and the communities in which it operates. The Company's confidential ethics hotline allows employees to safely voice concerns and CCL's Employee Assistance Program provides reassuring advice and support for anxieties outside the workplace.

Business Segment Results

	2014	2013
Segment sales		
Label	$ 1,718.3	$ 1,344.2
Avery	666.4	355.5
Container	200.9	189.7
Total sales	$ 2,585.6	$ 1,889.4
Operating income*		
Label	$ 242.7	$ 195.3
Avery	109.3	40.4
Container	17.9	16.5
Segment operating income	$ 369.9	$ 252.2

* This is a non-IFRS measure. Refer to "Key Performance Indicators and Non-IFRS Measures" in Section 5A below.

Comments on Business Segments

The above summary includes the results of acquisitions on reported sales and operating income from the date of acquisition.

Operating income in 2014 was $369.9 million, an improvement of 47% compared to $252.2 million in 2013. The increase in operating income was attributable to the improvements in all of CCL's Segments, Label, Avery and Container in 2014 compared to 2013. Excluding the impact of foreign currency translation, operating income increased by 40.2% over the prior year. Return on sales (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) increased to 14.3% in 2014 compared to 13.3% in 2013, primarily reflecting the benefit of a full year of results from the Avery Segment following the Company's restructuring initiative.

B) Label Segment

Overview

The Label Segment is the leading global producer of innovative label solutions for consumer product marketing companies in the personal and beauty care, food and beverage, household, chemical and promotional segments of the industry, and also supplies major pharmaceutical, healthcare, automotive, durable goods and industrial chemical companies. The Segment's product lines include pressure sensitive, shrink sleeve, stretch sleeve, in-mould, precision printed and die cut metal components, expanded content labels and pharmaceutical instructional leaflets. It currently operates 76 production facilities located in Canada, the United States (including Puerto Rico), Australia, Austria, Brazil, Chile, China, Denmark, Egypt, France, Germany, Italy, Japan, Mexico, the Netherlands, Oman, Pakistan, Philippines, Poland, Russia, Saudi Arabia, Switzerland, Thailand, Turkey, United Arab Emirates, the United Kingdom and Vietnam. The four plants in Russia, five plants in the Middle East, one plant in Chile and a plant in Thailand are connected to the equity investments in CCL-Kontur, Pacman-CCL, Acrus-CCL and CCL-Taisei respectively, and are included in the above locations.

This Segment operates within a sector of the packaging industry made up of a very large number of competitors that manufacture a vast array of decorative, product information and identification labels. There are some label categories that do not fall within the Segment's target market. The Company believes that the Label Segment is the largest consolidated operator in most of its defined global label market sectors. Competition largely comes from single-plant businesses, often owned by private operators who compete in local markets with CCL. There are also a few multi-plant competitors in certain regions of the world and specialists in a single market segment globally. However, there is no major competitor that has the global reach and scale of CCL Label.

CCL Label's mission is to be the global supply-chain leader of innovative premium package and promotional label solutions for the world's largest consumer product, healthcare and durable goods companies. It aspires to do this from regional facilities that focus on specific customer groups, products and manufacturing technologies in order to maximize management's expertise and manufacturing efficiencies to enhance customer satisfaction. The Label Segment is expected to continue to grow and expand its global reach through acquisitions, joint ventures and greenfield start-ups as well as expand its product offerings in segments of the label industry that it has not yet entered.

The Company has completed several label acquisitions over the past few years that have positioned the Label Segment as a global leader within its multinational customer base in the personal care, healthcare, household, food, beverage, automotive, durable goods and specialty label categories.

The Segment considers customers' demand levels, particularly in North America and Western Europe, to be reasonably mature and, as such, will continue to focus its expansion plans on innovative and higher growth product lines within those geographies with a view to improving overall profitability. In Asia, Latin America and other emerging markets, a higher level of economic growth is still expected over the coming years, despite the slower conditions experienced in the second half of 2014. This should provide opportunities for the Segment to improve market share and increase profitability in these regions.

The Segment produces labels predominantly from polyolefin films and paper partly sourced from extruding, coating and laminating companies, using raw materials primarily from the petrochemical and paper industries. CCL Label is generally able to mitigate the cost volatility of these components due to a combination of purchasing leverage, agreements with suppliers and its ability to pass on these cost increases to customers. In the label industry, price changes regularly occur as specifications are constantly changed by the marketers and, as a result, the selling price for these labels is updated, reflecting current market costs and new shapes and designs.

CCL Design now represents a significant fourth component of the Label Segment. The 2013 acquisitions of INT operating in Germany, and DES with operations in North America and Italy, give CCL Design a global scope to support the automotive and durable goods market.

There is a close alignment in label demand to consumer staples other than CCL Design, which is completely aligned to the automotive and durable goods industry. Management believes the Company will attain the sales volumes, geographic distribution and reach, mirroring those of its customers over the next few years through its focused strategy and by capitalizing on following customer trends.

CCL Label's global customers are requiring more of their suppliers, expecting a full range of product offerings in more geographic regions; further integration into their supply-chain at a global level and protection of their brands, particularly in markets where counterfeiting is rife. These requirements put many of CCL's competitors at a disadvantage, as do the investment hurdles in converting equipment and technologies to deliver products, services and innovations. Trusted and reliable suppliers are important considerations for global consumer product companies, major pharmaceutical companies and OEMs in the durable goods business. This is even more important in an uncertain economic environment when many smaller competitors encounter difficulties and customers want to ensure their suppliers are financially viable.

Label Segment Financial Performance

		2014	**% Growth**		2013
Sales	**$**	**1,718.3**	**27.8%**	$	1,344.2
Operating income	**$**	**242.7**	**24.3%**	$	195.3
Return on sales		**14.1%**			14.5%

Sales in the Label Segment for 2014 increased to $1,718.3 million, compared to $1,344.2 million in 2013. Foreign currency translation had a favourable impact of 6.0%. Excluding foreign currency translation, the Label Segment increased 6.5% from strong organic growth and 15.3% due to the positive benefit of seven acquisitions since the beginning of the 2013 year.

Sales in 2014 for **North America** increased significantly compared to 2013 due to a full year of results from DES, the Sancoa acquisition, solid organic growth and the translation impact of the stronger U.S. dollar which enhanced Canadian dollar revenues. Healthcare & Specialty results improved considerably as the prior year was impacted by FDA quarantines at certain pharmaceutical customers. The Home & Personal care business, excluding the Sancoa acquisition grew modestly, in a soft consumer staples market. Results for Sancoa, subsequent to the restructuring initiatives improved each consecutive quarter in 2014, meeting management expectations. Sales in the Food and Beverage sector improved but profitability fell due to operational challenges at the main Sleeve plant which expanded its capacity. Sales for the Wine & Spirits operations advanced on market share gains and moved to solid profitability compared to start-up losses in 2013. Sales for CCL Design, a significant portion of the acquired DES operations, were driven by strong demand in the automotive market and operating margins improved year-over-year due to cost reduction initiatives. Overall profitability, excluding the DES and Sancoa acquisitions, was up double digits due to the rebound in profitability in Healthcare & Specialty, gains in Home & Personal Care and the absence of start-up losses in the Wine & Spirits sector. Including the mix affect from the results of the aforementioned acquisitions, return on sales improved slightly in North America.

European sales were up mid-single digits for 2014, excluding currency translation and the impact of acquisitions in the region compared to 2013. The Home & Personal Care business continues to make market share gains and profitability improvements attributable to strong operational execution, in particular, a reversal of operating losses in France. Healthcare & Specialty sales, excluding foreign currency translation and the Bandfix acquisition, were up slightly but profitability declined as advances in Scandinavia were offset by a change in business mix in France and foreign exchange challenges in the UK with the weaker euro. Results in Food & Beverage in local currencies, excluding the Dekopak acquisition, were strong on continued solid performance in Sleeves partially offset by start-up losses at the new APF film extrusion plant, and robust sales and profit gains in Beverage. Sales improved significantly at the CCL Design business due to the acquisition of INT, the small Italian operation included in DES and strong automotive demand. Profitability declined slightly due to a large German customer insolvency resulting in a receivables write-down of $1.7 million. Overall, European operating income excluding acquisitions and currency translation increased appreciably and as a percent of sales, compared to the prior year. The newly acquired businesses, Nilles in Germany, Dekopak in Turkey and Bandfix in Switzerland met management expectations for the year but did not contribute meaningfully to results.

Sales in **Latin America** increased double digits for 2014 compared to 2013 excluding the impact of currency translation. Market share gains drove strong sales growth in Mexico outpacing solid gains in Brazil. Foreign exchange related input cost pressures due to the strong U.S. dollar offset incremental profitability associated with revenue improvement in both Brazil and Mexico. This resulted in flat profitability for the year albeit operating margin levels in the region remain above the CCL average.

Asia Pacific continued to post double-digit increases in sales for 2014 compared to 2013; however, the rate of improvement declined appreciably in the second half of the year and was up only low single digits in the fourth quarter. For the year, operations in China delivered substantial improvement in both sales and operating income on market share gains, strong domestic demand and reduced losses at the plant in Tianjin. ASEAN results were mixed with Thailand affected by a change in business mix, start-up losses in the Philippines, while results in Vietnam improved significantly. Australia and South Africa experienced mixed results with profit advances in Wine & Spirits and Beverage operations almost entirely offset by poor results at the Healthcare plants that experienced revenue and profitability decline. Overall profitability in the Asia Pacific region increased, excluding the start-up expenses for the Philippines operation, which only commenced trading in the fourth quarter of 2014.

Operating income for the Label Segment improved 24.3% to $242.7 million for 2014 compared to $195.3 million for 2013. Excluding the $2.1 million non-cash acquisition accounting adjustment for the fair value of the acquired DES inventory in 2013, operating income increased 22.9% for 2014. Foreign currency translation had a positive effect of 6.2% on 2014 operating income compared to 2013. Operating income as a percentage of sales was 14.1% in 2014 compared to the 14.5% return generated in the prior year. Although 2014's return on sales declined slightly due to the mix impact of the lower margin DES, Sancoa and other acquisitions, it still remains at the high end of CCL's target range.

The Label Segment invested $106.7 million in capital spending in 2014 compared to $97.7 million last year. The most significant capital investments for 2014 were related to equipment installations to support the Home & Personal Care business in North America and the Food & Beverage sector globally. Capital expenditures in the Label Segment are expected to continue in line with depreciation in order to increase its capabilities, expand geographically and replace or upgrade existing plants and equipment. Depreciation and amortization for the Label Segment was $118.6 million in 2014 compared to $98.7 million in 2013.

C) Avery Segment

Avery is the world's largest supplier of labels, specialty converted media and software solutions to enable short run digital printing in businesses and homes alongside complementary office products sold through distributors and mass market retailers. The products are split into two primary lines, (1) Printable Media including address labels, shipping labels, marketing and product identification labels, indexes and dividers, business cards, name badges and specialty media labels supported by customized software solutions, and (2) BOPWI including binders, sheet protectors and writing instruments. The majority of products in the Printable Media category are used by businesses and individual consumers consistently throughout a year; however, in the BOPWI category, North American consumers engage in the back-to-school surge during the third quarter.

All products are sold under the market-leading "Avery" brand and, with equal prominence in German-speaking countries, under the "Zweckform" brand name that is better known by consumers in this part of Europe.

Avery operates nine manufacturing and four distribution facilities. Sales for Avery are principally generated in North America, Europe and Australia with a market leading position. There is a small developing presence in Latin America. Avery markets its products to consumers and small businesses through many channels that include the mass-market merchandisers, retail superstores, wholesalers, "e-tailers" and contract stationers. The business reaches consumers through marketing activities including Avery.com.

Subsequent to CCL's acquisition on July 1, 2013, Avery implemented a comprehensive restructuring plan to right size operations and the management organization which was completed in the fourth quarter of 2014. In addition to headcount reductions throughout the acquired business, the Company reduced its North American supply chain infrastructure closing the two facilities in Massachusetts. Operations from these two facilities were reallocated to the remaining footprint in the United States and Mexico, and a new state-of-the-art manufacturing and distribution facility in Whitby, Ontario, that commenced operations in the fourth quarter of 2014 to service the Canadian market. The majority of the aforementioned restructuring charges were taken in 2013, with the final $1.6 million in 2014, largely associated with Europe.

Although Avery remains the clear market leader in its industry, over the last decade it has experienced secular declines in its core mailing address label and other product lines vulnerable to the rise of internet-based digital communication and data storage mediums. It is CCL's expectation that at some point growth in new printable media products and new markets for existing products will exceed the decline in products challenged by secular decline and re-establish a growth rate for the Segment. CCL also expects new revenue streams to open up as digital printing expands around the world.

Avery Segment Financial Performance

		2014	**% Growth**		2013
Sales	**$**	**666.4**	**87.5%**	$	355.5
Operating income	**$**	**109.3**	**170.5%**	$	40.4
Return on sales		**16.4%**			11.4%

Sales in the Avery Segment for 2014 were $666.4 million, reflecting a full year of operations, compared to the $355.5 million posted in 2013 subsequent to the July 1 acquisition. Foreign currency translation had a favourable influence of 6.4% while the LCL acquisition impact was nominal.

North American sales exceeded expectations with Printable Media gains offsetting secular declines in the BOPWI category. Cost reduction programs, new product initiatives and procurement savings took root and absolute profitability improved most notably in the Labels sub-category within the Printable Media sector. The BOPWI category, which benefited from two seasonally stronger quarters post-acquisition, performed well in 2014 maintaining an identical annual operating margin to that posted in the 2013 six-month period.

International sales are mostly generated from products in the Printable Media category representing approximately 25% of the Avery Segments sales for 2014. Sales geographically outperformed expectations in Europe and were slightly behind in Asia Pacific and in Latin America. In all international regions profitability and operating margins were stronger than expected due to cost cutting measures, procurement savings and sound operational execution.

Operating income for 2014 increased 170.5% to $109.3 million compared to $40.4 million in 2013. Operating income improved 98.7% adjusting for the $14.6 million non-cash acquisition accounting adjustment to fair value the finished goods inventory in 2013. Return on sales was a stellar 16.4% for 2014.

The Avery Segment invested $25.0 million in capital spending for 2014 compared to $12.3 million for the six months ending December 31, 2013. The expenditures in 2014 were primarily for equipment upgrades and the purchase of the key manufacturing facility in Germany. In 2013, expenditures were for information technology in order to decouple the business from the former parent, Avery Dennison Corporation and the purchase of the new building to operate the business in Argentina. Depreciation and amortization for the Avery Segment was $12.9 million for 2014 compared to $6.6 million for the six-month period ended December 31, 2013. Capital expenditures are expected to contract for the Avery segment in 2015.

D) Container Segment

Overview

The Container Segment is a leading manufacturer of aluminum specialty containers for the consumer products industry in North America, including Mexico. The key product line is recyclable aluminum aerosol cans for the personal care, home care and cosmetic industries, plus shaped aluminum bottles for the beverage market. The Segment functions in a competitive environment, which includes imports and the ability of customers, in some cases, to shift a product to competing alternative technology.

The Container Segment currently operates from four plants, one each in the United States and Canada and two in Mexico. The Canadian operation for the last number of years has exported its entire output into the United States while posting operating losses since the economic downturn in 2009 through 2013. Therefore, during the fourth quarter of 2013 the decision was made to close the Canadian operation and redistribute the sales volume to the existing Container operations. The immediate plan for this Segment is to focus on improving overall profitability in the United States and growing CCL's presence in Mexico, while redeploying the equipment from the Canadian operation.

Product innovation remains a strategic focus for the Segment, investing significant resources in the development of innovatively shaped and highly decorated containers for existing and new customer applications. As the demand for these new, higher-value products has grown, the Segment has adapted existing production equipment and acquired new technology in order to meet expected overall market requirements and to maximize manufacturing efficiencies.

Aluminum represents a significant variable cost for this Segment. Aluminum is a commodity that is supplied by a limited number of global producers and is traded in the market by financial investors and speculators. Aluminum prices have been extremely volatile in the past few years and continue to have the largest impact on manufacturing costs for the Container Segment requiring disciplined focus on managing selling prices to CCL's customers.

Aluminum trades as a commodity on the LME and the Container Segment in 2009 successfully introduced pricing mechanisms in its customer contracts that pass through the fluctuations in the cost of aluminum to its customers. In specific situations, the Container Segment will hedge some of its anticipated future aluminum purchases using futures contracts on the LME if they are matched to specific fixed-price customer contracts. The Segment hedged 20.1% of its 2014 volume but has only hedged 8.1% of its expected 2015 requirements, and all, including matured 2014 hedges, were matched to fixed-price customer contracts. Existing hedges are priced in the US$1,910 to US$2,060 range per metric ton. The unrealized loss on the aluminum futures contracts as at December 31, 2014, was $0.3 million. Pricing for aluminum in 2014 ranged from US$1,640 to US$2,120 per metric ton, compared to US$1,690 to US$2,130 per metric ton in 2013.

Management believes that the aluminum container business can continue to improve levels of profitability in the coming years with increased demand, continued pricing discipline and by driving greater operational efficiencies with a newly reorganized manufacturing footprint in the United States and Mexico. The aluminum container continues to be generally perceived as more esthetically pleasing by customers and consumers compared to tin plate containers. The biggest risk for the Segment's business base relates to customers shifting their products into containers of other materials such as steel, glass or plastic, leading to a loss in market share. However, certain products and delivery systems can only be provided in an aluminum container. The relative cost of steel versus aluminum containers sometimes impacts the marketers' choice of container and may cause volume gains or losses if customers decide to change from one product form to another. Aluminum costs remain the key factor in determining the level of growth in the market.

In North America, there are three direct competitors in the United States and one in Mexico in the impact-extruded aluminum container business. CCL believes that it is approximately the same size as its key United States competitor in the aerosol market and has about 50% market share. Other competition comes from South American, Asian and European imports; however, currency exchange rates and logistical issues, such as delivery lead times and costs, significantly impact their competitiveness.

The success of new products promoted heavily in the market will have a material impact on the Segment's sales and profitability. Beverage products packaged in CCL's shaped re-sealable aluminum bottles, for example, are directly impacted by the success or failure of these new products in the market. Another growth opportunity is the possibility of acquiring market share from competitors in existing product lines.

The plant in Guanajuato, Mexico, continues to grow as many global marketers that use aluminum containers have moved production of these products to Mexico to achieve cost and logistic savings.

Container Segment Financial Performance

		2014	% Growth		2013
Sales	$	200.9	5.9%	$	189.7
Operating income	$	17.9	8.5%	$	16.5
Return on sales		8.9%			8.7%

For 2014, the Container Segment posted sales of $200.9 million, an increase of 5.9% compared to $189.7 million in 2013. Foreign currency translation had a 4.0% positive impact on sales for 2014 compared to 2013. The Container Segment increased sales modestly in local currency in both the United States and Mexico largely through volume gains. Mix had limited impact and changes in aluminum costs, which were relatively stable, were successfully passed on to customers. The Container Segment for 2014 posted operating income of $17.9 million, an increase of 8.5% compared to $16.5 million for 2013. The drivers of the operating income improvement were strong operational performance in North America, including the Canadian operation that benefited from cost reduction initiatives pursuant to the restructuring plan that was announced in the fourth quarter of 2013. The Mexican operation posted lower operating income due to changes in business mix and start-up costs associated with the first production line moved from the Canadian plant. Return on sales improved to 8.9% for 2014 compared to 8.7% for 2013.

During the fourth quarter of 2013 the Container Segment recorded an $11.0 million restructuring charge for severance and asset write-downs to close the Canadian operations. The Company had budgeted a further $4.0 million of move costs to be recorded of which $0.5 million was incurred in 2014. Subsequent to the closure of the Canadian facility and redistribution of the business to the remaining plants, which is slated for completion by mid-2016, management expects annualized operating improvements totalling $10.0 million.

The Container Segment invested $20.1 million of capital in 2014 compared to $6.0 million last year. The majority of the 2014 expenditures were for the previously announced facility expansion and installation of a new manufacturing line at the U.S. operation to enable the efficient redistribution of part of the Canadian plant's equipment. Depreciation and amortization in 2014 and 2013 were $14.1 million and $14.1 million, respectively. It is management's expectation that capacity and infrastructure additions will total $25.0 million in order to accommodate the redistribution of the Canadian operations to the United States and Mexico with approximately 60% of that spent in 2014.

E) Joint Ventures

In January 2014, the Company acquired an additional 12.5% equity interest in Acrus-CCL, the Chilean wine label joint venture, for US$1.2 million increasing its total ownership to 62.5% of the equity.

In December 2014, CCL contributed a 50% investment in Rheinfelden Americas, LLC ("Rheinfelden"), a newly established joint venture with Rheinfelden Semis GmbH, a leading German producer of aluminum slugs. The initial equity investment of $4.5 million by both parties along with $13.5 million in debt financing will be used to create an alternate source of aluminum slugs in North America.

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

In March 2013, the Company announced the creation of a Home & Personal Care joint venture, CCL-Taisei, in Thailand. CCL holds a 50% equity interest in the newly established Bangkok venture dedicated to making plastic tubes for global customers. In 2013, CCL made equity investments totalling $2.5 million matched by its joint venture partner.

Results from the joint ventures in CCL-Kontur, Russia; Pacman-CCL, Middle East; Acrus-CCL, Chile; CCL-Taisei, Thailand; and Rheinfelden Americas, United States, are not proportionately consolidated into the Label or Container Segment but instead are accounted for as equity investments. CCL's share of the joint ventures net income is disclosed in "Earnings in Equity Accounted Investments" in the consolidated income statement. Sales and profits at CCL-Kontur improved markedly for 2014 compared to the prior year despite challenges with the ruble's depreciation. Pacman-CCL contributed significantly to overall earnings for 2014 and profits included small contributions from start-up operations in Saudi Arabia and Pakistan. For 2014, Acrus-CCL posted significant sales gains and moved to solid profitability compared to breakeven operating performance for 2013. CCL-Taisei completed the construction of its new plant in the fourth quarter of the year and incurred start-up losses in 2014. CCL-Taisei will commence trading in the first quarter of 2015. Rheinfelden Americas results were negligible for 2014. Earnings in equity accounted investments amounted to $3.7 million for 2014 compared to $1.9 million for 2013.

3. FINANCING AND RISK MANAGEMENT

A) Liquidity and Capital Resources

The Company's capital structure is as follows:

		Dec 31, 2014		Dec 31, 2013
Current debt	**$**	**59.1**	$	47.0
Long-term debt	**$**	**600.0**	$	665.0
Total debt[1]	**$**	**659.1**	$	712.0
Cash and cash equivalents	**$**	**(221.9)**	$	(209.1)
Net debt[1]	**$**	**437.2**	$	502.9
Equity	**$**	**1,216.2**	$	1,018.1
Net debt to total book capitalization[1]		**26.4%**		33.1%

[1] Total debt, net debt and net debt to total book capitalization are non-IFRS measures. See "Key Performance Indicators and Non-IFRS Measures" in Section 5A below.

The Company's debt structure at December 31, 2014, was comprised of three private debt placements completed in 1998, 2006 and 2008 for a total of US$239.0 million (C$277.3 million) and a bank syndicated US$322.4 million (C$374.0 million) non-revolving credit and $300.0 million revolving facility. In addition to the scheduled US$10.0 million quarterly repayments, an extra US$2.0 million was repaid against the non-revolving facility in 2014. During 2014, the Company fully repaid all drawdowns, other than contingent letters of credit totalling $3.6 million; consequently there was $296.4 million of unused availability at December 31, 2014. There are no private placement repayments coming due in the next year and the Company expects to repay the US$10.0 million of non-revolving debt coming due at the end of each quarter next year from internally generated cash sources or from its operations.

Net debt (a non-IFRS financial measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) was $437.2 million at December 31, 2014, $65.7 million lower than the net debt of $502.9 million at December 31, 2013. The decrease in net debt was primarily attributable to the aforementioned repayments as well as an increase in cash-on-hand.

Net debt to total book capitalization (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) declined to 26.4% as at December 31, 2014, compared to 33.1% at the end of 2013, due to the decline in net debt and significant increase in net earnings for the year. The Company expects the net debt to total book capitalization to continue to decline as 2015 forecasted cash flows will be used to reduce outstanding debts.

The Company's overall average finance rate was 3.6% as at December 31, 2014, compared to 3.4% as at December 31, 2013. The increase in the average finance rate was caused by the Company's reduction in its prepayable non-revolving and revolving variable rate syndicated debt. The Company is unable to repay, without prohibitive penalties, its fixed rate private placements, which incur an average finance rate of 6.2%.

Interest coverage (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) continues at a high level, and was 13.1 times and 8.5 times in 2014 and 2013, respectively.

The Company's committed credit availability at December 31, 2014, was as follows:

Lines of credit – committed, unused	$	**300.0**
Standby letters of credit outstanding		**3.6**
Total amounts available	$	**296.4**

In addition, the Company had uncommitted and unused lines of credit of approximately US$15.9 million at December 31, 2014. The Company's uncommitted lines of credit do not have a commitment expiration date and may be cancelled at any time by the Company or the banks.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet liabilities when they are due. The Company believes its liquidity will be satisfactory for the foreseeable future due to its significant cash balances, its expected positive operating cash flow and the availability of its unused revolving credit line. The Company anticipates funding all of its future commitments from the above sources but may raise further funds by entering into new debt financing arrangements or issuing further equity to satisfy its future additional obligations or investment opportunities.

B) Cash Flow

Summary of Cash Flows

		2014		2013
Cash provided by operating activities	$	**403.5**	$	333.7
Cash provided by (used in) financing activities		**(138.2)**		314.5
Cash used for investing activities		**(255.2)**		(642.3)
Effect of exchange rates on cash		**2.7**		14.2
Increase in cash and cash equivalents	$	**12.8**	$	20.1
Cash and cash equivalents – end of year	$	**221.9**	$	209.1

In 2014, cash provided by operating activities was $403.5 million, compared to $333.7 million in 2013. Free cash flow from operations (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) reached $264.1 million for 2014 compared to $219.7 million in the prior year. The increase in operating cash flow and free cash flow from operations was primarily attributable to an increase in net earnings, continued improvement in non-cash working capital items partially offset by an increase in interest and income taxes paid.

The Company maintains a rigorous focus on its investment in non-cash working capital. Days of working capital employed (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) were 9 and 11 at December 31, 2014, and December 31, 2013, respectively.

Cash used for financing activities in 2014 was $138.2 million, consisting of net debt repayments of $111.3 million and dividend payments of $37.9 million partly offset by proceeds from the issuance of shares of $8.8 million due to the exercise of stock options and $2.2 million from the repayment of a share purchase loan. In 2013, financing activities provided $314.5 million primarily from borrowing to acquire Avery and DES net against the subsequent partial repayments.

Cash used for investing activities in 2014 of $255.2 million was primarily for the acquisitions totalling $115.9 million and net capital expenditures of $139.3 million (see below). Consequently, cash and cash equivalents increased by $12.8 million in 2014 to $221.9 million.

Capital spending in 2014 amounted to $153.6 million and proceeds from capital dispositions were $14.3 million, resulting in net capital expenditures of $139.3 million compared to $114.0 million in 2013. Gross capital spending exceeded annual depreciation expense as the Company had an opportunity to purchase a key leased facility in the Avery Segment, however net capital expenditures were slightly below annual depreciation expense. The Company is continuing to seek investment opportunities to expand its business geographically, add capacity in its facilities and improve its competitiveness. As in previous years, capital spending will be monitored closely and adjusted based on the level of cash flow generated. Depreciation and amortization in 2014 amounted to $146.4 million, compared to $120.2 million in 2013.

C) Interest Rate, Foreign Exchange Management and Other Hedges

The Company periodically uses derivative financial instruments to hedge interest rate, foreign exchange and aluminum cost risks. The Company does not utilize derivative financial instruments for speculative purposes.

As CCL operates internationally less than 5% of its 2014 sales to end-use customers are denominated in Canadian dollars, the Company has exposure to market risks from changes in foreign exchange rates. The Company partially manages these exposures by contracting primarily in Canadian dollars, euros, U.K. pounds and U.S. dollars. Additionally, each subsidiary's sales and expenses are primarily denominated in its local currency, further minimizing the foreign exchange impact on the operating results. The Company has not used financial instruments to hedge its U.S. dollar foreign exchange risk since 2009. Container Segment U.S. dollar denominated sales to the United States from its Canadian operation are now largely balanced by U.S. dollar denominated purchases at the Label and Avery Segment operations located in Canada.

The Company also has exposure to market risks related to interest rate fluctuations on its debt. To mitigate this risk, the Company maintains a combination of fixed and floating rate debt.

The Company uses interest rate swap agreements ("IRSAs") to allocate notional debt between fixed and floating rates. The Company believes that a balance of fixed and floating rate debt can reduce overall interest expense and is in line with its investment in short-term assets such as working capital, and long-term assets such as property, plant and equipment.

As at December 31, 2014, the Company had an IRSA in place converting US$80.0 million of floating rate debt (hedging a portion of the non-revolving syndicated credit facility) into fixed rate debt as the majority of the Company's debt is floating rate debt. This IRSA expires in September 2016.

The Company is potentially exposed to credit risk arising from derivative financial instruments if a counterparty fails to meet its obligations. CCL's counterparties are large international financial institutions and, to date, no such counterparty has failed to meet its financial obligations to the Company. As at December 31, 2014, the Company's exposure to credit risk arising from derivative financial instruments was nil. The effect of interest on these swap agreements was to increase net finance cost by $0.7 million in 2014 (2013 – reduce by $0.2 million).

As at December 31, 2014, the Company had EUR 61.6 million drawn under the non-revolving credit facility to hedge a portion of its euro-based investment and cash flows.

The only other material hedges in which the Company is involved are the aluminum futures contracts discussed in Section 2D: "Container Segment."

D) Equity and Dividends

Summary of Changes in Equity

For the years ended December 31			**2014**		2013
Net earnings		**$**	**216.6**	$	103.6
Dividends			**(37.7)**		(29.4)
Settlement of exercised stock options			**10.7**		20.1
Purchase of shares held in trust, net of shares released			**0.2**		(9.2)
Contributed surplus on expensing of stock options and stock-based compensation plans			**14.3**		2.3
Normal course issuer bid			**—**		(3.0)
Defined benefit plan actuarial losses, net of tax			**(9.1)**		(0.8)
Increase in accumulated other comprehensive loss			**3.1**		47.3
Increase in equity		**$**	**198.1**	$	130.9
Equity		**$**	**1,216.2**	$	1,018.1
Shares issued at December 31	– Class A (000s)		**2,368**		2,368
	– Class B (000s)		**32,325**		32,021

On March 21, 2013, the Company announced a share repurchase program under a normal course issuer bid to purchase up to 2.1 million Class B non-voting shares, approximately 8.3% of the public float. As of December 31, 2013, the Company had repurchased 50,000 Class B shares for cancellation. This issuer bid expired at the end of its annual term and no shares were repurchased for cancellation in 2014.

In 2014, the Company declared dividends of $37.7 million, compared to $29.4 million declared in the prior year. As previously discussed, the dividend payout ratio in 2014 was 17% (20% in 2013) of adjusted earnings and below the Company’s targeted payout rate of approximately 25% of adjusted earnings. After careful review of the current year’s results and considering the cash flow and income budgeted for 2015, the CCL Board of Directors has declared a 25% increase in the dividend; seven and a half cents per Class B share per quarter, from $0.30 to $0.375 per Class B share ($1.50 per Class B share annualized).

Years ended December 31, 2014 and 2013 (Tabular amounts in millions of Canadian dollars, except per share data)

E) Commitments and Other Contractual Obligations

The Company's obligations relating to debt, leases and other liabilities at the end of 2014 were as follows:

	Dec 31, 2013	Dec 31, 2014						
				Payments Due by Period				
	Carrying Amount	Carrying Amount	Contractual Cash Flows	0–6 Months	6–12 Months	1–2 Years	2–5 Years	More than 5 Years
Non-derivative financial liabilities								
Secured bank loans	$ 3.9	$ 2.4	$ 2.4	$ 0.6	$ 0.5	$ 0.9	$ 0.4	$ —
Unsecured bank loans	4.9	10.8	10.8	0.9	8.6	0.4	0.6	0.3
Unsecured senior notes	253.7	276.8	277.3	—	—	127.6	149.7	—
Finance lease liabilities	0.7	5.7	5.7	0.8	0.8	1.3	2.4	0.4
Unsecured bank credit facility	447.6	362.6	362.6	23.2	23.2	46.4	269.8	—
Other long-term obligations	1.2	0.8	0.8	0.2	0.2	0.4	—	—
Interest on unsecured senior notes	*	*	39.9*	2.8	8.7	11.5	16.9	—
Interest on unsecured bank credit facility	—	—	11.6	1.8	2.5	4.9	2.4	—
Interest on other long-term debt	—	—	1.7	0.6	0.5	0.3	0.3	—
Trade and other payables	475.8	519.4	519.4	519.4	—	—	—	—
Derivative financial liabilities								
Outflow – CF hedges	1.4	0.8	0.3	0.3	—	—	—	—
Interest on derivatives	*	*	1.3*	0.4	0.4	0.5	—	—
Accrued post-employment benefit liabilities	*	*	37.9*	1.3	1.3	4.6	13.6	17.1
Operating leases	—	—	83.4	8.5	8.5	13.5	28.2	24.7
Total contractual cash obligations	$ 1,189.2	$ 1,179.3	$ 1,355.1	$ 560.8	$ 55.2	$ 212.3	$ 484.3	$ 42.5

* Accrued long-term employee benefit and post-employment benefit liability of $2.6 million, accrued interest of $6.5 million on unsecured senior notes and syndicated credit facility and accrued interest of nil on derivatives are reported in trade and other payables in 2014 (2013: $2.6 million, $6.5 million and nil, respectively).

Pension Obligations

Our Company sponsors a number of defined benefit plans in 10 countries that give rise to accrued post-employment benefit obligations. The accrued benefit obligation for these plans at the end of 2014 was $180.8 million (2013 – $123.2 million) and the fair value of the plan assets was $63.0 million (2013 – $25.1 million), for a net deficit of $117.8 million (2013 – $98.1 million). Contributions to defined benefit plans during 2014 were $4.0 million (2013 – $3.2 million). The Company expects to contribute $21.6 million to the pension plans in 2015, inclusive of defined contribution plans. These estimated funding requirements will be adjusted annually thereafter, based on various market factors such as interest rates, expected returns and staffing assumptions, including compensation and mortality. The Company's contributions are funded through cash flows generated from operations. Management anticipates that future cash flows from operations will be sufficient to fund expected future contributions. Details of the Company's pension plans and related obligations are set out in note 19, Employee Benefits, of the consolidated financial statements.

Other Obligations and Commitments

The Company has no material "off-balance sheet" financing obligations except for typical long-term operating lease agreements. The nature of these commitments is described in note 25 of the consolidated financial statements. There are no defined benefit plans funded with CCL stock.

F) Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the President and Chief Executive Officer ("CEO") and the Senior Vice President and Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made regarding public disclosure. CCL's Disclosure Committee reviews all external reports and documents of CCL before publication to enhance the Company's disclosure controls and procedures.

As at December 31, 2014, based on the continued evaluation of the disclosure controls and procedures, the CEO and the CFO have concluded that CCL's disclosure controls and procedures, as defined in National Instrument 52-109 Certificate of Disclosure in Issuers Annual and Interim Filings ("NI 52-109"), are effective to ensure that information required to be disclosed in reports and documents that CCL files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified.

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management is responsible for establishing and maintaining adequate internal control over financial reporting. NI 52-109 requires CEOs and CFOs to certify that they are responsible for establishing and maintaining internal control over financial reporting for the issuer, that internal control has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, that the internal control over financial reporting is effective, and that the issuer has disclosed any changes in its internal control during its most recent interim period that has materially affected or is reasonably likely to materially affect its internal control over financial reporting.

Based on the evaluation of the design and operating effectiveness of CCL's internal control over financial reporting, the CEO and the CFO concluded that the Company's internal control over financial reporting was effective as at December 31, 2014.

There were no material changes in internal control over financial reporting in the financial year ended December 31, 2014.

4. RISKS AND UNCERTAINTIES

The Company is subject to the usual commercial risks and uncertainties from operating as a Canadian public company and as a supplier of goods and services to the non-durable consumer packaging and consumer durables industries on a global basis. A number of these potential risks and uncertainties that could have a material adverse effect on the business, financial condition and results of operations of the Company are as follows:

Uncertainty Resulting from a Sustained Global Economic Crisis

The Company is dependent on the global economy and overall consumer confidence, disposable income and purchasing trends. A global economic downturn or period of economic uncertainty can erode consumer confidence and may materially reduce consumer spending. Any decline in consumer spending may negatively affect the demand for customers' products. This decline directly influences the demand for the Company's packaging components used in its customers' products, and may negatively affect the Company's consolidated earnings. The global economic conditions have affected interest rates and credit availability, which may have a negative impact on earnings due to higher interest costs or the inability to secure additional indebtedness to fund operations or refinance maturing obligations as they come due. In addition, the sustained global economic crisis may have an unpredictable adverse impact on the Company's suppliers of manufacturing equipment and raw materials, which in turn may have a negative impact on the availability of manufacturing equipment and the cost of raw materials. Although the Company has a strong statement of financial position, diverse businesses and a broad geographic presence, it may not be able to manage a reduction in its earnings and cash flow that may arise from lower sales, increased cost of raw materials and decreased profits if the global economic environment deteriorates for an extended period.

Potential Risks Relating to Significant Operations in Foreign Countries

The Company operates plants in North America, Europe, Latin America, Asia, Australia and the Middle East. Sales to customers located outside of Canada in 2014 were over 95% of the Company's total sales, a level similar to that in 2013. Non-Canadian operating results are translated into Canadian dollars at the average exchange rate for the period covered. The Company has significant operating bases in both the United States and Europe. In 2014, 49.0% and 28.1% of total sales were to customers in United States and Europe, respectively. The Company's operating results and cash flows could be negatively impacted by slower or declining growth rates in these key markets. The sales from business units in Latin America, Asia, South Africa and Australia in 2014 were 16.1% of the Company's total sales. In addition, the Company has equity accounted investments in Chile, Russia, Thailand, the United States and the Middle East. There are risks associated with operating a decentralized organization in 101 facilities in countries around the world with a variety of different cultures and values. Operations outside of Canada, the United States and Europe are perceived generally to have greater political and economic risks and include CCL's operations in Latin America, Asia, Russia and the Middle East. These risks include, but are not limited to, fluctuations in currency exchange rates, inflation, unexpected changes in foreign law and regulations, government nationalization of certain industries, currency controls, potential adverse tax consequences and locally accepted business practices and standards that may not be similar to accepted business practices and standards in North America and Europe. Although the Company has controls and procedures intended to mitigate these risks, these risks cannot be entirely eliminated and may have a material adverse effect on the consolidated financial results of the Company.

Competitive Environment

The Company faces competition from other suppliers in all the markets in which it operates. There can be no assurance that the Company will be able to compete successfully against its current or future competitors or that such competition will not have a material adverse effect on the business, financial condition and results of operations of the Company. This competitive environment may preclude the Company from passing on higher material, labour and energy costs to its customers. Any significant increase in in-house manufacturing by customers of the Company could adversely affect the business, financial condition and results of operations of the Company. In addition, the Company's consolidated financial results may be negatively impacted by competitors developing new products or processes that are of superior quality, fit CCL's customers' needs better, or have lower costs; or by consolidation within CCL's competitors or further pricing pressure on the industry by the large retail chains.

Sustainability of Profitability of the Container Segment

The Company's Container Segment operated at a substantial loss in 2009 and 2010; however, it posted a return to profitability in 2011 and its results have continued to improve since then. The main drivers of the previous losses were largely due to the higher sales mix of low-margin household products, the effect of the weaker U.S. dollar, and the negative impact of aluminum hedges and lower volumes. If the Segment is not able to sustain increased prices to maintain and improve its margins, pass cost increases on to its customers, improve operations, and maintain and grow sales volumes to utilize production capacity, it could have a material adverse effect on the business, financial condition and results of operations of the Company. In addition, foreign currency could have a material adverse effect on the Container Segment's results, as the Canadian plant sells almost all of its production to the U.S. market in U.S. dollars. Lastly, the Container Segment has commenced a restructuring plan that encompasses the closure of its Canadian operations and redistribution of its operations to the Segment's other locations in the United States and Mexico. The success or failure of this restructuring initiative could have a material impact on the financial condition and results of operations of the Company.

Foreign Exchange Exposure and Hedging Activities

Sales of the Company's products to customers outside Canada account for approximately 95% of the revenue of the Company. Because the prices for such products are quoted in foreign currencies, any increase in the value of the Canadian dollar relative to such currencies, in particular the U.S. dollar and the euro, reduces the amount of Canadian dollar revenues and operating income reported by the Company in its consolidated financial statements. The Company also buys inputs for its products in world markets in several currencies. Exchange rate fluctuations are beyond the Company's control and there can be no assurance that such fluctuations will not have a material adverse effect on the reported results of the Company. The use of derivatives to provide hedges of certain exposures, such as interest rate swaps, forward foreign exchange contracts and aluminum futures contracts could impact negatively on the Company's operations.

Retention of Key Personnel and Experienced Workforce

Management believes that an important competitive advantage of the Company has been, and will continue to be, the know-how and expertise possessed by its personnel at all levels of the Company. While the machinery and equipment used by the Company are generally available to competitors of the Company, the experience and training of the Company's workforce allows the Company to obtain a level of efficiency and a level of flexibility that management believes to be high relative to levels in the industries in which it competes. To date, the Company has been successful in recruiting, training and retaining its personnel over the long-term, and while management believes that the know-how of the Company is widely distributed throughout the Company, the loss of the services of certain of its experienced personnel could have a material adverse effect on the business, financial condition and results of operations of the Company.

The operations of the Company are dependent on the abilities, experience and efforts of its senior management team. To date, the Company has been successful in recruiting and retaining competent senior management. Loss of certain members of the executive team of the Company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations. This could have a material adverse effect on the business, financial condition and results of operations of the Company.

Acquired Businesses

As part of its growth strategy, the Company continues to pursue acquisition opportunities where such transactions are economically and strategically justified. However, there can be no assurance that the Company will be able to identify attractive acquisition opportunities in the future or have the required resources to complete desired acquisitions, or that it will succeed in effectively managing the integration of acquired businesses. The failure to implement the acquisition strategy, to successfully integrate acquired businesses or joint ventures into the Company's structure, or to control operating performance and achieve synergies may have a material adverse effect on the business, financial condition and results of operations of the Company.

In addition, there may be liabilities that the Company has failed or was unable to discover in its due diligence prior to the consummation of the acquisition. In particular, to the extent that prior owners of acquired businesses failed to comply with or otherwise violated applicable laws, including environmental laws, the Company, as a successor owner, may be financially responsible for these violations. A discovery of any material liabilities could have a material adverse effect on the business, financial condition and results of operations of the Company.

Integration and Restructuring of OCP and DES

Subsequent to the acquisition of Avery and DES on July 1, 2013, CCL announced and began implementation of a comprehensive integration and restructuring initiative for the acquired businesses. These restructuring initiatives were not completed for the Avery business until the fourth quarter of 2014. While the Avery and DES integration appears to have been very successful, evidenced by 2014's results, ongoing risks with this large transaction remain. The Avery business has secular decline product lines that deliver lower gross margin dollars year over year and new product initiatives may not successfully make up for this trend. The CCL Design segment is still a relatively new business for the Company and is associated with the volatility of the automotive industry. Operational integration activities in this part of the business will continue for the next 18 months as plants are consolidated in a more complex business than Avery. A failure to integrate and restructure the acquired businesses in a timely and effective manner could have a material adverse effect on the business, financial condition and results of operations of the Company. The ultimate recognition of this material adverse effect may occur in future periods.

Long-term Growth Strategy

The Company has experienced significant and steady growth since the global economic downturn of 2009. The Company's organic growth initiatives coupled with its international acquisitions over the last number of years can place a strain on a number of aspects of its operating platform including: human infrastructure, operational capacity and information systems. The Company's ability to continually adapt and augment all aspects of its operational platform is critical to realizing its long-term growth strategy. If the Company cannot adjust to its anticipated growth, results of operations may be materially adversely affected.

Exposure to Income Tax Reassessments

The Company operates in many countries throughout the world. Each country has its own income tax regulations and many of these countries have additional income and other taxes applied at state, provincial and local levels. The Company's international investments are complex and subject to interpretation in each jurisdiction from a legal and tax perspective. The Company's tax filings are subject to audit by local authorities and the Company's positions in these tax filings may be challenged. The Company may not be successful in defending these positions and could be involved in lengthy and costly litigation during this process and could be subject to additional income taxes, interest and penalties. The Company may not be able to receive a tax benefit from its taxable losses in domestic or foreign jurisdictions, depending on the timing and extent of such losses. This outcome could have a material adverse effect on the business, financial condition and results of operations of the Company.

Fluctuations in Operating Results

While the Company's operating results over the past several years have indicated a general upward trend in sales and net earnings, operating results within particular product forms, within particular facilities of the Company and within particular geographic markets have undergone fluctuations in the past and, in management's view, are likely to do so in the future. Operating results may fluctuate in the future as a result of many factors in addition to the global economic conditions, and they include the volume of orders received relative to the manufacturing capacity of the Company, the level of price competition (from competing suppliers both in domestic and in other lower-cost jurisdictions), variations in the level and timing of orders, the cost of raw materials and energy, the ability to develop innovative solutions and the mix of revenue derived in each of the Company's businesses. Operating results may also be impacted by the inability to achieve planned volumes through normal growth and successful renegotiation of current contracts with customers and by the inability to deliver expected benefits from cost reduction programs derived from the restructuring of certain business units. Any of these factors or a combination of these factors could have a material adverse effect on the business, financial condition and results of operations of the Company.

Insurance Coverage

Management believes that insurance coverage of the Company's facilities addresses all material insurable risks, provides coverage that is similar to that which would be maintained by a prudent owner/operator of similar facilities and is subject to deductibles, limits and exclusions that are customary or reasonable given the cost of procuring insurance and current operating conditions. However, there can be no assurance that such insurance will continue to be offered on an economically feasible basis or at current premium levels, that the Company will be able to pass through any increased premium costs or that all events that could give rise to a loss or liability are insurable, or that the amounts of insurance will at all times be sufficient to cover each and every loss or claim that may occur involving the assets or operations of the Company.

Dependence on Customers

The Company has a modest dependence on certain customers. The Company's two largest customers combined accounted for approximately 15% of consolidated revenue for fiscal 2014. The five largest customers of the Company represented approximately 28% of the total revenue for 2014 and the largest 25 customers represented approximately 52% of the total revenue. Several hundred customers make up the remainder of total revenue. Although the Company has strong partnership relationships with its customers, there can be no assurance that the Company will maintain its relationship with any particular customer or continue to provide services to any particular customer at current levels. A loss of any significant customer, or a decrease in the sales to any such customer, could have a material adverse effect on the business, financial condition and results of operations of the Company. Consolidation within the consumer products marketer base and office retail superstores could have a negative impact on the Company's business, depending on the nature and scope of any such consolidation.

Environmental, Health and Safety Requirements and Other Considerations

The Company is subject to numerous federal, provincial, state and municipal statutes, regulations, by-laws, guidelines and policies, as well as permits and other approvals related to the protection of the environment and workers' health and safety. The Company maintains active health and safety and environmental programs for the purpose of preventing injuries to employees and pollution incidents at its manufacturing sites. The Company also carries out a program of environmental compliance audits, including independent third-party pollution liability assessment for acquisitions, to assess the adequacy of compliance at the operating level and to establish provisions, as required, for environmental site remediation plans. The Company has environmental insurance for most of its operating sites, with certain exclusions for historical matters.

Despite these programs and insurance coverage, further proceedings or inquiries from regulators on employee health and safety requirements, particularly in Canada, the United States and the European Economic Community (collectively, the "EHS Requirements"), could have a material adverse effect on the business, financial condition and results of operations of the Company. In addition, changes to existing EHS Requirements, the adoption of new EHS Requirements in the future, or changes to the enforcement of EHS Requirements, as well as the discovery of additional or unknown conditions at facilities owned, operated or used by the Company, could require expenditures that might materially affect the business, financial condition and results of operations of the Company, to the extent not covered by indemnity, insurance or covenant not to sue. Furthermore, while the Company has generally benefited from increased regulations on its customers' products, the demand for the services or products of the Company may be adversely affected by the amendment or repeal of laws or by changes to the enforcement policies of the regulatory agencies concerning such laws.

Operating and Product Hazards

The Company's revenues are dependent on the continued operation of its facilities and its customers. The operation of manufacturing plants involves many risks, including the failure or substandard performance of equipment, natural disasters, suspension of operations and new governmental statutes, regulations, guidelines and policies. The operations of the Company and its customers are also subject to various hazards incidental to the production, use, handling, processing, storage and transportation of certain hazardous materials. These hazards can cause personal injury, severe damage to and destruction of property and equipment and environmental damage. Furthermore, the Company may become subject to claims with respect to workplace exposure, workers' compensation and other matters. The Company's pharmaceutical and specialty food product operations are subject to stringent federal, state, provincial and local health, food and drug regulations and controls, and may be impacted by consumer product liability claims and the possible unavailability and/or expense of liability insurance. The Company prints information on its labels and containers that, if incorrect, could give rise to product liability claims. A determination by applicable regulatory authorities that any of the Company's facilities are not in compliance with any such regulations or controls in any material respect may have a material adverse effect on the Company. A successful product liability claim (or a series of claims) against the Company in excess of its insurance coverage could have a material adverse effect on the business, financial condition and results of operations of the Company. There can be no assurance as to the actual amount of these liabilities or the timing thereof. The occurrence of material operational problems, including, but not limited to, the above events, could have a material adverse effect on the business, financial condition and results of operations of the Company.

Decline in Address Mailing Labels

Since the advent of email, traditional mail volumes have declined and more significantly over the past decade. Address labels used for traditional mail was a core product for the acquired Avery business. There is a direct correlation of address label sales volumes to the quantity of mail in circulation in each of the markets in which Avery operates. Accordingly, a further dramatic decline in traditional mail volume, without the introduction of offsetting new consumer printable media applications in Avery, could have a material adverse effect on the business, financial condition and results of operations of the Company.

New Product Developments

The packaging and printable media industries are continually evolving based on the ingenuity of the Company's competitors, consumer preferences and new product identification and information technologies. To the extent that any such new developments result in the decrease in the use of any of the Company's products, a material adverse effect on the business, financial condition and results of operations of the Company could occur.

Labour Relations

While labour relations between the Company and its employees have been stable in the recent past and there have been no material disruptions in operations as a result of labour disputes, the maintenance of a productive and efficient labour environment cannot be assured. Accordingly, a strike, lockout or deterioration of labour relationships could have a material adverse effect on the business, financial condition and results of operations of the Company.

Legal Proceedings

Any alleged failure by the Company to comply with applicable laws and regulations in the countries of operation may lead to the imposition of fines and penalties or the denial, revocation or delay in the renewal of permits and licences issued by governmental authorities. In addition, governmental authorities, as well as third parties, may claim that the Company is liable for environmental damages. A significant judgment against the Company, the loss of a significant permit or other approval or the imposition of a significant fine or penalty could have a material adverse effect on the business, financial condition and results of operations of the Company. Moreover, the Company may from time to time be notified of claims that it may be infringing patents, copyrights or other intellectual property rights owned by other third parties. Any litigation could result in substantial costs and diversion of resources, and could have a material adverse effect on the business, financial condition and results of operations of the Company. In the future, third parties may assert infringement claims against the Company or its customers. In the event of an infringement claim, the Company may be required to spend a significant amount of money to develop a non-infringing alternative or to obtain licences. The Company may not be successful in developing such an alternative or obtaining a licence on reasonable terms, if at all. In addition, any such litigation could be lengthy and costly and could have a material adverse effect on the business, financial condition and results of operations of the Company.

The Company may also be subject to claims arising from its failure to manufacture a product to the specifications of its customers or from personal injury arising from a consumer's use of a product or component manufactured by the Company. While the Company will seek indemnity from its customers for claims made against the Company by consumers, and while the Company maintains what management believes to be appropriate levels of insurance to respond to such claims, there can be no assurance that the Company will be fully indemnified by its customers nor that insurance coverage will continue to be available or, if available, adequate to cover all costs arising from such claims. In addition, the Company could become subject to claims relating to its prior businesses, including environmental and tax matters. There can be no assurance that insurance coverage will be adequate to cover all costs arising from such claims.

Defined Benefit Post-Employment Plans

The Company is the sponsor of a number of defined benefit plans in ten countries that give rise to accrued post-employment benefit obligations. Although the Company believes that its current financial resources combined with its expected future cash flows from operations and returns on post-employment plan assets will be sufficient to satisfy the obligations under these plans in future years, the cash outflow and higher expenses associated with these plans may be higher than expected and may have a material adverse impact on the financial condition of the Company.

Material Disruption of Information Technology Systems

The Company is increasingly dependent on information technology systems to manufacture its products, process transactions, respond to customer questions, manage inventory, purchase, sell and ship goods on a timely basis and maintain cost-efficient operations as well as maintain its e-commerce websites. Any material disruption or slowdown of the systems, including a disruption or slowdown caused by CCL's failure to successfully upgrade its systems, system failures, viruses or other causes, could have a material adverse effect on the business, financial condition and results of operations of the Company. If changes in technology cause the Company's information systems to become obsolete, or if CCL's information systems are inadequate to handle the Company's growth, CCL could incur losses and costs due to interruption of its operations.

Impairment in the Carrying Value of Goodwill and Intangible Assets

As of December 31, 2014, the Company had over $714 million of goodwill and indefinite life intangible assets on its statement of financial position, the value of which is reviewed for impairment at least annually. The assessment of the value of goodwill and intangible assets depends on a number of key factors requiring estimates and assumptions about earnings growth, operating margins, discount rates, economic projections, anticipated future cash flows and market capitalization. There can be no assurance that future reviews of goodwill and intangible assets will not result in an impairment charge. Although it does not affect cash flow, an impairment charge does have the effect of reducing the Company's earnings, total assets and equity.

5. ACCOUNTING POLICIES AND NON-IFRS MEASURES

A) Key Performance Indicators and Non-IFRS Measures

CCL measures the success of the business using a number of key performance indicators, many of which are in accordance with IFRS as described throughout this report. The following performance indicators are not measurements in accordance with IFRS and should not be considered as an alternative to or replacement of net earnings or any other measure of performance under IFRS. These non-IFRS measures do not have any standardized meaning and may not be comparable to similar measures presented by other issuers. In fact, these additional measures are used to provide added insight into CCL's results and are concepts often seen in external analysts' research reports, financial covenants in banking agreements and note agreements, purchase and sales contracts on acquisitions and divestitures of the business, and in discussions and reports to and from the Company's shareholders and the investment community. These non-IFRS measures will be found throughout this report and are referenced alphabetically in the definition section below.

Adjusted Basic Earnings per Class B Share – An important non-IFRS 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-IFRS measure is defined as basic net earnings per Class B share excluding gains on dispositions, goodwill impairment loss, Avery and DES finance costs, non-cash acquisition accounting adjustment to finished goods inventory, restructuring and other items and tax adjustments.

Earnings per Class B Share

	Fourth Quarter		Year-to-Date	
	2014	2013	**2014**	2013
Basic earnings	**$ 1.33**	$ 0.58	**$ 6.31**	$ 3.04
Net loss from restructuring and other items	**0.18**	0.61	**0.22**	1.03
Avery and DES finance costs	**—**	—	**—**	0.02
Non-cash acquisition accounting adjustment to finished goods inventory	**—**	—	**—**	0.34
Adjusted basic earnings	**$ 1.51**	$ 1.19	**$ 6.53**	$ 4.43

Days of Working Capital Employed – A measure indicating the relative liquidity and asset intensity of the Company's working capital. It is calculated by multiplying the net working capital by the number of days in the quarter and then dividing by the quarterly sales. Net working capital includes trade and other receivables, inventories, prepaid expenses, trade and other payables, and income taxes recoverable and payable.

The following table reconciles the net working capital used in the days of working capital employed measure to IFRS measures reported in the consolidated statements of financial position as at the periods ended as indicated.

Days of Working Capital Employed

At December 31 (in millions of Canadian dollars)	**2014**	2013
Trade and other receivables	**$ 381.0**	$ 363.5
Inventories	**192.3**	181.6
Prepaid expenses	**14.9**	13.5
Income taxes recoverable	**11.8**	2.5
Trade and other payables	**(519.4)**	(475.8)
Income taxes payable	**(21.4)**	(21.1)
Net working capital	**$ 59.2**	$ 64.2
Days in quarter	**92**	92
Fourth quarter sales	**$ 635.8**	$ 557.7
Days of working capital employed	**9**	11

Dividend Payout – The ratio of earnings paid out to the shareholders. It provides an indication of how well earnings support the dividend payments. Dividend payout is defined as dividends declared divided by earnings, excluding goodwill impairment loss, Avery and DES finance costs, non-cash acquisition accounting adjustment to finished goods inventory, restructuring and other items and tax adjustments, expressed as a percentage.

Dividend Payout Ratio

	Year-to-Date	
(in millions of Canadian dollars)	**2014**	2013
Dividends declared per equity	**$ 37.7**	$ 29.4
Adjusted earnings	**$ 224.1**	$ 151.0
Dividend payout ratio	**17%**	20%

Earnings per Share Growth Rate – A measure indicating the percentage change in adjusted basic earnings per Class B share (see definition above).

EBITDA – A critical financial measure used extensively in the packaging industry and other industries to assist in understanding and measuring operating results. It is also considered as a proxy for cash flow and a facilitator for business valuations. This non-IFRS measure is defined as earnings before net finance cost, taxes, depreciation and amortization, goodwill impairment loss, earnings in equity accounted investments, non-cash acquisition accounting adjustments, restructuring and other items. The Company believes that EBITDA is an important measure as it allows the assessment of CCL's ongoing business without the impact of net finance costs, 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 the Company's ability to incur or service debt and to invest in property, plant and equipment, and it allows comparison of CCL's business to that of its 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 for CCL's bank lines of credit.

The following table reconciles EBITDA measures to IFRS measures reported in the consolidated income statements for the periods ended as indicated.

EBITDA

	Fourth Quarter		Year-to-Date	
(in millions of Canadian dollars)	**2014**	2013	**2014**	2013
Net earnings	**$ 45.6**	$ 19.5	**$ 216.6**	$ 103.6
Corporate expense	**9.9**	9.7	**34.7**	33.5
Earnings in equity accounted investments	**(2.1)**	(0.8)	**(3.7)**	(1.9)
Finance cost, net	**6.0**	6.8	**25.6**	25.6
Restructuring and other items – net loss	**7.1**	24.2	**9.1**	45.2
Income taxes	**18.5**	12.8	**87.6**	46.2
Operating income (a non-IFRS measure)	**$ 85.0**	$ 72.2	**$ 369.9**	$ 252.2
Less: Corporate expense	**(9.9)**	(9.7)	**(34.7)**	(33.5)
Add: Non-cash acquisition accounting adjustment to finished goods inventory	**—**	—	**—**	16.7
Add: Depreciation and amortization	**36.6**	33.6	**146.4**	120.2
EBITDA (a non-IFRS measure)	**$ 111.7**	$ 96.1	**$ 481.6**	$ 355.6

Free Cash Flow from Operations – A measure indicating the relative amount of cash generated by the Company during the year and available to fund dividends, debt repayments and acquisitions. It is calculated as cash flow from operations less capital expenditures, net of proceeds from the sale of property, plant and equipment.

The following table reconciles the free cash flow from operations measure to IFRS measures reported in the consolidated statements of cash flows for the periods ended as indicated.

Free Cash Flow from Operations

(in millions of Canadian dollars)	**2014**	2013
Cash provided by operating activities	**$ 403.5**	$ 333.7
Less: Additions to property, plant and equipment	**(153.7)**	(116.1)
Add: Proceeds on disposal of property, plant and equipment	**14.3**	2.1
Free cash flow from operations	**$ 264.1**	$ 219.7

Leverage Ratio is a measure that indicates the financial leverage of the Company. It indicates the Company's ability to service its existing debt. Leverage ratio is calculated as net debt (see calculation below) divided by EBITDA.

Leverage Ratio

(in millions of Canadian dollars)		Dec 31, 2014
Current debt	$	59.1
Long-term debt		600.0
Total debt		659.1
Cash and cash equivalents		(221.9)
Net debt	$	437.2
EBITDA	$	481.6
Leverage ratio		0.9

Interest Coverage – A measure indicating the relative amount of operating income earned by the Company compared to the amount of net finance cost incurred by the Company. It is calculated as operating income (see definition below), including discontinued items, less corporate expense, divided by net finance cost on a twelve-month rolling basis.

The following table reconciles the interest coverage measure to IFRS measures reported in the consolidated income statements for the periods ended as indicated.

Interest Coverage

(in millions of Canadian dollars)		2014		2013
Operating income (a non-IFRS measure: see definition below)	$	369.9	$	252.2
Less: Corporate expense		(34.7)		(33.5)
	$	335.2	$	218.7
Net finance cost	$	25.6	$	25.6
Interest coverage		13.1		8.5

Net Debt – A measure indicating the financial indebtedness of the Company assuming that all cash on hand is used to repay a portion of the outstanding debt. It is defined as current debt including cash advances, plus long-term debt, less cash and cash equivalents.

Net Debt to Total Book Capitalization – A measure that indicates the financial leverage of the Company. It measures the relative use of debt versus equity in the book capital of the Company. Net debt to total book capitalization is defined as net debt (see definition above) divided by net debt plus equity, expressed as a percentage.

Operating Income – A measure indicating the profitability of the Company's business units defined as income before corporate expenses, net finance costs, goodwill impairment loss, earnings in equity accounted investments, restructuring and other items and tax.

See the definition of EBITDA above for a reconciliation of operating income measures to IFRS measures reported in the consolidated income statements for the periods ended as indicated.

Restructuring and Other Items and Tax Adjustments – A measure of significant non-recurring items that are included in net earnings. The impact of restructuring and other items and tax adjustments on a per share basis is measured by dividing the after-tax income of the restructuring and other items and tax adjustments by the average number of shares outstanding in the relevant period. Management will continue to disclose the impact of these items on the Company's results because the timing and extent of such items do not reflect or relate to the Company's ongoing operating performance. Management evaluates the operating income of its Segments before the effect of these items.

Return on Equity before goodwill impairment loss, restructuring and other items and tax adjustments ("ROE") – A measure that provides insight into the effective use of shareholder capital in generating ongoing net earnings. ROE is calculated by dividing annual net earnings before goodwill impairment loss, restructuring and other items, Avery and DES finance costs, non-cash acquisition accounting adjustment to finished goods inventory, and tax adjustments by the average of the beginning and the end-of-year equity.

The following table reconciles net earnings used in calculating the ROE measure to IFRS measures reported in the consolidated statements of financial position and in the consolidated income statements for the periods ended as indicated.

Return on Equity

(in millions of Canadian dollars, except per share data)	Year-to-Date 2014	2013
Net earnings	**$ 216.6**	$ 103.6
Restructuring and other items, Avery and DES finance costs, and non-cash acquisition accounting adjustment to finished goods inventory (net of tax)	**7.5**	47.4
Adjusted net earnings	**$ 224.1**	$ 151.0
Average equity	**$ 1,117.2**	$ 952.7
Return on equity	**20.1%**	15.8%

Return on Total Capital before goodwill impairment loss, restructuring and other items and tax adjustments ("ROTC") – A measure of the returns the Company is achieving on capital employed. ROTC is calculated by dividing annual net income before goodwill impairment loss, restructuring and other items, Avery and DES finance costs, non-cash acquisition accounting adjustment to finished goods inventory, and tax adjustments by the average of the beginning and the end-of-year equity and net debt.

The following table reconciles net earnings used in calculating the ROE measure to IFRS measures reported in the consolidated statements of financial position and in the consolidated income statements for the periods ended as indicated.

Return on Total Capital

(in millions of Canadian dollars, except per share data)	Year-to-Date 2014	2013
Net earnings	**$ 216.6**	$ 103.6
Restructuring and other items, Avery and DES finance costs, and non-cash acquisition accounting adjustment to finished goods inventory (net of tax)	**7.5**	47.4
Adjusted net earnings	**$ 224.1**	$ 151.0
Average total capital	**$ 1,587.3**	$ 1,274.2
Return on total capital	**14.1%**	11.9%

Return on Sales – A measure indicating relative profitability of sales to customers. It is defined as operating income (see above definition) divided by sales, expressed as a percentage.

The following table reconciles the return on sales measure to IFRS measures reported in the consolidated statements of earnings in the industry segmented information as per note 4 of the Company's annual financial statements for the periods ended as indicated.

Return on Sales

Year-to-Date (in millions of Canadian dollars)	Sales 2014	Sales 2013	Operating Income 2014	Operating Income 2013	Return on Sales 2014	Return on Sales 2013
Label	**$ 1,718.3**	$ 1,344.2	**$ 242.7**	$ 195.3	**14.1%**	14.5%
Avery	**666.4**	355.5	**109.3**	40.4	**16.4%**	11.4%
Container	**200.9**	189.7	**17.9**	16.5	**8.9%**	8.7%
Total operations	**$ 2,585.6**	$ 1,889.4	**$ 369.9**	$ 252.2	**14.3%**	13.3%

Total Debt – A measure indicating the financial indebtedness of the Company. It is defined as current debt, including bank advances, plus long-term debt.

The following table reconciles total debt used in the total debt measure to IFRS measures reported in the consolidated statement of financial position as at the periods ended as indicated.

Total Debt

At December 31 (in millions of Canadian dollars)	2014	2013
Current debt, including bank advances	**$ 59.1**	$ 47.0
Plus: Long-term debt	**600.0**	665.0
Total debt	**$ 659.1**	$ 712.0

Total Debt to Total Book Capitalization – A measure that indicates the financial leverage of the Company. It measures the relative use of debt versus equity in the book capital of the Company. Total debt to total book capitalization is defined as total debt (see definition above) divided by total debt plus equity, expressed as a percentage.

The following table reconciles the total debt to total book capitalization measure to IFRS measures reported in the consolidated statement of financial position as at the periods ended as indicated.

Total Debt to Total Book Capitalization

At December 31 (in millions of Canadian dollars)	2014	2013
Total Debt (see above table)	**$ 659.1**	$ 712.0
Equity	**$ 1,216.2**	$ 1,018.1
Total debt to total book capitalization	**35.1%**	41.2%

B) Accounting Policies and New Standards

Accounting Policies

The above analysis and discussion of the Company's financial condition and results of operation are based on its consolidated financial statements prepared in accordance with IFRS.

A summary of the Company's significant accounting policies is set out in note 3 of the consolidated financial statements.

Recently Issued New Accounting Standards, Not Yet Effective

In July 2014, the complete IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB. IFRS 9 introduces new requirements for the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment. IFRS 9 also includes a new general hedge accounting standard that aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide for more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. This standard is effective for annual periods beginning on or after January 1, 2018; however, early adoption is permitted. The Company is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

In May 2014, IFRS 15, Revenue from Contracts with Customers ("IFRS 15") was issued and provides guidance on the timing and amount of revenue that should be recognized. It also requires more informative and relevant disclosures. The standard provides a single, principles-based five-step model to be applied to all contracts with customers. This standard is effective for annual periods beginning January 1, 2017; however, early adoption is permitted. The Company is currently evaluating the impact of IFRS 15 on its consolidated financial statements.

In November 2013, the IASB issued amendments to pension accounting under IAS 19, Employee Benefits. The amendments apply retrospectively for annual periods beginning on or after July 1, 2014. Earlier application is permitted. The amendments introduce a relief (practical expedient) that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. When employee contributions are eligible for the practical expedient, a company is permitted (but not required) to recognize them as a reduction of the service cost in the period in which the related service is rendered. The Company intends to adopt these amendments in its financial statements for the annual period beginning on January 1, 2015. The Company does not expect the amendments to have a material impact on the financial statements.

In December 2014, the IASB issued amendments to IAS 1, Presentation of Financial Statements as part of its major initiative to improve presentation and disclosure in financial reports. The amendments are effective for annual periods beginning on or after January 1, 2016; however, early adoption is permitted. The Company is currently evaluating the impact of IAS 1 on its consolidated financial statements and intends to adopt these amendments for the period beginning January 1, 2016.

C) Critical Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of sales and expenses during the year and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. In particular, estimates are used when determining the amounts recorded for depreciation and amortization of property, plant and equipment and intangible assets, outstanding self-insurance claims, pension and other post-employment benefits, income and other taxes, provisions, certain fair value measures including those related to the valuation of business combinations, share-based payments and financial instruments and also in the valuation of goodwill and intangible assets.

Goodwill and Indefinite Life Intangibles

Goodwill represents the excess of the purchase price of the Company's interest in the businesses acquired over the fair value of the underlying net identifiable tangible and intangible assets arising on acquisitions. Goodwill and indefinite life intangibles are not amortized but are required to be tested for impairment at least annually or if events or changes in circumstances indicate that the carrying amount may not be recoverable.

During the fourth quarter, the Company completed its impairment test as at September 30, 2014. Previously, the testing was performed as at December 31 for Label and Container and June 30 for Avery. The change to a common testing date aligns the annual impairment test for all cash-generating units ("CGU"). Impairment testing for Label, Avery and Container Segments was done by a comparison of the unit's carrying amount to its estimated value in use, determined by discounting future cash flows from the continuing use of the unit. Key assumptions used in the determination of the value in use include growth rates of 2.0% to 4.0% and a pre-tax discount rates ranging from 13.0% to 17.0%. Discount rates reflect current market assumptions and risks related to the Segments and are based upon the weighted average cost of capital for the Segment. The Company's historical growth rates are used as a basis in determining the growth rate applied for impairment testing. Significant management judgment is required in preparing the forecasts of future operating results that are used in the discounted cash flow method of valuation. In 2014 and 2013, it was determined that the carrying amount of goodwill and indefinite life intangibles was not impaired. Since the process of determining fair values requires management judgment regarding projected results and market multiples, a change in these assumptions could impact the fair value of the reporting units resulting in an impairment charge.

Long-Lived Assets

Long-lived assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Performance of this evaluation involves management estimates of the associated business plans, economic projections and anticipated cash flows. Specifically, management considers forecasted operating cash flows, which are subject to change due to economic conditions, technological changes or changes in operating performance. An impairment loss would be recognized if the carrying amount of the asset held for use exceeded the discounted cash flow or fair value. Changes in these estimates in the future may result in an impairment charge.

Employee Benefits

The Company accrues its obligation under employee benefit plans and related costs net of plan assets. Pension costs are determined periodically by independent actuaries. The actuarial determination of the accrued benefit obligations for the plans uses the projected unit credit method and incorporates management's best estimate of future salary escalation, retirement age, inflation and other actuarial factors. The cost is then charged as services are rendered. Since these assumptions, which are disclosed in note 19 of the consolidated financial statements, involve forward-looking estimates and are long-term in nature, they are subject to uncertainty. Actual results may differ, and the differences may be material.

D) Related Party Transactions

The Company has entered into a number of agreements with its subsidiaries that govern the management and commercial and cost-sharing arrangements with and among the subsidiaries. These inter-company structures are established on terms typical of arm's length agreements. A summary of the Company's related party transactions are set out in note 26 of the consolidated financial statements.

6. OUTLOOK

CCL posted a record year for 2014 increased revenue 36.8% to $2.6 billion and successfully completed the restructuring and integration of its acclaimed 2013 Avery and DES acquisitions. The Label Segment continued to underpin the consolidated financial improvement contributing 24.3% operating income lift but also adding new capabilities and geographic presence with the Sancoa, Dekopak and Bandfix acquisitions. Avery's financial results exceeded management's expectations for the year, but more importantly, Avery introduced new digital print product offerings and completed the strategic acquisitions of LCL and Nilles, all of which are expected to provide complementary avenues for growth. Finally, the Container Segment successfully initiated the restructuring of the Canadian operation while posting an 8.5% improvement in operating income. All-in-all, CCL finished 2014 with a record $6.53 in adjusted basic earnings per Class B share.

The 2014 year started optimistically with positive momentum in the eurozone and emerging markets, coupled with solid consumer sentiment in the U.S. However, the world economy finished the year and commenced 2015 with uncertainty due to the unprecedented rapid decline in oil prices, renewed European financial challenges and a decline in consumer consumption in emerging markets. The U.S. economy continued to reveal positive economic indicators with solid results for the automotive, labour and housing markets however improved demand for consumer staples has lagged. Latin America, Asia and other emerging markets domestic demand, now accounting for 19% of CCL Label's revenue, although slowed, should outpace developed world economies in 2015. Therefore, to prepare for the coming year the Company recorded restructuring charges of $4.9 million in the fourth quarter to close or merge some less profitable facilities within the Label segment.

CCL in the coming year will continue to execute its global growth strategy for its Label Segment pursuing expansion plans in new and existing markets with its core customers where the opportunity meets the Company's long-term profitability objectives. The Company is confident this strategy will continue to generate strong cash flows that will support additional investment opportunities and allow CCL to further expand its geographic and market segment reach.

At Avery, restructuring programs were completed in the fourth quarter of this year with a charge of $1.4 million largely for European operations. These initiatives should drive additional cost reductions and efficiency gains. New product initiatives, consumer digital print momentum, and cross selling initiatives from Avery's two recent acquisitions provide incremental opportunities for growth in the Segment. Lastly, Avery will endeavor to find complementary acquisitions that add new territories, expand channels to market and complement the product offerings in the core digital print domain.

The 2015 year will continue as a year of transition for the Container Segment. Attention will be given to cautiously redistributing and installing the remaining equipment at the Canadian operation to the U.S. and Mexico. CCL is committed to $10 million of incremental annual cash flow gains upon the completion of the restructuring initiative, which is expected to conclude in late 2016. Furthermore, with the investment in Rheinfelden, the Segment plans on developing a sustainable secondary source of aluminum slugs for its North American manufacturing requirements.

The Company remains focused on vigilantly managing working capital and prioritizing capital to higher-growth organic opportunities or unique acquisitions that are expected to enhance shareholder value. The Company has significant cash on hand of $221.9 million and unused credit lines of $296.4 million. The Company expects capital expenditures for 2015 to be approximately $150 million, in line with depreciation expense.

Orders in the first weeks of 2015 continue to follow the trends of the second half of 2014 with low growth in the developed world and a slower rate of growth in emerging regions. Much focus will be given to monitoring unstable foreign currency markets; notwithstanding the current depreciation of the Canadian dollar to the U.S. dollar should act as a tailwind to translated results.

KPMG LLP
Chartered Professional Accountants
Bay Adelaide Centre
333 Bay Street Suite 4600
Toronto ON M5H 2S5

Telephone (416) 777-8500
Fax (416) 777-8818
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Shareholders of CCL Industries Inc.

We have audited the accompanying consolidated financial statements of CCL Industries Inc. ("the Company"), which comprise the consolidated statement of financial position as at December 31, 2014 and December 31, 2013, the consolidated income statements, statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2014 and December 31, 2013, and of its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants
February 26, 2015
Toronto, Canada

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of Canadian dollars)

As at December 31	Note	2014	2013
Assets			
Current assets			
Cash and cash equivalents	6	$ 221,873	$ 209,095
Trade and other receivables	7	380,965	363,493
Inventories	8	192,286	181,644
Prepaid expenses		14,949	13,458
Income taxes recoverable		11,810	2,503
Total current assets		821,883	770,193
Non-current assets			
Property, plant and equipment	10	925,512	856,001
Goodwill	11, 12	563,730	494,231
Intangible assets	11	226,567	207,569
Deferred tax assets	14	4,183	4,115
Equity accounted investments	9	54,652	47,363
Other assets		21,848	22,176
Total non-current assets		1,796,492	1,631,455
Total assets		$ 2,618,375	$ 2,401,648
Liabilities			
Current liabilities			
Trade and other payables	13	$ 519,440	$ 475,777
Current portion of long-term debt	17	59,058	47,070
Income taxes payable		21,419	21,060
Derivative instruments	23	280	642
Total current liabilities		600,197	544,549
Non-current liabilities			
Long-term debt	17	600,011	664,976
Deferred tax liabilities	14	43,453	42,661
Employee benefits	19	138,594	109,068
Provisions and other long-term liabilities		19,413	21,511
Derivative instruments	23	488	748
Total non-current liabilities		801,959	838,964
Total liabilities		1,402,156	1,383,513
Equity			
Share capital	15	248,087	237,189
Contributed surplus		26,241	11,919
Retained earnings		938,526	768,738
Accumulated other comprehensive income	28	3,365	289
Total equity attributable to shareholders of the Company		1,216,219	1,018,135
Acquisitions	5		
Commitments	25		
Subsequent events	30		
Total liabilities and equity		$ 2,618,375	$ 2,401,648

See accompanying explanatory notes to the consolidated financial statements.

On behalf of the Board:

Donald G. Lang
Director

Geoffrey T. Martin
Director

CONSOLIDATED INCOME STATEMENTS

(In thousands of Canadian dollars, except per share information)

Years ended December 31	Note	2014	2013
Sales		$ 2,585,637	$ 1,889,426
Cost of sales		1,891,506	1,413,991
Gross profit		694,131	475,435
Selling, general and administrative expenses		358,962	256,740
Restructuring and other items	29	9,104	45,248
Earnings in equity accounted investments		(3,686)	(1,870)
		329,751	175,317
Finance cost	18	26,705	26,290
Finance income	18	(1,152)	(642)
Net finance cost		25,553	25,648
Earnings before income tax		304,198	149,669
Income tax expense	21	87,632	46,081
Net earnings		$ 216,566	$ 103,588
Attributable to:			
Shareholders of the Company		$ 216,566	$ 103,588
Net earnings		$ 216,566	$ 103,588
Earnings per share			
Basic earnings per Class B share	16	$ 6.31	$ 3.04
Diluted earnings per Class B share	16	$ 6.19	$ 2.99

See accompanying explanatory notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of Canadian dollars)

Years ended December 31		2014		2013
Net earnings	$	**216,566**	$	103,588
Other comprehensive income (loss), net of tax:				
Items that may subsequently be reclassified to income:				
Foreign currency translation adjustment for foreign operations, net of tax expense of $4,802 for the year ended December 31, 2014 (2013 – tax expense of $937)		**45,278**		74,402
Net losses on hedges of net investment in foreign operations, net of tax recovery of $6,103 for the year ended December 31, 2014 (2013 – tax recovery of $3,876)		**(42,685)**		(26,279)
Effective portion of changes in fair value of cash flow hedges, net of tax recovery of $14 for the year ended December 31, 2014 (2013 – tax recovery of $557)		**33**		(1,980)
Net change in fair value of cash flow hedges transferred to the income statement, net of tax recovery of $152 for the year ended December 31, 2014 (2013 – tax recovery of $400)		**450**		1,182
Actuarial losses on defined benefit post-employment plans, net of tax recovery of $2,336 for the year ended December 31, 2014 (2013 – tax recovery of $122)		**(9,049)**		(773)
Other comprehensive income (loss), net of tax		**(5,973)**		46,552
Total comprehensive income	$	**210,593**	$	150,140
Attributable to:				
Shareholders of the Company	$	**210,593**	$	150,140
Total comprehensive income	$	**210,593**	$	150,140

See accompanying explanatory notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of Canadian dollars)

	Class A Shares (note 15)	Class B Shares (note 15)	Shares Held in Trust	Total Share Capital	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Equity
Balances, January 1, 2013	$ 4,507	$ 227,123	$ (4,928)	$ 226,702	$ 9,584	$ 697,937	$ (47,036)	$ 887,187
Net earnings – 2013	—	—	—	—	—	103,588	—	103,588
Dividends declared								
Class A	—	—	—	—	—	(1,919)	—	(1,919)
Class B	—	—	—	—	—	(27,439)	—	(27,439)
Defined benefit plan actuarial losses, net of tax	—	—	—	—	—	(773)	—	(773)
Conversion of shares	(3)	3	—	—	—	—	—	—
Normal course issuer bid	—	(364)	—	(364)	—	—	—	(364)
Stock-based compensation plan	—	—	—	—	(908)	—	—	(908)
Shares redeemed from trust	—	—	4,500	4,500	—	—	—	4,500
Shares purchased and held in trust	—	—	(13,730)	(13,730)	—	—	—	(13,730)
Stock option expense	—	—	—	—	2,117	—	—	2,117
Stock options exercised	—	20,081	—	20,081	(3,144)	—	—	16,937
Income tax effect related to stock options	—	—	—	—	4,270	—	—	4,270
Repurchase of shares	—	—	—	—	—	(2,656)	—	(2,656)
Other comprehensive income	—	—	—	—	—	—	47,325	47,325
Balances, December 31, 2013	$ 4,504	$ 246,843	$ (14,158)	$ 237,189	$ 11,919	$ 768,738	$ 289	$ 1,018,135
Net earnings – 2014	—	—	—	—	—	216,566	—	216,566
Dividends declared								
Class A	—	—	—	—	—	(2,486)	—	(2,486)
Class B	—	—	—	—	—	(35,243)	—	(35,243)
Defined benefit plan actuarial losses, net of tax	—	—	—	—	—	(9,049)	—	(9,049)
Stock-based compensation plan	—	—	—	—	5,228	—	—	5,228
Shares redeemed from trust	—	—	434	434	—	—	—	434
Shares purchased and held in trust	—	—	(214)	(214)	—	—	—	(214)
Stock option expense	—	—	—	—	3,071	—	—	3,071
Stock options exercised	—	10,678	—	10,678	(1,886)	—	—	8,792
Income tax effect related to stock options	—	—	—	—	7,909	—	—	7,909
Other comprehensive income	—	—	—	—	—	—	3,076	3,076
Balances, December 31, 2014	**$ 4,504**	**$ 257,521**	**$ (13,938)**	**$ 248,087**	**$ 26,241**	**$ 938,526**	**$ 3,365**	**$ 1,216,219**

See accompanying explanatory notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Canadian dollars)

Years ended December 31	2014	2013
Cash provided by (used for)		
Operating activities		
Net earnings	$ 216,566	$ 103,588
Adjustments for:		
Depreciation and amortization	146,421	120,155
Earnings in equity accounted investments, net of dividends received	(1,498)	682
Net finance costs	25,553	25,648
Current income tax expense	78,810	61,620
Deferred tax expense (benefit)	8,822	(15,539)
Equity-settled share-based payment transactions	8,726	5,709
Gain on sale of property, plant and equipment	(1,122)	(377)
	482,278	301,486
Change in inventories	2,934	35,730
Change in trade and other receivables	5,758	(5,343)
Change in prepaid expenses	(847)	(7,206)
Change in trade and other payables	15,446	73,704
Change in income taxes payable	(1,534)	757
Change in employee benefits	29,526	27,986
Change in other assets and liabilities	(19,363)	(13,468)
	514,198	413,646
Interest paid	(24,163)	(25,405)
Income taxes paid	(86,505)	(54,503)
Cash provided by operating activities	403,530	333,738
Financing activities		
Proceeds on issuance of long-term debt	138,663	566,752
Repayment of long-term debt	(249,903)	(223,036)
Proceeds from issuance of shares	8,792	16,937
Repayment of executive share purchase plan loans	2,186	—
Purchase of shares held in trust	—	(13,680)
Repurchase of shares	—	(3,018)
Dividends paid	(37,943)	(29,408)
Cash (used for) provided by financing activities	(138,205)	314,547
Investing activities		
Additions to property, plant and equipment	(153,657)	(116,097)
Proceeds on disposal of property, plant and equipment	14,312	2,107
Business acquisitions	(115,876)	(528,319)
Cash used for investing activities	(255,221)	(642,309)
Net increase in cash and cash equivalents	10,104	5,976
Cash and cash equivalents at beginning of year	209,095	188,972
Translation adjustments on cash and cash equivalents	2,674	14,147
Cash and cash equivalents at end of year	$ 221,873	$ 209,095

See accompanying explanatory notes to the consolidated financial statements.

1. REPORTING ENTITY

CCL Industries Inc. (the "Company") is a public company, listed on the Toronto Stock Exchange, and is incorporated and domiciled in Canada. These consolidated financial statements of the Company as at and for the years ended December 31, 2014 and 2013, comprise the results of the Company and its subsidiaries and the Company's interest in joint ventures and associates. The Company has manufacturing facilities around the world and is involved in the manufacture of labels, containers and tubes as well as specialty converted media and software solutions to enable short run digital printing in businesses and homes, and complementary office products sold through distributors and mass market retailers.

2. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issue by the Company's Board of Directors on February 26, 2015.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items in the statements of financial position:

- derivative instruments are measured at fair value;
- financial instruments at fair value through profit or loss are measured at fair value;
- liabilities for cash-settled share-based payment arrangements are measured at fair value; and
- assets related to the defined benefit plans are measured at fair value and liabilities related to the defined benefit plans are calculated by qualified actuaries using the projected unit credit method.

(c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand, unless otherwise noted.

(d) Use of estimates and judgments

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of sales and expenses during the year and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Judgment is used mainly in determining whether a balance or transaction should be recognized in the consolidated financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances.

In the process of applying the entity's accounting policies, management makes various judgments, apart from those involving estimations, that can significantly affect the amounts it recognizes in the financial statements.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company has applied judgment in its assessment of the classification of financial instruments, the recognition of tax losses and provisions, the determination of cash-generating units ("CGU"), the identification of the indicators of impairment for property and equipment and intangible assets, the level of componentization of property and equipment and the allocation of purchase price adjustments on business combinations.

Estimates are used when determining the amounts recorded for depreciation and amortization of property, plant and equipment and intangible assets, outstanding self-insurance claims, pension and other post-employment benefits, income and other taxes, provisions, certain fair value measures including those related to the valuation of business combinations, share-based payments and financial instruments and also in the valuation of goodwill and intangible assets.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all comparative information presented in these consolidated financial statements.

(a) Basis of consolidation

(i) Business combinations

The Company measures goodwill as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss. The Company elects to measure, on a transaction-by-transaction basis, non-controlling interest either at its fair value or at its proportionate share of the recognized amount of the identifiable net assets at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that the Company incurs in connection with a business combination are expensed as incurred.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed, when necessary, to align them with the policies adopted by the Company.

(iii) Associates and joint arrangements

The Company's interests in equity-accounted investees comprise of interests in associates and joint ventures.

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity.

The Company classifies its interest in joint arrangements as either joint operations (if the Company has rights to the assets, and has obligations for the liabilities, relating to an arrangement) or joint ventures (if the Company has the rights only to the net assets of an arrangement). When making this assessment, the Company considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances.

Investments in associates and joint ventures are accounted for using the equity method and are recognized initially at cost. The Company's investments include goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Company, from the date that significant influence commences until the date that it ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

(iv) Transactions eliminated on consolidation

Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as are unrealized gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company's entities using exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency using the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognized in the income statement, except for differences arising on the translation of a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognized directly in other comprehensive income (see note 3(b)(iii) below). Foreign currency-denominated non-monetary items, measured at historical cost, have been translated at the rate of exchange at the transaction date

(ii) Foreign operations

The financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Canadian dollars using exchange rates at the reporting date. The income and expenses of foreign operations are translated into Canadian dollars using the average exchange rates for the period.

Foreign currency differences are recognized directly in other comprehensive income and presented within the foreign currency translation adjustment.

When a foreign operation is disposed of, the amount in other comprehensive income related to the foreign operation is fully transferred to the income statement. A disposal occurs when the entire interest in the foreign operation is disposed of, or in the case of a partial disposal, the partial disposal results in the loss of control of a subsidiary or the loss of significant influence. For any partial disposal of the Company's interest in a subsidiary that includes a foreign operation, the Company re-attributes the proportionate share of the relevant amounts in other comprehensive income to non-controlling interests. For any other partial disposal of a foreign operation, the Company reclassifies to the income statement only the proportionate share of the relevant amount in other comprehensive income.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognized directly in other comprehensive income and presented within the foreign currency translation adjustment.

(iii) Hedge of net investment in a foreign operation

The Company applies hedge accounting to the foreign currency exposure arising between the functional currency of the foreign operation and the parent entity's functional currency (Canadian dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognized directly in other comprehensive income, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognized in the income statement. When the hedged part of a net investment is disposed of or partially disposed of, the associated cumulative amount in equity is transferred to the income statement as an adjustment to the income statement on disposal in accordance with the policy described in note 3(b)(ii) above.

(c) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise cash and cash equivalents, trade and other receivables, trade and other payables and long-term debt.

Non-derivative financial instruments are recognized initially at fair value, plus any directly attributable transaction costs, for instruments not at fair value through profit or loss. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

The carrying values of cash and cash equivalents, trade and other receivables, and trade and other payables approximate fair values due to the short-term maturities of these financial instruments.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables. The carrying value of trade and other receivables is net of an allowance for doubtful accounts. The allowance is based upon the aging of the receivables, the Company's knowledge of the financial condition of its customers, historical experience and the current business environment.

Cash and cash equivalents comprise cash on hand and short-term investments with original maturity dates of 90 days or less.

Financial assets at fair value through profit or loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition, the attributable transaction costs are recognized in the income statement when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in the income statement.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale, are not classified in any of the previous categories and are included in other assets.

These items are initially recognized at fair value plus transaction costs and are subsequently carried at fair value with changes recognized in other comprehensive income. When an investment is derecognized the accumulated gain or loss recognized in other comprehensive income is transferred to the income statement.

Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, are cancelled or expire.

Financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

(ii) Derivative financial instruments, including hedge accounting

The Company uses derivative financial instruments to manage its foreign currency and interest rate risk exposure and price risk exposure related to the purchase of raw materials. Embedded derivatives are separated from the host contract and accounted for separately. If the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through the income statement.

On initial designation of the hedge, the Company formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Company makes an assessment, both at the inception of the hedging relationship and on an ongoing basis, whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80% to 125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported net income.

Derivatives are recognized initially at fair value; attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the group entity and counterparty when appropriate.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and presented in the hedging reserve in equity. The amount recognized in other comprehensive income is removed and included in profit or loss in the same period that the hedged cash flows affect profit or loss under the same line item in the statement of comprehensive income as the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in other comprehensive income and presented in unrealized gains or losses on cash flow hedges in equity remains there until the forecast transaction affects profit or loss. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when the asset is recognized. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognized immediately in profit or loss. In other cases, the amount recognized in other comprehensive income is transferred to the income statement in the same period that the hedged item affects profit or loss.

Fair value hedges

Fair value hedges are hedges of the fair value of recognized assets, liabilities or unrecognized firm commitments. Changes in the fair value of derivatives that are designated as fair value hedges are recorded in the income statement together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Separable embedded derivatives

Changes in the fair value of separable embedded derivatives are recognized immediately in the income statement.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

The fair value of property, plant and equipment recognized as a result of a business combination is based on the amount for which a property could be exchanged on the date of valuation between knowledgeable, willing parties in an arm's length transaction.

Borrowing costs related to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within selling, general and administrative expenses in the income statement.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(ii) Depreciation

Depreciation is calculated based on the cost of the asset, or other amount substituted for cost, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods are as follows:

- buildings — Up to 40 years
- machinery and equipment — Up to 15 years
- fixtures and fittings — Up to 10 years
- minor components — Up to 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Intangible assets

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries and is tested for impairment annually or more frequently if events or circumstances indicate that the carrying amount may not be recoverable. For measurement of goodwill at initial recognition, see note 3(a)(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment.

(ii) Other intangible assets

Intangible assets consist of patents, trademarks, brands, software and the value of acquired customer contracts and relationships. Impairment losses for intangible assets where the carrying value is not recoverable are measured based on fair value. Fair value is calculated by using discounted cash flows.

The fair value of brands and customer relationships acquired in a business combination are determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets, other than indefinite life intangible assets, such as brands and goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

- patents and trademarks — Up to 10 years
- software — Up to 5 years
- customer relationships — Up to 15 years
- brands — Indefinite useful life

(f) Leases

Leases for which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance cost and the reduction of the outstanding liability. The finance cost is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under operating leases are not recognized in the Company's statement of financial position.

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in, first-out principle and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling.

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

Estimates regarding obsolete and slow-moving inventory are also computed.

(h) Impairment

(i) Financial assets, including receivables

A financial asset not carried at fair value through the income statement is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have occurred after the initial recognition of the asset that have a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company considers evidence of impairment for loans and receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant loans and receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant loans and receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate and reflected in an allowance account against accounts receivable. Losses are recognized in the income statement. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value and is recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in unrealized gains or losses on available-for-sale financial assets in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and for available-for-sale financial assets that are debt securities, the reversal is recognized in the income statement. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in other comprehensive income.

(ii) Non-financial assets

The carrying amounts of non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the impairment would be recognized in the income statement.

Impairments are recorded when the recoverable amount of assets is less than their carrying amount. The recoverable amount is the higher of an asset's or a cash-generating unit's fair value less cost to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the CGU, or the group of CGU, that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses, other than those relating to goodwill, are evaluated for potential reversals when events or changes in circumstances warrant such consideration.

The carrying values of finite-life intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Additionally, the carrying values of goodwill and indefinite life intangibles are tested annually for impairment.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior years are assessed at each reporting date for any indications that the losses have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Goodwill that forms part of the carrying amount of an equity accounted investment is not recognized separately and therefore is not tested for impairment separately. Instead, the entire amount of the equity accounted investment is tested for impairment as a single asset when there is objective evidence that the equity accounted investment may be impaired.

(i) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in the income statement in the period that the service is rendered by the employee.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit post-employment plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value using a discount rate comparable to high-quality corporate bonds. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the income statement.

The Company recognizes all actuarial gains and losses arising from defined benefit plans directly in other comprehensive income immediately and reports them in retained earnings.

The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of the contributions and benefit balances. Net interest expense and other expenses related to the defined benefit plans are recognized in profit or loss. Previously, interest income on plan assets were based on their long-term expected return.

(iii) Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date or provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

(iv) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as the related service is provided.

(v) Share-based payment transactions

For equity-settled share-based plans, the grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognized as an expense is adjusted to reflect the actual number of share options for which the related service and non-market vesting conditions are expected to be met. The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instrument, expected dividends, and the risk-free interest rate. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

The fair value of the amount payable for deferred share units ("DSU"), which are settled in cash, is recognized as an expense with a corresponding increase in liabilities when they are issued. The fair value of a DSU is measured using the average of the high and low trading prices of the Class B shares for the five trading days immediately preceding the date of issue and is remeasured, using a similar five-day average, at the financial statement date and at the settlement date. Any changes in the fair value of the liability are recognized as personnel expense in the income statement. The value of DSU received in lieu of dividends is also recognized as a personnel cost in the income statement.

(j) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost.

(k) Revenue

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized and related costs transferred to cost of sales when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Generally, this would be at the time the goods are shipped. At that time, persuasive evidence of an arrangement exists, the price to the customer is fixed and ultimate collection is reasonably assured. A provision for sales returns and allowances is recognized when the underlying products are sold. The provision is based on an evaluation of products currently under quality assurance review as well as historical sales returns experience.

(l) Finance income and costs

Finance income comprises interest income on invested funds including available-for-sale financial assets, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, and gains on hedging instruments that are recognized in the income statement. Interest income is recognized as it accrues in the income statement, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognized on financial assets, and losses on hedging instruments that are recognized in the income statement. All borrowing costs are recognized in the income statement using the effective interest method, except for those amounts capitalized as part of the cost of qualifying property, plant and equipment.

(m) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity. In such cases, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(i) Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period and includes any adjustments to taxes payable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and which are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

(iii) Deferred tax liabilities

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, except where the reversal of the temporary difference can be controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

(iv) Deferred tax assets

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill or in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination and that affect neither accounting nor taxable profit or loss.

(n) Share capital

All shares are recorded as equity. When share capital is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effect, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When repurchased shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to retained earnings.

(o) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its Class B shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of shares outstanding for the effects of all potentially dilutive shares, which primarily comprise share options granted to employees.

(p) Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products (business segment) or in providing products within a particular economic environment (geographical segment) and that is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the Company's business and geographical segments. The Company's primary format for segment reporting is based on business segments. The business segments are determined based on the Company's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other investments and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets, other than goodwill.

(q) New standards and interpretations not yet effective

In July 2014, the complete IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB. IFRS 9 introduces new requirements for the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment. IFRS 9 also includes a new general hedge accounting standard that aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide for more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. This standard is effective for annual periods beginning on or after January 1, 2018; however, early adoption is permitted. The Company is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

In May 2014, IFRS 15, Revenue from Contracts with Customers ("IFRS 15") was issued and provides guidance on the timing and amount of revenue that should be recognized. It also requires more informative and relevant disclosures. The standard provides a single, principles-based five-step model to be applied to all contracts with customers. This standard is effective for annual periods beginning January 1, 2017; however, early adoption is permitted. The Company is currently evaluating the impact of IFRS 15 on its consolidated financial statements.

In November 2013, the IASB issued amendments to pension accounting under IAS 19, Employee Benefits. The amendments apply retrospectively for annual periods beginning on or after July 1, 2014. Earlier application is permitted. The amendments introduce a relief (practical expedient) that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. When employee contributions are eligible for the practical expedient, a company is permitted (but not required) to recognize them as a reduction of the service cost in the period in which the related service is rendered. The Company intends to adopt these amendments in its financial statements for the annual period beginning on January 1, 2015. The Company does not expect the amendments to have a material impact on the financial statements.

In December 2014, the IASB issued amendments to IAS 1, Presentation of Financial Statements as part of its major initiative to improve presentation and disclosure in financial reports. The amendments are effective for annual periods beginning on or after January 1, 2016; however, early adoption is permitted. The Company is currently evaluating the impact of IAS 1 on its consolidated financial statements and intends to adopt these amendments the annual period beginning January 1, 2016.

4. SEGMENT REPORTING

Business segments

The Company has three reportable segments, as described below, which are the Company's main business units. The business units offer different products and services, and are managed separately as they require different technology and marketing strategies. For each of the business units, the Company's chief executive officer and the chief operating decision maker review internal management reports regularly.

The Company's reportable segments are:

- Label – Includes the production of pressure sensitive and extruded film materials for a wide range of decorative, instructional and functional applications for large global customers in the consumer packaging, healthcare, automotive and consumer durables markets. Extruded and laminated plastic tubes, folded instructional leaflets, precision printed and die cut metal components with LED displays and other complementary products and services are sold in parallel to specific end-user markets.
- Avery – Includes the manufacturing and selling of various consumer products, including labels, binders, dividers, sheet protectors and writing instruments in North America, Latin America, Asia Pacific and Europe.
- Container – Includes the manufacturing of specialty containers for the consumer products industry in North America, including Mexico. The key product line is recyclable aluminum aerosol cans and bottles for the personal care, home care and cosmetic industries, plus shaped aluminum bottles for the beverage market.

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

	Sales		Operating Income	
	2014	2013	**2014**	2013
Label	**$ 1,718,347**	$ 1,344,206	**$ 242,723**	$ 195,332
Avery	**666,413**	355,548	**109,274**	40,386
Container	**200,877**	189,672	**17,888**	16,483
	$ 2,585,637	$ 1,889,426	**$ 369,885**	$ 252,201
Corporate expenses			**(34,716)**	(33,506)
Restructuring and other items			**(9,104)**	(45,248)
Earnings in equity accounted investments			**3,686**	1,870
Finance cost			**(26,705)**	(26,290)
Finance income			**1,152**	642
Income tax expense			**(87,632)**	(46,081)
Net earnings			**$ 216,566**	$ 103,588

	Total Assets		Total Liabilities		Depreciation and Amortization		Capital Expenditures	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
Label	**$ 1,668,565**	$ 1,488,412	**$ 436,527**	$ 357,386	**$ 118,679**	$ 98,718	**$ 106,739**	$ 97,711
Avery	**490,337**	481,278	**189,567**	205,154	**12,882**	6,560	**24,957**	12,293
Container	**162,460**	147,858	**54,701**	49,607	**14,064**	14,074	**20,077**	6,047
Equity accounted investments	**54,652**	47,363	**—**	—	**—**	—	**—**	—
Corporate	**242,361**	236,737	**721,361**	771,366	**796**	803	**1,884**	46
Total	**$ 2,618,375**	$ 2,401,648	**$ 1,402,156**	$ 1,383,513	**$ 146,421**	$ 120,155	**$ 153,657**	$ 116,097

Geographical segments

The Label, Avery and Container segments are managed on a worldwide basis but operate in the following geographical areas:

- Canada,
- United States and Puerto Rico,
- Mexico, Brazil and Argentina,
- Europe,
- Asia, Australia and Africa.

	Sales		Property, Plant and Equipment and Goodwill	
	2014	2013	**2014**	2013
Canada	**$ 174,964**	$ 138,098	**$ 103,399**	$ 113,081
United States and Puerto Rico	**1,266,140**	846,357	**581,383**	474,895
Mexico, Brazil and Argentina	**193,995**	174,090	**180,542**	184,920
Europe	**727,248**	549,585	**473,029**	431,535
Asia, Australia and Africa	**223,290**	181,296	**150,889**	145,801
Consolidated	**$ 2,585,637**	$ 1,889,426	**$ 1,489,242**	$ 1,350,232

The geographical segment is determined by the location of the Company's country of operation.

5. ACQUISITIONS

(a) In December, 2014, the Company acquired Druckerei Nilles GmbH and its related subsidiaries ("Nilles"); a private company located in the heart of the German wine producing region on the River Mosel. In addition to its wine label business, Nilles enables customers to purchase custom designed labels online using proprietary e-commerce software. The purchase consideration was $16.2 million (€11.4 million), which included $5.2 million (€3.6 million) of assumed debt. The initial purchase allocation has resulted in goodwill and intangibles of $7.3 million (€5.1 million). Goodwill is not deductible for tax purposes.

(b) In November 2014, the Company acquired Label Connections Ltd. ("Label Connections"); a private U.K. company based in St. Neots, near Cambridge, that designs, manufactures and markets a range of pre-die cut pressure sensitive labels in sheet form for use on professional digital printers. The purchase price was $2.8 million (£1.5 million) net of cash acquired. The initial purchase price allocation has resulted in goodwill and intangibles of $1.5 million (£0.8 million). Goodwill is not deductible for tax purposes.

(c) In September 2014, the Company acquired Bandfix AG ("Bandfix"); a privately owned label company focused on European Specialty customers located in Switzerland. The purchase price was $17.9 million (CHF15.3 million) net of cash acquired, the settlement of financial debt and working capital adjustments. The purchase price allocation has resulted in goodwill of $7.6 million (CHF6.6 million).

The following table summarizes the allocation of the consideration to the fair value of the assets acquired and liabilities assumed:

(In millions of Canadian dollars)

Cash consideration	$	17.9
Trade and other receivables	$	8.9
Inventories		4.8
Other current assets		0.6
Property, plant and equipment		6.5
Other long-term assets		1.5
Goodwill		7.6
Trade and other payables		(8.3)
Other long-term liabilities		(3.7)
Net assets acquired	$	17.9

Goodwill is comprised of the excess fair value of the consideration paid over the fair value of the net assets acquired. Factors that make up the amount of goodwill recognized include expected synergies from the acquisition, the expertise and the knowledge of the assembled workforce and cost saving opportunities in the delivery of certain shared administrative and other services. Goodwill is not deductible for tax purposes.

(d) In February 2014, the Company acquired DekoPak Ambalaj San. Ve Tic. A.S. ("Dekopak"); a leading shrink sleeve producer based in Istanbul, Turkey. The purchase price consisted of a cash payment of $4.7 million (€3.1 million) plus contingent consideration based on average annual EBITDA for the earn-out period to be settled in 2017. The contingent consideration is estimated at $5.8 million (€3.8 million). The total amount of goodwill and intangibles amounted to $9.4 million (€6.2 million). Goodwill is not deductible for tax purposes.

(e) In February 2014, the Company acquired Sancoa and TubeDec ("Sancoa"); two privately owned companies, with a common controlling shareholder, supplying labels and laminate tubes to Home & Personal Care customers within North America from three plants located in New Jersey and Ohio. The purchase price was $73.1 million (US$66.0 million) net of cash acquired, the settlement of financial debt and working capital adjustments. The purchase price allocation has resulted in goodwill and intangibles of $42.6 million (US$38.5 million).

The following table summarizes the allocation of the consideration to the fair value of the assets acquired and liabilities assumed:

(In millions of Canadian dollars)

Cash consideration	$	73.1
Trade and other receivables	$	10.5
Inventories		6.0
Other current assets		0.2
Property, plant and equipment		27.4
Goodwill		32.3
Intangible assets		10.3
Trade and other payables		(13.6)
Net assets acquired	$	73.1

Goodwill is comprised of the excess fair value of the consideration paid over the fair value of the net assets acquired. Factors that make up the amount of goodwill recognized include expected synergies from combining operations, the expertise of the assembled workforce and cost saving opportunities in the delivery of certain shared administrative and other services. Total goodwill is deductible for tax purposes.

The determination of the fair value of assets and liabilities acquired is based upon preliminary estimates and assumptions as the Company continues to collect information. The Company will continue to review information prior to finalizing the fair value of the assets acquired and liabilities assumed. The actual fair values of the assets acquired and liabilities assumed may differ from the amounts noted above.

The following table summarizes the combined sales and earnings that Sancoa, Dekopak, Bandfix, Label Connections and Nilles contributed to the Company since their respective acquisition dates:

(In millions of Canadian dollars)

Sales	$	94.7
Net earnings	$	1.4

(f) Pro forma information

The unaudited pro forma consolidated financial information below has been prepared following the accounting policies of the Company as if the acquisitions took place January 1, 2014.

The unaudited pro forma consolidated financial information has been presented for illustrative purposes only and is not necessarily indicative of results of operations and financial position that would have been achieved had the pro forma events taken place on the dates indicated, or the future consolidated results of operations or financial position of the consolidated company. Future results may vary significantly from the pro forma results presented.

The historical consolidated financial information has been adjusted in preparing the unaudited pro forma consolidated financial information to give effect to events that are: (i) directly attributable to the acquisition; (ii) factually supportable; and (iii) with respect to revenues and earnings, expected to have a continuing impact on the results of the Company. As such, the impact from acquisition-related expenses are not included in the accompanying unaudited pro forma consolidated financial information. The unaudited pro forma consolidated financial information does not reflect any cost savings (or associated costs to achieve such savings) from operating efficiencies, synergies or other restructuring that could result from the acquisition.

The following table summarizes the sales and earnings of the Company combined with Sancoa, Dekopak, Bandfix, Label Connections and Nilles as though the acquisitions took place on January 1, 2014:

(In millions of Canadian dollars)	Year ended Dec 31, 2014
Sales	$ 2,651.3
Net earnings	$ 226.5

6. CASH AND CASH EQUIVALENTS

	Dec 31, 2014	Dec 31, 2013
Bank balances	$ 193,261	$ 197,607
Short-term investments	28,612	11,488
Cash and cash equivalents	$ 221,873	$ 209,095

7. TRADE AND OTHER RECEIVABLES

	Dec 31, 2014	Dec 31, 2013
Trade receivables	$ 364,195	$ 347,634
Other receivables	16,770	15,859
Trade and other receivables	$ 380,965	$ 363,493

8. INVENTORIES

	Dec 31, 2014	Dec 31, 2013
Raw material	$ 83,299	$ 74,242
Work in progress	15,045	14,650
Finished goods	93,942	92,752
Total inventories	$ 192,286	$ 181,644

The total amount of inventories recognized as an expense in 2014 was $1,891.5 million (2013 – $1,414.0 million), including depreciation of $136.6 million (2013 – $112.1 million).

9. EQUITY ACCOUNTED INVESTMENTS

Summary financial information for equity accounted investments, including joint ventures and associates, not adjusted for the percentage ownership held by the Company is as follows:

	Associates	Joint Ventures	Total
At December 31, 2014			
Net earnings	$ 2,289	$ 5,029	$ 7,318
Other comprehensive income (loss)	(10,559)	4,049	(6,510)
Total comprehensive income (loss)	$ (8,270)	$ 9,078	$ 808
Carrying amount of investments in associates and joint ventures	$ 20,785	$ 33,867	$ 54,652

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

	Associates	Joint Ventures	Total
At December 31, 2013			
Net earnings	$ 66	$ 3,674	$ 3,740
Other comprehensive income (loss)	(642)	1,106	464
Total comprehensive income (loss)	$ (576)	$ 4,780	$ 4,204
Carrying amount of investments in associates and joint ventures	$ 19,640	$ 27,723	$ 47,363

10. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Machinery and Equipment	Fixtures, Fittings and Other	Total
Cost				
Balance at January 1, 2013	$ 260,901	$ 1,006,044	$ 16,914	$ 1,283,859
Acquisitions through business combinations	76,942	56,420	2,529	135,891
Other additions	19,846	94,640	1,611	116,097
Disposals	(8)	(15,206)	(214)	(15,428)
Effect of movements in exchange rates	18,159	42,440	937	61,536
Balance at December 31, 2013	**$ 375,840**	**$ 1,184,338**	**$ 21,777**	**$ 1,581,955**
Acquisitions through business combinations	21,882	21,019	736	43,637
Other additions	39,952	109,919	3,786	153,657
Disposals	(23,297)	(11,875)	(1,123)	(36,295)
Effect of movements in exchange rates	7,937	46,509	(1,446)	53,000
Balance at December 31, 2014	**$ 422,314**	**$ 1,349,910**	**$ 23,730**	**$ 1,795,954**
Accumulated depreciation and impairment losses				
Balance at January 1, 2013	$ 78,768	$ 513,831	$ 11,403	$ 604,002
Depreciation for the year	12,459	98,092	1,804	112,355
Disposals	(1)	(13,500)	(198)	(13,699)
Effect of movements in exchange rates	7,753	14,778	765	23,296
Balance at December 31, 2013	$ 98,979	$ 613,201	$ 13,774	$ 725,954
Depreciation for the year	16,839	117,382	2,422	136,643
Disposals	(10,949)	(11,172)	(984)	(23,105)
Effect of movements in exchange rates	2,333	29,918	(1,301)	30,950
Balance at December 31, 2014	**$ 107,202**	**$ 749,329**	**$ 13,911**	**$ 870,442**
Carrying amounts				
At December 31, 2013	$ 276,861	$ 571,137	$ 8,003	$ 856,001
At December 31, 2014	**$ 315,112**	**$ 600,581**	**$ 9,819**	**$ 925,512**

11. INTANGIBLE ASSETS

	Customer Relationships	Patents and Trademarks	Software	Brands	Total	Goodwill
Cost						
Balance at January 1, 2013	$ 68,992	$ 7,104	$ 10,228	$ —	$ 86,324	$ 353,350
Acquisitions through business combinations	37,367	4,725	—	137,970	180,062	121,310
Additions	—	140	68	—	208	—
Effect of movements in exchange rates	4,096	1,160	481	2,840	8,577	19,571
Balance at December 31, 2013	110,455	13,129	10,777	140,810	275,171	494,231
Acquisitions through business combinations	12,756	105	—	—	12,861	57,974
Additions	1,196	274	6	—	1,476	—
Effect of movements in exchange rates	7,784	(5,491)	365	10,093	12,751	11,525
Balance at December 31, 2014	**$ 132,191**	**$ 8,017**	**$ 11,148**	**$ 150,903**	**$ 302,259**	**$ 563,730**
Amortization and impairment losses						
Balance at January 1, 2013	$ 41,242	$ 5,275	$ 10,187	$ —	$ 56,704	$ —
Amortization for the year	7,331	395	74	—	7,800	—
Effect of movements in exchange rates	1,912	948	238	—	3,098	—
Balance at December 31, 2013	$ 50,485	$ 6,618	$ 10,499	$ —	$ 67,602	$ —
Amortization for the year	9,104	555	119	—	9,778	—
Effect of movements in exchange rates	(298)	(1,723)	333	—	(1,688)	—
Balance at December 31, 2014	**$ 59,291**	**$ 5,450**	**$ 10,951**	**$ —**	**$ 75,692**	**$ —**
Carrying amounts						
At December 31, 2013	$ 59,970	$ 6,511	$ 278	$ 140,810	$ 207,569	$ 494,231
At December 31, 2014	**$ 72,900**	**$ 2,567**	**$ 197**	**$ 150,903**	**$ 226,567**	**$ 563,730**

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

12. GOODWILL AND INDEFINITE-LIFE INTANGIBLE ASSETS

Impairment testing for cash-generating units containing goodwill and indefinite-life intangible assets

For the purpose of impairment testing, goodwill and indefinite-life intangible assets are allocated to the Company's operating segments, which represent the lowest level within the Company at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	Dec 31, 2014	Dec 31, 2013
Goodwill		
Label	$ 472,902	$ 406,857
Avery	78,071	74,629
Container	12,757	12,745
	$ 563,730	$ 494,231
Indefinite-life intangible assets – brands		
Avery	$ 150,903	$ 140,810

Impairment testing for goodwill and indefinite-life intangible assets was done by a comparison of the assets carrying amount to its estimated value in use, determined by discounting the CGU's future cash flows. Key assumptions used in the determination of the value in use include a growth rate of 2%–4%, and a pre-tax discount rate of 13%–17%. Discount rates reflect current market assumptions and risks related to the CGU's and are based upon the weighted average cost of capital. The Company's historical growth rates are used as a basis in determining the growth rate applied for impairment testing.

During the fourth quarter, the Company completed its impairment test as at September 30, 2014. Previously, the testing was performed as at December 31 for Label and Container and June 30 for Avery. The change was made to more closely align the annual impairment testing date with the planning process.

The estimated value in use of Label, Avery and Container assets exceeded their carrying values. As a result, no goodwill and indefinite-life intangible assets impairment was recorded.

13. TRADE AND OTHER PAYABLES

	Dec 31, 2014	Dec 31, 2013
Trade payables	$ 269,229	$ 228,262
Other payables	250,211	247,515
	$ 519,440	$ 475,777

14. DEFERRED TAX

(a) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	Dec 31, 2014	Dec 31, 2013
Deductible temporary differences	$ 8,708	$ 9,579
Tax losses	20,111	24,481
Income tax credits	680	987
	$ 29,499	$ 35,047

The unrecognized deferred tax assets on tax losses of $3,372 will expire between 2015 and 2025, $10,002 will expire beyond 2025 and $6,737 may be carried forward indefinitely. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable income will be available against which the Company can utilize the benefits therefrom. Income tax credits of $680 expire between 2015 and 2017.

In 2013, $79 of previously unrecognized tax losses were recognized as management considered it probable that future taxable income will be available against which they can be utilized. No additional previously unrecognized tax losses were recognized in 2014 due to management's assessment of future taxable income.

(b) Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net (Assets)/Liabilities	
	Dec 31, 2014	Dec 31, 2013	**Dec 31, 2014**	Dec 31, 2013	**Dec 31, 2014**	Dec 31, 2013
Property, plant and equipment	**$ 971**	$ 1,573	**$ 62,202**	$ 56,665	**$ 61,231**	$ 55,092
Intangible assets	**50**	64	**55,704**	50,113	**55,654**	50,049
Derivatives	**142**	196	**1,392**	2,880	**1,250**	2,684
Inventory reserves	**6,760**	5,045	**—**	—	**(6,760)**	(5,045)
Employee benefit plans	**41,899**	35,660	**—**	—	**(41,899)**	(35,660)
Share-based payments	**15,513**	6,018	**—**	—	**(15,513)**	(6,018)
Provisions	**12,370**	14,417	**—**	—	**(12,370)**	(14,417)
Other items	**—**	404	**233**	—	**233**	(404)
Tax loss carry-forwards	**2,556**	7,735	**—**	—	**(2,556)**	(7,735)
Balance before offset	**80,261**	71,112	**119,531**	109,658	**39,270**	38,546
Offset of tax	**(76,078)**	(66,997)	**(76,078)**	(66,997)	**—**	—
Balance after offset	**$ 4,183**	$ 4,115	**$ 43,453**	$ 42,661	**$ 39,270**	$ 38,546

	Balance Dec 31, 2013 Liability/(Asset)	Recognized in Income Statement	Acquisitions	Translation and Others	Recognized in Other Comprehensive Income/Equity	**Balance Dec 31, 2014 Liability/(Asset)**
Property, plant and equipment	$ 55,092	$ (137)	$ 2,165	$ 4,111	$ —	**$ 61,231**
Intangible assets	50,049	4,196	—	1,409	—	**55,654**
Derivatives	2,684	(274)	—	3	(1,163)	**1,250**
Inventory reserves	(5,045)	(1,554)	175	(336)	—	**(6,760)**
Employee benefit plans	(35,660)	(1,707)	(478)	(1,718)	(2,336)	**(41,899)**
Share-based payments	(6,018)	(1,344)	—	(242)	(7,909)	**(15,513)**
Provisions	(14,417)	3,742	(881)	(814)	—	**(12,370)**
Other items	(404)	593	44	—	—	**233**
Tax loss carry-forwards	(7,735)	5,307	—	(128)	—	**(2,556)**
	$ 38,546	$ 8,822	$ 1,025	$ 2,285	$ (11,408)	**$ 39,270**

	Balance Dec 31, 2012 Liability/(Asset)	Recognized in Income Statement	Acquisitions	Translation and Others	Recognized in Other Comprehensive Income	Balance Dec 31, 2013 Liability/(Asset)
Property, plant and equipment	$ 52,969	$ (4,379)	$ 3,299	$ 3,203	$ —	$ 55,092
Intangible assets	46,016	1,652	639	1,742	—	50,049
Derivatives	7,419	(1,547)	—	(92)	(3,096)	2,684
Inventory reserves	(1,797)	(3,033)	(35)	(180)	—	(5,045)
Employee benefit plans	(24,111)	(7,460)	(2,438)	(1,529)	(122)	(35,660)
Share-based payments	(3,309)	(946)	—	(93)	(1,670)	(6,018)
Provisions	(7,253)	(5,838)	(779)	(547)	—	(14,417)
Other items	845	(1,255)	—	6	—	(404)
Tax loss carry-forwards	(14,858)	7,267	—	(144)	—	(7,735)
	$ 55,921	$ (15,539)	$ 686	$ 2,366	$ (4,888)	$ 38,546

The aggregate amount of temporary differences associated with investments in subsidiaries and joint ventures for which deferred tax liabilities were not recognized as at December 31, 2014, is $689 million (2013 – $538 million).

The aggregate amount of temporary differences associated with investments in subsidiaries and joint ventures for which deferred tax assets were not recognized as at December 31, 2014, is $16 million (2013 – $26 million).

15. SHARE CAPITAL

	Class A		Class B		
Shares issued	Shares (000s)	Amount	Shares (000s)	Amount	Total
Balance, January 1, 2013	2,369	$ 4,507	31,451	$ 227,123	$ 231,630
Stock options exercised	—	—	619	20,081	20,081
Normal course issuer bid	—	—	(50)	(364)	(364)
Conversion of Class A to Class B shares	(1)	(3)	1	3	—
Balance, December 31, 2013	2,368	$ 4,504	32,021	$ 246,843	$ 251,347
Stock options exercised	—	—	304	10,678	10,678
Balance, December 31, 2014	**2,368**	**$ 4,504**	**32,325**	**$ 257,521**	**$ 262,025**

At December 31, 2014, the authorized share capital comprised an unlimited number of Class A voting shares and an unlimited number of Class B non-voting shares. The Class A and Class B shares have no par value. All issued shares are fully paid. Both Class A and Class B shares are classified as equity.

(i) Class A

The holders of Class A shares receive dividends set at $0.05 per share per annum less than Class B shares, are entitled to one vote per share at meetings of the Company and their shares are convertible at any time into Class B shares.

(ii) Class B

Class B shares rank equally in all material respects with Class A shares, except as follows:

(a) The holders of Class B shares are entitled to receive material and attend, but not to vote at, regular shareholder meetings.

(b) Holders of Class B shares are entitled to voting privileges when consideration for the Class A shares, under a takeover bid when voting control has been acquired, exceeds 115% of the market price of the Class B shares.

(c) Holders of Class B shares are entitled to receive, or have set aside for payment, dividends declared by the Board of Directors from time to time, set at $0.05 per share per annum greater than Class A shares.

Dividends

The annual dividends per share were as follows:

	2014	2013
Class A share	$ 1.05	$ 0.81
Class B share	$ 1.10	$ 0.86

Shares held in trust

During 2013, the Company granted awards totalling 190,300 Class B shares of the Company. Shares to be used to satisfy this obligation were purchased in the open market and are restricted in nature. These share awards are dependent on the Company's performance and continuing employment. The grant date fair value of these stock awards are amortized over the vesting period and recognized as compensation expense.

16. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share for the year ended December 31, 2014, was based on profit attributable to Class A shares of $14.8 million (2013 – $7.1 million) and Class B shares of $201.8 million (2013 – $96.5 million) and a weighted average number of Class A shares outstanding of 2,367,525 (2013 – 2,368,838) and Class B shares outstanding of 31,997,181 (2013 – 31,781,053).

Weighted average number of shares

	2014		2013	
	Class A Shares	Class B Shares	Class A Shares	Class B Shares
Issued and outstanding shares at January 1	2,367,525	31,819,938	2,369,025	31,305,352
Conversion of Class A to Class B shares	—	—	(187)	187
Effect of stock options exercised	—	169,931	—	464,031
Effect of shares cancelled	—	—	—	(39,583)
Effect of reciprocal shares purchased	—	(559)	—	(55,572)
Effect of reciprocal shares vested	—	7,871	—	106,638
Weighted average number of shares at December 31	2,367,525	31,997,181	2,368,838	31,781,053

Diluted earnings per share

The calculation of diluted earnings per share for the year ended December 31, 2014, was based on profit attributable to Class A shares of $14.5 million (2013 – $7.0 million) and Class B shares of $202.0 million (2013 – $96.6 million) and a weighted average number of Class A shares outstanding of 2,367,525 (2013 – 2,368,838) and Class B shares outstanding of 32,648,658 (2013 – 32,349,184).

Weighted average number of shares (diluted)

	Dec 31, 2014	Dec 31, 2013
Weighted average number of shares (basic)	34,364,706	34,149,891
Effect of deferred share units on issue	103,047	100,692
Effect of reciprocal shareholdings	193,781	96,544
Effect of share options on issue	354,649	370,895
Weighted average number of shares (diluted)	35,016,183	34,718,022

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the year that the options were outstanding.

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

17. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortized cost. For more information about the Company's exposure to interest rate, foreign currency and liquidity risk, see note 23.

	Dec 31, 2014	Dec 31, 2013
Current liabilities		
Current portion of unsecured syndicated bank credit facility	$ 46,405	$ 40,000
Current portion of finance lease liabilities	1,600	333
Current portion of other loans	11,053	6,737
	$ 59,058	$ 47,070
Short-term operating credit lines available	$ 26,249	$ 14,082
Short-term operating credit lines used	$ 8,770	$ 3,432
Non-current liabilities		
Unsecured syndicated bank credit facility	$ 316,172	$ 407,646
Unsecured senior notes	276,832	253,672
Finance lease liabilities	4,100	327
Other loans	2,907	3,331
	$ 600,011	$ 664,976

Interest rates charged on the credit lines are based on rates varying with London Interbank Offered Rate ("LIBOR"), the prime rate and similar market rates for other currencies.

In July 2013, subsequent to the completion of the Avery acquisition, the Company entered into a syndicated $400.0 million non-revolving and $300.0 million revolving facility that replaced the pre-existing bilateral credit facility. Amounts drawn on the revolving facility are due in full at maturity on July 2, 2017. The non-revolving facility has scheduled quarterly repayments of US$10.0 million until maturity, with the remaining balance due at maturity on July 2, 2017.

As at December 31, 2014, except for contingent letters of credit of $3.6 million, US$0 million was drawn under the revolving portion of the syndicated credit facility, US$158.0 million (LIBOR plus 1.0%) and €61.6 million (EURIBOR plus 1.0%) was drawn under the term portion of the syndicated credit facility. A further US$80.0 million was also drawn under the term portion of the syndicated credit facility; however, the LIBOR on this US$80.0 million was swapped into a fixed rate of 1.047% in mid-September 2013 for a term of three years. The syndicated credit facility spread, currently 1.0%, will continue to be paid on this swapped debt.

As at December 31, 2013, US$56.0 million (LIBOR plus 1.25%) was drawn under the revolving portion of the syndicated credit facility, US$200.0 million (LIBOR plus 1.25%) and €61.6 million (EURIBOR plus 1.25%) was drawn under the term portion of the syndicated credit facility. The US$80.0 million mentioned above was also drawn under the term portion of the syndicated credit facility and swapped, as discussed above. This facility is also utilized to support letters of credit. The unused portion of the current syndicated credit facility was $296.4 million at December 31, 2014 (December 31, 2013 – $236.8 million).

Other loans include term bank loans at various rates and repayment terms.

In July 2013 and September 2013, the Company made scheduled senior note debt repayments of US$28.0 million and US$52.0 million, respectively.

As at December 31, 2014, the carrying amount of financial and non-financial assets pledged as collateral, against $3.2 million of long-term debt, amounted to $13.3 million.

18. FINANCE INCOME AND COST

Recognized in income statement

		2014		2013
Interest expense on financial liabilities measured at amortized cost	$	**23,960**	$	24,096
Fees and interest recognized on other financial instruments		**2,745**		2,194
Finance cost		**26,705**		26,290
Interest income on cash and cash equivalents		**944**		490
Interest income on loans and receivables and other financial instruments		**208**		152
Finance income		**1,152**		642
Net finance cost recognized in income statement	$	**25,553**	$	25,648
The above financial income and expense includes the following in respect of assets (liabilities) not at fair value through profit or loss:				
Total finance income on financial assets	$	**1,152**	$	642
Total finance expense on financial liabilities	$	**26,705**	$	26,290

19. EMPLOYEE BENEFITS

The Company has defined contribution post-employment plans in Canada, the U.S., Australia, Austria, Brazil, Denmark, Germany, the Netherlands, Thailand, the U.K. and Vietnam.

The expense for the defined contribution post-employment plans for continuing operations was $25.0 million in 2014 (2013 – $19.6 million), of which $0.1 million (2013 – $0.1 million) was for key management personnel.

The Company also has long-term incentive plans with cash and share-based payments, long-service leave plans and jubilee plans in various countries around the world.

The Company's primary defined benefit post-employment plans are in Canada, the U.S., the United Kingdom, Germany and Switzerland. Details of these plans are as follows:

(a) In Canada, the Company has a registered funded defined benefit pension plan for seven retired executives and one active employee of CCL. It also maintains non-registered, unfunded supplemental retirement arrangements for one active Canadian executive, eight retired Canadian executives and three retired U.S. executives or their widows. The Company makes all required contributions to the plans. Benefits are based on employee earnings. An actuary is involved in measuring the obligation of the plans and in calculating the expense and any contributions required. The plans are closed to new members. The primary risk factors for these plans are longevity of plan beneficiaries and discount rate volatility. The Company has determined that any surplus in the plan after all obligations have been covered are fully available to the Company.

(b) In the U.S., the Company has a post-employment unfunded deferred compensation plan for designated executives ("NQP"). Liabilities are based strictly on the contributions made to the plan, an established rate of return and are not subject to actuarial adjustments. It allows executives to elect to defer specified portions of salary, cash bonuses and long-term incentive plan payments. The Company contributes a matching portion of the executive's NQP deferred amount to a maximum of 8% of the executive's base salary plus bonus. The Company may also contribute a discretionary annual company contribution based on a percentage of base salary and annual bonus. Contributions to the NQP for one of the executives vest immediately. For the other executives, immediate vesting of discretionary Company contributions and interest occurs on death, disability or change of control with normal vesting occurring at age 60 with 10 years' service. The Company match portion and interest vests in the same manner as Company contributions in the 401k plan. Elective deferrals by the executive vest immediately.

(c) In the U.K., the Company has a registered funded defined benefit pension plan that has no active members and is closed to new members. Benefits are based on final salary. All members of the plan are either deferred or retired and benefits are provided to spouses or dependents in the event of a member's death before or after retirement. The Company is required to make payments of £650 thousand in deficit funding contributions annually. An actuary is involved in measuring the obligation of the plan and in calculating the expense and any contributions required. The primary risk factors for this plan are longevity of plan beneficiaries and discount rate volatility on the value of the obligation and market risk on the assets. Fluctuations in the pension liability resulting from actuarial gains or losses due to changes in these risk factors are recorded in other comprehensive income. The Company has determined that any surplus in the plan after all obligations have been covered are fully available to the Company.

(d) In Germany, the Company has several unfunded defined benefit plans. There are three salary-based annuity plans that are closed to new membership, but currently have 11 active members. All contributions and benefits are funded by the Company. The primary risk factors for these plans are longevity of plan beneficiaries and discount rate volatility. There are also three cash balance plans for current employees. Two of those plans, making up approximately forty percent of the total liability of the German plans, require the Company to match a specific portion of employee contributions. Upon retirement, lump sum payments are made unless an employee requests an annuity. The third cash balance plan has employer and employee contributions and pays out in three instalments upon retirement. The primary risk factor for these three plans is discount rate volatility. Changes in the pension liability resulting from actuarial gains or losses due to a change in discount rate are recorded in other comprehensive income.

(e) In Switzerland, CCL provides a mandatory legislated contribution-based cash balance plan for employees that is accounted for as a post-employment defined benefit plan. Benefits from the plan are paid out at retirement, disability, or death. If an employee terminates from the Company prior to retirement, the vested benefit equal to the accumulated savings account balance is transferred to the pension plan of the new employer. The plan is governed by a foundation board that is legally responsible for the operation of the plan and includes employer and employee representation, in equal numbers. A legally required minimum level of retirement benefit is based on age-related savings contributions, an insured salary defined by law and a required rate of return set annually by the Swiss government. Contributions from both employers and employees are compulsory and vary according to age and salary. The primary risk factors for this plan are longevity of plan beneficiaries, discount rate volatility for the value of the obligation and market risk on the assets. Modifications in the pension liability resulting from actuarial gains or losses due to changes in these risk factors are recorded in other comprehensive income. Under Swiss pension law, any surplus assets technically belong to the pension plan and any reduction in contributions is at the discretion of the Board.

CCL also has unfunded post-employment defined benefit plans in Austria, France, Italy, Mexico and Thailand. Benefits are paid out in lump sums upon retirement, disability or death. There are no employee contributions in these plans. Benefits are based on salary and length of service with the Company.

The most recent actuarial valuation for funding purposes for the executive defined benefit pension plan in Canada was as of January 1, 2012. The next required actuarial valuation will be as of January 1, 2015. The most recent actuarial valuation of the U.K. defined benefit pension plan for funding purposes was as of January 1, 2011. The next required valuation is as of January 1, 2014. The new valuation will be finalized towards the end of the first quarter in 2015.

	Dec 31, 2014	Dec 31, 2013
Present value of unfunded defined benefit obligations	**$ 98,504**	$ 85,638
Present value of wholly or partly funded defined benefit obligations	**82,290**	37,553
Total present value of obligations	**180,794**	123,191
Fair value of plan assets	**(63,005)**	(25,058)
Recognized liability for defined benefit obligations	**117,789**	98,133
Liability for long-service leave and jubilee plans	**3,276**	3,085
Liability for long-term incentive plan	**6,942**	2,557
Cash-settled share-based payment liability	**13,211**	7,888
Total employee benefits	**141,218**	111,663
Total employee benefits reported in other payables	**2,624**	2,595
Total employee benefits reported in non-current liabilities	**$ 138,594**	$ 109,068

Information for December 31 regarding the defined benefit post-employment plans, including the defined benefit pension plans, supplemental retirement plans and other post-employment defined benefit plans discussed above is as follows:

2014	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
Accrued benefit obligation:						
Balance, beginning of year	$ 64,109	$ 28,908	$ 21,519	$ —	$ 8,655	**$ 123,191**
Opening balance from acquisitions	—	—	918	30,959	2,450	**34,327**
Current service cost	503	—	1,087	418	1,091	**3,099**
Interest cost	3,201	1,361	686	640	441	**6,329**
Employee contributions	1,163	—	—	378	—	**1,541**
Benefits paid	(1,875)	(524)	(436)	(376)	(380)	**(3,591)**
Actuarial loss	174	4,620	3,721	4,730	93	**13,338**
Reinstatements and transfers	—	—	—	—	(21)	**(21)**
Effect of movements in exchange rates	3,584	692	(1,133)	(113)	(449)	**2,581**
Balance, end of year	$ 70,859	$ 35,057	$ 26,362	$ 36,636	$ 11,880	**$ 180,794**
Plan assets:						
Fair value, beginning of year	$ 5,039	$ 20,019	$ —	$ —	$ —	**$ 25,058**
Opening balance from acquisitions	—	—	176	32,489	—	**32,665**
Expected return on plan assets	224	966	—	681	—	**1,871**
Actuarial gains	61	484	—	1,408	—	**1,953**
Employee contributions	—	—	137	378	—	**515**
Employer contributions	1,748	1,182	299	437	380	**4,046**
Benefits paid	(1,875)	(524)	(436)	(376)	(380)	**(3,591)**
Effect of movements in exchange rates	—	490	(2)	—	—	**488**
Fair value, end of year	$ 5,197	$ 22,617	$ 174	$ 35,017	$ —	**$ 63,005**
Funded status, net deficit of plans	$ (65,662)	$ (12,440)	$ (26,188)	$ (1,619)	$ (11,880)	**$ (117,789)**
Accrued benefit liability	$ (65,662)	$ (12,440)	$ (26,188)	$ (1,619)	$ (11,880)	**$ (117,789)**

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

2013	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
Accrued benefit obligation:						
Balance, beginning of year	$ 58,697	$ 25,561	$ 8,673	$ —	$ 6,168	$ 99,099
Opening balance from acquisitions	—	—	9,760	—	1,666	11,426
Current service cost	440	—	676	—	684	1,800
Interest cost	2,370	1,112	512	—	282	4,276
Employee contributions	1,019	—	—	—	—	1,019
Benefits paid	(1,546)	(411)	(390)	—	(362)	(2,709)
Actuarial (gain)/loss	723	266	508	—	(496)	1,001
Effect of movements in exchange rates	2,406	2,380	1,780	—	713	7,279
Balance, end of year	$ 64,109	$ 28,908	$ 21,519	$ —	$ 8,655	$ 123,191
Plan assets:						
Fair value, beginning of year	$ 4,462	$ 17,286	$ —	$ —	$ —	$ 21,748
Expected return on plan assets	167	772	—	—	—	939
Actuarial gains/(losses)	432	(325)	—	—	—	107
Employee contributions	—	—	126	—	—	126
Employer contributions	1,524	1,047	264	—	362	3,197
Benefits paid	(1,546)	(411)	(390)	—	(362)	(2,709)
Effect of movements in exchange rates	—	1,650	—	—	—	1,650
Fair value, end of year	$ 5,039	$ 20,019	$ —	$ —	$ —	$ 25,058
Funded status, net deficit of plans	$ (59,070)	$ (8,889)	$ (21,519)	$ —	$ (8,655)	$ (98,133)
Accrued benefit liability	$ (59,070)	$ (8,889)	$ (21,519)	$ —	$ (8,655)	$ (98,133)

The Company's net defined benefit plan expense is as follows:

2014	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
Current service cost	$ 503	$ —	$ 1,087	$ 418	$ 1,091	**$ 3,099**
Net interest cost on net defined benefit liability	2,977	395	686	(41)	441	**4,458**
Net defined benefit plan expense	$ 3,480	$ 395	$ 1,773	$ 377	$ 1,532	**$ 7,557**
Net defined benefit plan expense recorded in:						
Cost of sales	$ —	$ —	$ 876	$ 272	$ 703	**$ 1,851**
Selling, general and administrative expenses	3,480	395	897	105	777	**5,654**
Finance cost	—	—	—	—	52	**52**
Net defined benefit plan expense	$ 3,480	$ 395	$ 1,773	$ 377	$ 1,532	**$ 7,557**

2013	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
Current service cost	$ 440	$ —	$ 676	$ —	$ 684	$ 1,800
Net interest cost on net defined benefit liability	2,203	340	512	—	282	3,337
Net defined benefit plan expense	$ 2,643	$ 340	$ 1,188	$ —	$ 966	$ 5,137
Net defined benefit plan expense recorded in:						
Cost of sales	$ —	$ —	$ 456	$ —	$ 468	$ 924
Selling, general and administrative expenses	2,643	340	732	—	451	4,166
Finance cost	—	—	—	—	47	47
Net defined benefit plan expense	$ 2,643	$ 340	$ 1,188	$ —	$ 966	$ 5,137

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

Actuarial losses recognized directly in equity are as follows:

	2014	2013
Cumulative amount at January 1	**$ 11,869**	$ 10,975
Recognized during the year in other comprehensive income	**11,385**	894
Cumulative amount at December 31	**$ 23,254**	$ 11,869
Experience losses on plan liabilities	**$ (860)**	$ (13)
Experience gains on plan assets	**1,953**	107

Plan assets consist of the following:

2014	Canada/U.S.	U.K.	Germany	Switzerland	Other	**Total**
Equity securities	58%	91%	—	17%	—	**47%**
Debt securities	26%	0%	—	57%	—	**34%**
Real estate	0%	7%	—	5%	—	**5%**
Other	16%	2%	100%	21%	—	**14%**
Total	100%	100%	100%	100%	—	**100%**

2013	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
Equity securities	57%	53%	—	—	—	54%
Debt securities	33%	34%	—	—	—	34%
Real estate	0%	7%	—	—	—	6%
Other	10%	6%	—	—	—	6%
Total	100%	100%	—	—	—	100%

No plan assets are directly invested in the Company's own shares or directly in any property occupied by, or other assets used by, the Company.

The actual returns on plans assets are as follows:

	Canada/U.S.	U.K.	Germany	Switzerland	Other	Total
2014	$ 285	$ 1,450	$ —	$ 2,089	$ —	**$ 3,824**
2013	$ 599	$ 447	$ —	$ —	$ —	$ 1,046

The weighted average economic assumptions used to determine post-employment benefit obligations are as follows:

	Canada/U.S.	U.K.	Germany	Switzerland	Other	**Total**
December 31, 2014						
Discount rate	2.35%	3.60%	2.05%	1.25%	5.46%	**2.11%**
Expected rate of compensation increase	3.00%	n.a.	1.97%	2.00%	3.79%	**1.60%**
December 31, 2013						
Discount rate	2.93%	4.60%	3.11%	n.a.	5.07%	3.48%
Expected rate of compensation increase	3.00%	n.a.	2.00%	n.a.	3.51%	2.68%

The weighted average economic assumptions used to determine post-employment plan expenses are as follows:

	Canada/U.S.	U.K.	Germany	Switzerland	Other	**Total**
December 31, 2014						
Discount rate	2.93%	4.60%	3.11%	2.00%	5.07%	**3.48%**
Expected rate of compensation increase	3.00%	n.a.	2.00%	2.00%	3.51%	**2.68%**
December 31, 2013						
Discount rate	2.22%	4.40%	3.31%	n.a.	4.72%	3.03%
Expected rate of compensation increase	3.00%	n.a.	2.00%	n.a.	3.25%	2.82%

The sensitivity analysis on the defined benefit obligation is as follows, and is prepared by altering one assumption at a time and keeping the other assumptions unchanged. The resulting defined benefit obligation is then compared to the defined benefit obligation in the disclosures.

	Canada/U.S.	U.K.	Germany	Switzerland	Other
Discount rate (increase 1%)	(5,063)	(7,362)	(3,678)	(4,836)	(1,069)
Discount rate (decrease 1%)	5,841	7,362	3,572	5,715	1,270
Longevity (+1 year)	1,057	1,052	128	660	2
Inflation (+0.25%)	—	1,402	45	—	—
Inflation (-0.25%)	—	(1,402)	(279)	—	—
Salary (increase 1%)	43	—	—	2,199	1,208
Salary (decrease 1%)	(43)	—	—	(1,832)	(1,031)
Duration (years)	11	19	15	15	11

The Company expects to contribute $2.5 million to the funded defined benefit plans and pay $2.1 million in benefits for the unfunded plans in 2015.

20. PERSONNEL EXPENSES

	2014	2013
Wages and salaries	**$ 511,884**	$ 379,242
Compulsory social security contributions	**44,751**	33,149
Contributions to defined contribution plans	**25,011**	19,555
Expenses related to defined benefit plans	**7,557**	5,137
Equity-settled share-based payment transactions	**8,726**	5,709
	$ 597,929	$ 442,792

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

21. INCOME TAX EXPENSE

		2014		2013
Current tax expense				
Current tax on earnings before earnings in equity accounted investments for the year	$	**78,810**	$	61,620
Deferred tax expense (benefit) (note 14)				
Origination and reversal of temporary differences	$	**13,519**	$	(14,569)
Impact of tax rate reduction		**—**		(646)
Recognition of previously unrecognized tax losses and deductible temporary differences		**(4,697)**		(324)
	$	**8,822**	$	(15,539)
Total income tax expense	$	**87,632**	$	46,081

Reconciliation of effective tax rate

		2014		2013
Combined Canadian federal and provincial income tax rates		**25.27%**		25.27%
The income tax expense on the Company's earnings differs from the amount determined by the Company's statutory rates as follows:				
Net earnings for the year	$	**216,566**	$	103,588
Add: income tax expense		**87,632**		46,081
Deduct: earnings in equity accounted investments		**3,686**		1,870
Earnings before income tax and equity accounted investments		**300,512**		147,799
Income tax using the Company's domestic combined Canadian federal and provincial income tax rates		**75,939**		37,349
Effect of tax rates in foreign jurisdictions		**16,234**		5,142
Impact of tax rate reduction		**—**		(646)
Capital gain offset against losses		**—**		1,470
Recognition of previously unrecognized tax losses and deductible temporary differences		**(4,697)**		(324)
Losses and deductible temporary differences for which no deferred tax asset was recognized		**2,046**		9,432
Non-deductible expenses and other items		**(1,890)**		(6,342)
	$	**87,632**	$	46,081
Income tax recovery recognized directly in other comprehensive income				
Derivatives and foreign currency translation adjustments	$	**(1,163)**	$	(3,096)
Actuarial gains and losses		**(2,336)**		(122)
Total income tax recognized directly in other comprehensive income	$	**(3,499)**	$	(3,218)

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. If the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

22. SHARE-BASED PAYMENTS

At December 31, 2014, the Company had three share-based compensation plans, which are described below:

(i) Employee stock option plan

Under the employee stock option plan, the Company may grant options to employees, officers and inside directors of the Company for up to 4,500,000 Class B non-voting shares. The Company does not grant options to outside directors. The exercise price of each option equals the market price of the Company's stock on the date of grant, and an option's maximum term is 10 years. Current options vest 25% one year from the grant date and 25% each subsequent year. The term of these options is five years from the grant date. In general, the grants are conditional upon continued employment. No market conditions affect vesting. Granted options are not entitled to dividends and may not be transferred or assigned by the option holder.

For options and share awards granted for stock-based compensation, $8.7 million (2013 – $5.7 million) has been recognized in the financial statements as an expense with a corresponding offset to contributed surplus. The fair value of options granted has been estimated using the Black-Scholes model and the following assumptions:

		2014		2013
Risk-free interest rate		**1.62%**		1.40%
Expected life		**4.5 years**		4.5 years
Expected volatility		**25%**		28%
Expected dividends	**$**	**1.00**	$	0.86

A summary of the status of the Company's Employee Stock Option Plan as of December 31, 2014 and 2013, and changes during the years ended on those dates, is presented below:

	2014			2013		
	Shares (000s)		**Weighted Average Exercise Price**	Shares (000s)		Weighted Average Exercise Price
Outstanding at beginning of year	**829**	**$**	**37.44**	1,228	$	29.02
Granted	**235**		**87.17**	220		56.00
Exercised	**(304)**		**28.94**	(619)		27.35
Forfeited	**(5)**		**87.17**	—		—
Outstanding at end of year	**755**	**$**	**56.00**	829	$	37.44
Options exercisable at end of year	**216**	**$**	**36.53**	284	$	28.59

The weighted average share price at the date of exercise in 2014 was $104.07 (2013 – $60.51).

The following table summarizes information about the employee stock options outstanding at December 31, 2014.

	Options Outstanding				Options Exercisable		
Range of Exercisable Prices	Options Outstanding (000s)	Weighted Average Remaining Contractual Life		Weighted Average Exercise Price	Options Exercisable (000s)		Weighted Average Exercise Price
$28.50–$36.00	322	1.8 years	$	33.78	179	$	32.45
$36.01–$56.00	203	3.1 years	$	56.00	37	$	56.00
$56.01–$87.17	230	4.1 years	$	87.17	—		—
$28.50–$87.17	755	2.9 years	$	56.00	216	$	36.53

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

(ii) Deferred share units

The Company maintains a deferred share unit plan. Under this plan, non-employee members of the Company's Board of Directors may elect to receive DSUs, in lieu of cash remuneration, for director fees that would otherwise be payable to such directors or any portion thereof until DSU holdings of three times the base retainer have been achieved. The number of units received is equivalent to the fees earned and is based on the fair market value of a Class B non-voting share of the Company's capital stock on the date of issue of the DSU. When dividends are paid on Class B non-voting shares of the Company, the equivalent value per DSU is calculated and the holder receives additional DSUs in lieu of actual cash dividends based on the fair market value of a Class B non-voting share of the Company. DSUs cannot be redeemed or paid out until such time as the director ceases to be a director. A DSU entitles the holder to receive, on a deferred payment basis, either the number of Class B non-voting shares of the Company equating to the number of his or her DSUs or, at the election of the Company, a cash amount equal to the fair market value of an equal number of Class B non-voting shares of the Company on the redemption date.

The Company accounts for the DSUs as cash-settled share-based payment transactions.

The Company had 104,836 DSUs outstanding as at December 31, 2014, valued at $13.2 million based on a five-day average of the Class B non-voting shares of the Company of $126.02. The amount recognized as an expense in 2014 totalled $5.3 million (2013 – $4.3 million).

(iii) Restricted share units

The Company has shares held in trust to be used to satisfy future employee benefits related to its long-term incentive plan as outlined in note 15.

23. FINANCIAL INSTRUMENTS

(a) Cash flow hedges

During the third quarter of 2013, the Company entered into an interest rate swap agreement ("IRSA"), the hedging item, in order to redistribute the Company's exposure to fixed and floating interest rates with a view to reducing interest rates over the long term. The hedged item was US$80.0 million of the syndicated credit facility. Fair value of this IRSA is recorded in derivative instruments on the consolidated statements of financial position. Change in fair value of the IRSA and the change in fair value of the debt are recorded in other comprehensive income. No ineffectiveness was recognized in the consolidated income statement as this has been and continues to be a fully effective hedge. This swap matures in September 2016.

	Interest Rate		Fair Value December 31			
Notional Principal Amount	Paid (USD)	Received (USD)	2014 (CAD)	2013 (CAD)	Maturity	Effective Date
USD80.0 million	1.047%	3-month LIBOR	$ (488.1)	$ (747.7)	September 13, 2016	September 13, 2014

The Company has in place numerous aluminum derivative contracts (hedging item) that are used to fix the price the Company is required to pay for its anticipated aluminum manufacturing requirements (hedged item). Aluminum is the major raw material used in the Container Segment. The Company uses these contracts along with fixed price customer contracts to minimize the impact of aluminum price fluctuations. The Company does not enter into these contracts for speculative purposes.

The changes in value of the aluminum derivative contracts are recorded in other comprehensive income. Any ineffective portion is recorded in selling, general and administrative expenses. For 2014 and 2013, no ineffectiveness was recognized. Payments made or proceeds received upon the settlement of these contracts are recorded in cost of goods sold.

Prices for aluminum fluctuate in response to changes in supply and demand, market uncertainty and a variety of other factors beyond the Company's control. A US$100/MT increase (decrease) in the price of aluminum would have resulted in a $0.2 million (2013 – $0.5 million) decrease (increase) in other comprehensive income and no impact on the earnings from operations (2013 – nil) of the Company. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(b) Hedges of net investment in self-sustaining operations

US$239.0 million (2013 – US$239.0 million) of unsecured U.S. dollar-denominated senior notes and US$238.0 million (2013 – US$336.0 million) of the unsecured syndicated credit facility (hedging items) have been used to hedge the Company's exposure to its net investment in self-sustaining U.S. dollar-denominated operations with a view to reducing foreign exchange fluctuations. The foreign exchange effect of the senior notes, the syndicated credit facility and the net investment in U.S. dollar-denominated subsidiaries is reported in other comprehensive income. These have been and continue to be 100% fully effective hedges as the notional amounts of the hedging items equal the portion of the net investment balance being hedged. No ineffectiveness has been recognized in the income statement.

€61.6 million (2013 – €61.6 million) of the unsecured syndicated credit facility (hedging item) have been used to hedge the Company's exposure to its net investment in self-sustaining euro-denominated operations with a view to reducing foreign exchange fluctuations. The foreign exchange effect of both the syndicated credit facility and the net investment in euro-denominated subsidiaries is reported in other comprehensive income. This has been and continues to be a 100% fully effective hedge as the notional amount of the hedging item equals the portion of the net investment balance being hedged. No ineffectiveness has been recognized in the income statement.

(c) Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Dec 31, 2014	Dec 31, 2013
Cash and cash equivalents	$ 221,873	$ 209,095
Trade and other receivables	380,965	363,493
Available-for-sale financial assets	16,463	12,884
	$ 619,301	$ 585,472

Impairment losses

The aging of trade receivables at the reporting date was:

	Dec 31, 2014	Dec 31, 2013
Under 31 days	$ 216,820	$ 240,441
Between 31 and 90 days	138,918	106,422
Greater than 90 days	20,862	14,580
	$ 376,600	$ 361,443

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Dec 31, 2014	Dec 31, 2013
Balance at January 1	**$ 13,809**	$ 3,482
Increase during the year	**(1,404)**	10,327
Balance at December 31	**$ 12,405**	$ 13,809

Based on historical default rates, the Company believes that no impairment allowance is necessary in respect of trade receivables not past due.

(d) Liquidity risk

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

(In millions of Canadian dollars)

	Dec 31, 2013	**Dec 31, 2014**						
				Payments Due by Period				
	Carrying Amount	Carrying Amount	Contractual Cash Flows	0–6 Months	6–12 Months	1–2 Years	2–5 Years	More than 5 Years
Non-derivative financial liabilities								
Secured bank loans	$ 3.9	$ 2.4	$ 2.4	$ 0.6	$ 0.5	$ 0.9	$ 0.4	$ —
Unsecured bank loans	4.9	10.8	10.8	0.9	8.6	0.4	0.6	0.3
Unsecured senior notes	253.7	276.8	277.3	—	—	127.6	149.7	—
Finance lease liabilities	0.7	5.7	5.7	0.8	0.8	1.3	2.4	0.4
Unsecured bank credit facility	447.6	362.6	362.6	23.2	23.2	46.4	269.8	—
Other long-term obligations	1.2	0.8	0.8	0.2	0.2	0.4	—	—
Interest on unsecured senior notes	*	*	39.9*	2.8	8.7	11.5	16.9	—
Interest on unsecured bank credit facility	—	—	11.6*	1.8	2.5	4.9	2.4	—
Interest on other long-term debt	—	—	1.7	0.6	0.5	0.3	0.3	—
Trade and other payables	475.8	519.4	519.4	519.4	—	—	—	—
Derivative financial liabilities								
Outflow – CF hedges	1.4	0.8	0.3	0.3	—	—	—	—
Interest on derivatives	*	*	1.3*	0.4	0.4	0.5	—	—
Accrued post-employment benefit liabilities	*	*	37.9*	1.3	1.3	4.6	13.6	17.1
Operating leases	—	—	83.4	8.5	8.5	13.5	28.2	24.7
Total contractual cash obligations	$ 1,189.2	$ 1,179.3	$ 1,355.1	$ 560.8	$ 55.2	$ 212.3	$ 484.3	$ 42.5

* Accrued long-term employee benefit and post-employment benefit liability of $2.6 million, accrued interest of $6.5 million on unsecured senior notes and syndicated credit facility and accrued interest of nil on derivatives are reported in trade and other payables in 2014 (2013: $2.6 million, $6.5 million and nil, respectively).

The following tables indicate the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact the income statement:

	Dec 31, 2013	Dec 31, 2014						
				Payments Due by Period				
	Carrying Amount	Carrying Amount	Contractual Cash Flows	0–6 Months	6–12 Months	1–2 Years	2–5 Years	More than 5 Years
Assets	$ —	$ —	$ 0.4	$ 0.1	$ 0.1	$ 0.2	$ —	$ —
Liabilities	0.6	0.3	2.0	0.8	0.5	0.7	—	—
Total	$ (0.6)	$ (0.3)	$ (1.6)	$ (0.7)	$ (0.4)	$ (0.5)	$ —	$ —

(e) Currency risk

Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	Dec 31, 2014			Dec 31, 2013		
	U.S. Dollar	**U.K. Pound**	**Euro**	U.S. Dollar	U.K. Pound	Euro
Cash and cash equivalents	**70,578**	**7,429**	**44,679**	72,449	8,971	51,543
Trade and other receivables	**148,000**	**11,946**	**66,549**	159,369	12,607	56,769
Trade and other payables	**227,816**	**9,418**	**76,717**	213,815	8,932	77,533
Long-term debt	**476,642**	**—**	**67,323**	574,525	—	65,483

Sensitivity analysis

A five percent weakening of the Canadian dollar, as indicated below, against the following currencies at December 31 would have increased (decreased) equity and income by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity		Income Statement	
	2014	2013	**2014**	2013
Euro	**3,675**	7,281	**812**	560
U.S. dollar	**11,289**	2,346	**337**	94
U.K. pound	**6,765**	7,941	**(47)**	(3)

A five percent strengthening of the Canadian dollar against the above currencies at December 31 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(f) Interest rate risk

An increase of 100 basis points in interest rates on the floating rate debt and cash as at the reporting date would decrease net income by $2.0 million (2013 – $0.1 million increase) and have no impact on other comprehensive income. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

(g) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Dec 31, 2014		Dec 31, 2013	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Assets carried at fair value:				
Available-for-sale financial assets	**$ 16,463**	**$ 16,463**	$ 12,884	$ 12,884
Assets carried at amortized cost:				
Loans and receivables	**380,965**	**380,965**	363,493	363,493
Cash and cash equivalents	**221,873**	**221,873**	209,095	209,095
	$ 602,838	**$ 602,838**	$ 572,588	$ 572,588
Liabilities carried at fair value:				
Contingent consideration	**5,305**	**5,305**	—	—
Derivative financial liabilities	**768**	**768**	1,390	1,390
	$ 6,073	**$ 6,073**	$ 1,390	$ 1,390
Liabilities carried at amortized cost:				
Secured bank loans	**2,366**	**2,366**	3,946	3,946
Unsecured senior notes	**276,832**	**307,415**	253,672	284,402
Finance lease liabilities	**5,700**	**5,700**	660	660
Unsecured bank loans	**10,760**	**10,760**	4,896	4,896
Unsecured bank credit facility	**362,576**	**362,578**	447,646	447,646
Other long-term loan	**834**	**834**	1,226	1,226
Trade and other payables	**519,440**	**519,440**	475,777	475,777
	$ 1,178,508	**$ 1,209,093**	$ 1,187,823	$ 1,218,553

The basis for determining fair values is disclosed in note 3.

The interest rates used to discount estimated cash flows for the unsecured senior notes are based on the government yield curve at the reporting date plus an adequate credit.

(h) Fair value hierarchy

The table below summarizes level of hierarchy for financial assets and liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying value is a reasonable approximation of fair value.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3	**Total**
December 31, 2014				
Available-for-sale financial assets	$ —	$ 16,463	$ —	**$ 16,463**
Derivative financial liabilities	$ —	$ 768	$ —	**$ 768**
Contingent consideration	—	—	5,305	**5,305**
Unsecured senior notes	—	—	307,415	**307,415**
	$ —	$ 768	$ 312,720	**$ 313,488**
December 31, 2013				
Available-for-sale financial assets	$ —	$ 12,884	$ —	$ 12,884
Derivative financial liabilities	$ —	$ 1,390	$ —	$ 1,390
Unsecured senior notes	—	—	284,402	284,402
	$ —	$ 1,390	$ 284,402	$ 285,792

24. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- credit risk,
- liquidity risk, and
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount without requiring approval from senior management; these limits are reviewed quarterly. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

The Company is potentially exposed to credit risk arising from derivative financial instruments if a counterparty fails to meet its obligations. These counterparties are large international financial institutions and, to date, no such counterparty has failed to meet its financial obligations to the Company. As at December 31, 2014, the Company did not have any exposure to credit risk arising from derivative financial instruments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity by monitoring expected cash flows and ensuring the availability of credit to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due. The financial obligations of the Company include trade and other payables, long-term debts and other long-term items. The contractual maturity of trade payables is six months or less. Long-term debts have varying maturities extending to 2018.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company uses derivatives to manage market risks. Generally the Company seeks to apply hedge accounting in order to manage volatility in profit or loss. The Company does not utilize derivative financial instruments for speculative purposes.

(i) Currency risk

The Company operates internationally, giving rise to exposure to market risks from changes in foreign exchange rates. The Company partially manages these exposures by contracting primarily in Canadian dollars, euros, U.K. pounds and U.S. dollars. Additionally, each subsidiary's sales and expenses are primarily denominated in its local currency, further minimizing the foreign exchange impact on the operating results.

In other cases, borrowings are done by non-Canadian dollar-based subsidiaries in their own functional currencies such that the principal and interest are denominated in a currency that matches the cash flows generated by those subsidiaries. These provide natural hedges that do not require the application of hedge accounting.

(ii) Interest rate risk

The Company is exposed to market risks related to interest rate fluctuations on its debt. To mitigate this risk, the Company maintains a combination of fixed and floating rate debt.

(iii) Commodity price risk

Aluminum is the major raw material used in the Container Segment. Prices for aluminum fluctuate in response to changes in supply and demand, market uncertainty and a variety of other factors beyond the Company's control. The Company uses customer specific aluminum derivative instruments (hedging items) along with fixed price contracts (hedged items) to minimize the impact of aluminum price fluctuations.

Aluminum derivative contracts are accounted for as cash flow hedges and changes in value are recorded on the statement of financial position in other comprehensive income. Any ineffective portion is recorded in selling, general and administrative expenses. Payments made or proceeds received upon the settlement of these contracts are recorded in cost of goods sold.

Capital management

The Company's objective is to maintain a strong capital base throughout the economic cycle so as to maintain investor, creditor and market confidence and to sustain the future development of the business. This capital structure supports the Company's objective to provide an attractive financial return to its shareholders equal to that of its leading specialty packaging peers.

The Company defines capital as total equity and measures the return on capital (or return on equity) by dividing annual net earnings before goodwill impairment loss, restructuring and other items, finance costs related to the Avery acquisition and non-cash finished goods inventory adjustments by the average of the beginning and the end-of-year shareholders' equity. In 2014, the return on capital was 20.1% (2013 – 15.8%) and was well within the range of the Company's leading specialty packaging peers.

Management and the Board maintain a balance between the expected higher return on capital that might be possible with a higher level of financial debt and the advantages and security afforded by a lower level of financial leverage. The Company believes that an optimum level of net debt (defined as current debt, including bank advances, plus long-term debt, less cash and cash equivalents) to total book capitalization (defined as net debt plus equity) is a maximum of 45%. This ratio was 26% at December 31, 2014 (2013 – 33%) and therefore the Company has further capacity to invest in the business with additional debt without exceeding the optimum level. In comparison, the weighted average interest rate on interest-bearing borrowings (excluding liabilities with imputed interest) was 3.6% (2013 – 3.4%).

The Company has provided a growing level of dividends to its shareholders over the last few years, generally related to its growth in earnings. Dividends are declared bearing in mind the Company's current earnings, cash flow and financial leverage.

There were no changes in the Company's approach to capital management during the year.

The Company is subject to certain covenants on its unsecured senior notes. This includes a covenant requiring a minimum consolidated net worth. The Company monitors the ratios on a quarterly basis and at December 31, 2014, was in compliance with all its covenants.

25. OPERATING LEASES

Non-cancellable operating lease rentals are payable as follows:

	2014	2013
Less than one year	**$ 17,090**	$ 11,911
Between one and five years	**41,728**	34,524
More than five years	**24,690**	24,149
	$ 83,508	$ 70,584

The Company enters into operating leases in the ordinary course of business, primarily for real property and equipment. Payments and other terms for these leases vary per agreement. During the year ended December 31, 2014, $16.3 million was recognized as an expense in the income statement in respect of operating leases (2013 – $14.3 million).

26. RELATED PARTIES

Transactions with key management personnel

In March 2008, a US$1.5 million interest-bearing unsecured demand loan was provided to an executive officer. In the third quarter of 2014, the loan balance of US$2.0 million (2013 – US$1.9 million), including accrued interest, was repaid. At December 31, 2013, the loan was included in other assets.

Beneficial ownership

The directors and officers of CCL Industries Inc. as a group beneficially own, control, or direct, directly or indirectly, approximately 2,244,030 of the issued and outstanding Class A voting shares, representing 94.8% of the issued and outstanding Class A voting shares.

Years ended December 31, 2014 and 2013 (In thousands of Canadian dollars, except share and per share information)

Loan Guarantee

The Company has provided various loan guarantees for its joint ventures and associates totalling $32.2 million.

27. KEY MANAGEMENT PERSONNEL COMPENSATION

	2014	2013
Short-term employee compensation and benefits	$ 10,403	$ 9,455
Share-based compensation	3,640	11,173
Post-employment benefits	601	61
	$ 14,644	$ 20,689

28. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

	2014	2013
Unrealized foreign currency translation gains, net of tax recovery of $2,833 (2013 – tax recovery of $1,532)	$ 3,882	$ 1,289
Losses on derivatives designated as cash flow hedges, net of tax recovery of $137 (2013 – tax recovery of $275)	(517)	(1,000)
	$ 3,365	$ 289

29. RESTRUCTURING AND OTHER ITEMS

	2014	2013
Label Segment restructuring	$ 6,343	$ 1,495
Avery Segment restructuring	1,447	27,930
Container Segment restructuring	—	11,000
Acquisition costs	1,314	4,823
Total restructuring and other items	$ 9,104	$ 45,248

In 2014, the Avery Segment recorded $1.4 million ($1.1 million, net of tax) in restructuring costs primarily related to severance costs for European operations.

In 2014, the Label Segment recorded $6.3 million ($5.4 million, net of tax) in restructuring costs primarily related to severance costs associated with the closure of a facility in France as well as severance costs associated with the recently acquired Designed & Engineered Solutions and Sancoa businesses.

In 2013, the Company recorded $27.9 million ($19.5 million, net of tax) in restructuring related to the acquisition of the Avery Segment, primarily relating to severance costs, and $4.8 million ($3.2 million, net of tax) in related transaction costs.

In 2013, the Container Segment recorded $11.0 million with no tax effect for severance and asset impairments related to the closure of the Company's aerosol container plant in Penetanguishene, Ontario.

In 2013, as part of restructuring in the Label Segment, the Company recorded $1.5 million ($1.3 million, net of tax) for severance and closure costs.

30. SUBSEQUENT EVENTS

The Board of Directors has declared a dividend of $0.3750 per Class B non-voting share and $0.3625 per Class A voting share, which will be payable to shareholders of record at the close of business on March 17, 2015, to be paid on March 31, 2015.

(In thousands of Canadian dollars, except per share and ratio data)

	2014	2013	2012	2011	2010	2009[1]
Sales and Net Earnings						
Sales	**$ 2,585,637**	$ 1,889,426	$ 1,308,551	$ 1,268,477	$ 1,192,318	$ 1,198,984
Depreciation and amortization	**146,421**	120,155	102,564	100,177	95,406	100,004
Finance cost/ Interest expense	**25,553**	25,648	20,919	21,384	25,285	29,323
Net earnings	**$ 216,566**[2]	$ 103,588[3]	$ 97,490	$ 84,126[4]	$ 71,093[5]	$ 42,174[6]
Basic net earnings per Class B share	**$ 6.31**[2]	$ 3.04[3]	$ 2.91	$ 2.54[4]	$ 2.17[5]	$ 1.31[6]
Financial Position						
Current assets	**$ 821,883**	$ 770,193	$ 476,909	$ 426,559	$ 440,836	$ 399,154
Current liabilities	**600,197**	544,549	322,155	256,243	317,985	266,743
Working capital[7]	**221,686**	225,644	154,754	170,316	122,851	132,411
Total assets	**2,618,375**	2,401,648	1,602,359	1,613,481	1,627,974	1,645,497
Net debt	**437,196**	502,951	140,061	213,270	248,702	347,545
Shareholders' equity	**$ 1,216,219**	$ 1,018,135	$ 887,187	$ 816,880	$ 769,327	$ 752,757
Net debt to equity ratio	**0.36**	0.49	0.16	0.26	0.32	0.46
Net debt to total book capitalization	**26.4%**	33.1%	13.6%	20.7%	24.4%	31.6%
Number of Shares (000s)						
Class A – Dec. 31	**2,368**	2,368	2,369	2,374	2,374	2,374
Class B – Dec. 31	**32,325**	32,021	31,451	31,315	30,912	30,674
Weighted average for the year	**34,365**	34,150	33,484	33,111	32,830	32,340
Cash Flow						
Cash provided by operating activities	**$ 403,530**	$ 333,738	$ 199,322	$ 171,376	$ 168,399	$ 150,280
Additions to plant, property and equipment	**153,657**	116,097	93,555	81,447	85,794	99,310
Business acquisitions	**115,876**	528,319	11,591	25,156	1,246	5,327
Dividends	**37,943**	29,408	32,088	23,343	20,730	18,964
Dividends per Class B share	**$ 1.10**	$ 0.86	$ 0.78	$ 0.70	$ 0.66	$ 0.60

1 Amounts presented are as reported under previous Canadian GAAP and have not been restated for IFRS.
2 After pre-tax restructuring and other items – net loss of $9.1 million.
3 After pre-tax restructuring and other items – net loss of $45.2 million.
4 After pre-tax restructuring and other items – net loss of $0.8 million.
5 After pre-tax restructuring and other items – net loss of $0.2 million.
6 After pre-tax restructuring and other items – net loss of $7.3 million.
7 Current assets minus liabilities.

North America

John Pedroli
President,
CCL Industries North America
Charlotte, North Carolina, U.S.A.

Ben Rubino
President,
Home and Personal Care Worldwide
Shelton, Connecticut, U.S.A.

Jim Sellors
President,
Avery North America
Brea, California, U.S.A.

Allison Phillips
Vice President and General Manager,
Avery North America Printable Media
Brea, California, U.S.A.

Al Green
Vice President
Technology Development,
Clinton, South Carolina, U.S.A.

Lee Pretsell
Vice President and General Manager,
Healthcare and Specialty North America
Toronto, Ontario, Canada

Eric Frantz
Vice President Operations,
Home and Personal Care North America
Hermitage, Pennsylvania, U.S.A.

Andy Iseli
Vice President and General Manager,
CCL Tube
Los Angeles, California, U.S.A.

Bill Goldsmith
Vice President and General Manager,
CCL Design US
Schererville, Indiana, U.S.A.

Europe

Günther Birkner
President,
Food and Beverage Worldwide
Hohenems, Austria

Peter Fleissner
Group Vice President,
CCL Design Worldwide
Solingen, Germany

Tommy Nielsen
Group Vice President,
Healthcare and Specialty CCL Label Europe
Randers, Denmark

Mark Cooper
Vice President and Managing Director,
Avery Europe and Asia Pacific
Maidenhead, U.K.

Werner Ehrmann
Vice President,
Technology Development
Holzkirchen, Germany

Jamie Robinson
Vice President and Managing Director,
Home and Personal Care Europe
Castleford, U.K.

Thomas Summer
Vice President and Managing Director, Sleeves Central & Eastern Europe
Hohenems, Austria

Asia Pacific

Jim Anzai
Vice President and Managing Director,
CCL Label Asia
Bangkok, Thailand

Da Gang Li
Vice President and Managing Director,
CCL Label China
Shanghai, PR China

Kittipong Kulratanasinsuk
Managing Director,
CCL Label Thailand
Bangkok, Thailand

John O'Brien
Managing Director
CCL Label Australia
Adelaide, Australia

Latin America

Luis Jocionis
Vice President and Managing Director,
CCL South America
Sao Paolo, Brazil

Ben Lilienthal
Vice President and Managing Director,
CCL and Avery Mexico
Mexico City, Mexico

2014 CCL OFFICERS

Donald G. Lang
Executive Chairman

Geoffrey T. Martin
President and
Chief Executive Officer

Kamal Kotecha
Vice President, Taxation

Mark McClendon
Vice President and
General Counsel

Bohdan I. Sirota
Corporate Secretary

Susan V. Snelgrove
Vice President, Risk and
Environmental Management

Lalitha Vaidyanathan
Senior Vice President,
Finance-IT-Human Resources,
CCL Industries

Sean P. Washchuk
Senior Vice President and
Chief Financial Officer

2014 BOARD OF DIRECTORS

Paul J. Block
Director since 1997

Chairman and CEO,
Proteus Capital Associates
New York, U.S.A.

Edward E. Guillet
Director since 2008

Independent Human
Resources Consultant
California, U.S.A.

Alan D. Horn
Director since 2008

President and CEO,
Rogers Telecommunications
Limited and Chairman, Rogers
Communications Inc.
Ontario, Canada

Kathleen L. Keller-Hobson
Director since 2015

Corporate Director
Ontario, Canada

Donald G. Lang
Director since 1991

Executive Chairman,
CCL Industries Inc.
Ontario, Canada

Stuart W. Lang
Director since 1991

Head Football Coach
for Guelph University
Ontario, Canada

Geoffrey T. Martin
Director since 2005

President and CEO,
CCL Industries Inc.
Massachusetts, U.S.A.

Douglas W. Muzyka
Director since 2006

Chief Science and Technology
Officer, EI DuPont de Nemours
Pennsylvania, U.S.A.

Thomas C. Peddie
Director since 2003

Executive Vice President
and CFO,
Corus Entertainment Inc.
Ontario, Canada

Mandy Shapansky
Director since 2014

Corporate Director
Ontario, Canada

Auditors

KPMG LLP

Legal Counsel

McMillan LLP

Transfer Agent

CST Trust Company
P.O. Box 700
Postal Station B
Montreal, QC H3B 3K3

Email:	inquiries@canstockta.com
AnswerLine:	(416) 682-3860 or (800) 387-0825
Fax:	(888) 249-6189
Website:	www.canstockta.com

Financial Information

Institutional investors, analysts and registered representatives requiring additional information may contact:

Sean Washchuk
Senior Vice President and CFO
(416) 756-8526

Additional copies of this report can be obtained from:
CCL Industries Inc.
Investor Relations Department
105 Gordon Baker Road
Suite 500
Toronto, ON M2H 3P8

Tel:	(416) 756-8500
Fax:	(416) 756-8555
Email:	ccl@cclind.com
Website:	www.cclind.com

Annual and Special Meeting of Shareholders

The Annual and Special Meeting of Shareholders
will be held on:
May 7, 2015 at 1:00 p.m.
CCL Industries Inc.
105 Gordon Baker Road
Suite 500
Toronto, ON M2H 3P8

Class B Share Information

Stock Symbol CCL.B

Listed TSX

Opening price 2014	$79.33
Closing price 2014	$125.87
Number of trades	98,799
Trading volume (shares)	13,150,451
Trading value	$1,399,483,497
Annual dividends declared	$1.10

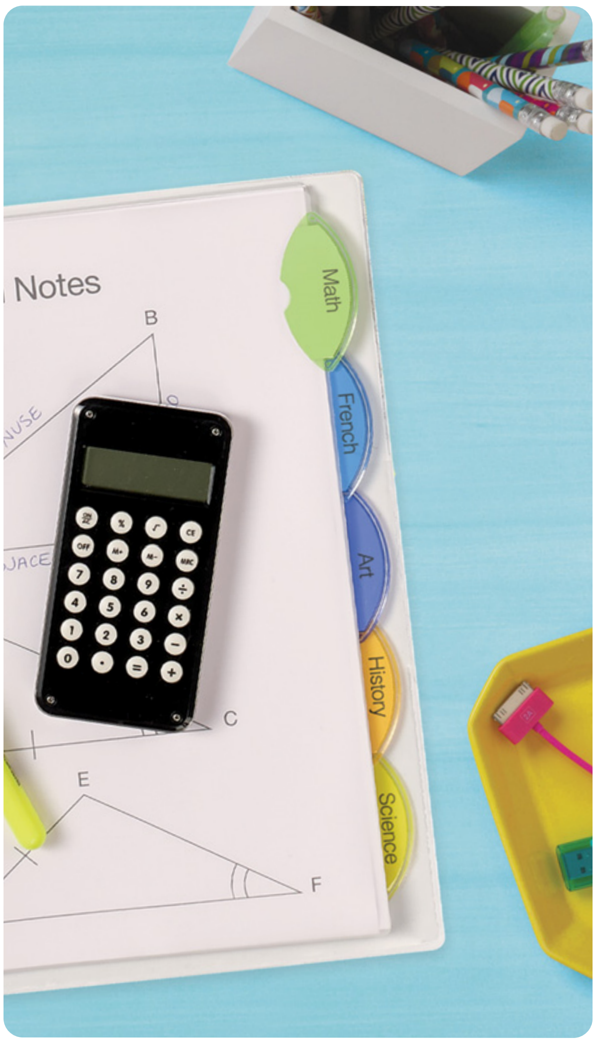
Shares outstanding at December 31, 2014

Class A voting shares	2,367,525
Class B non-voting shares	32,325,121

This report is printed on recyclable, acid-free and chlorine free paper.
Printed in Canada.

Designed by bmir Bryan Mills Iradesso www.bmir.com

Taking the Avery Experience **into the Future**



AVERY

We create innovative solutions for new and existing markets by combining dynamic capabilities in technology with groundbreaking ideas.

CCL Industries Inc.
105 Gordon Baker Road, Suite 500
Toronto, ON M2H 3P8, Canada
Tel +1 (416) 756 8500

161 Worcester Road
Framingham, MA 01701, USA
Tel +1 (508) 872 4511

www.cclind.com