CCL Industries Inc.
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News Release

For Immediate Release, Thursday, August 8, 2019
Stock Symbols: TSX – CCL.A and CCL.B

CCL Industries Announces Second Quarter Results

Second Quarter Highlights

- **Adjusted basic earnings per Class B share[3] of $0.69 down 1.4%; basic earnings per Class B share of $0.68 down 1.4%; currency translation nominal**
- **Sales increased 7.1% on 4.9% acquisition growth; organic growth of 2.3% and 2.5% for the CCL and Avery Segments, respectively**
- **Innovia profitability improved significantly; $13.3 million operating income [1]**
- **14.7% operating margin[1], down 110 bps**

Six-Month Highlights

- **Adjusted basic earnings per Class B share[3] of $1.40 up 0.7%; basic earnings per Class B share of $1.38 up 1.5%; currency translation negligible**
- **Sales increased 7.8% on 5.0% acquisition growth; organic growth of 3.2% and 2.6% for the CCL and Avery Segments, respectively**
- **15.0% operating margin[1], down 110 bps**
- **Adopted IFRS 16 lease accounting standard adding $159.4 million in lease liabilities, $22.4 million EBITDA, $3.3 million operating income offset by $3.3 million interest expense**

Toronto, August 8, 2019 - CCL Industries Inc. ("the Company"), a world leader in specialty label, security and packaging solutions for global corporations, government institutions, small businesses and consumers, today reported 2019 second quarter results.

Sales for the second quarter of 2019 increased 7.1% to $1,354.2 million, compared to $1,264.4 million for the second quarter of 2018, with 1.9% organic growth, 4.9% acquisition-related growth and 0.3% positive impact from foreign currency translation.

Operating income[1] for the second quarter of 2019 was $198.7 million compared to $199.6 million for the comparable quarter of 2018. Operating income[1] declined 1.2% excluding currency translation.

Restructuring and other items was a $2.1 million expense for the 2019 second quarter, primarily for severance costs associated with the Innovia U.K. operations and other acquisition transaction costs. For the second quarter of 2018, restructuring and other items totalled $3.6

million principally for the Checkpoint restructuring and other acquisition-related transaction costs.

Tax expense for the second quarter of 2019 was $41.2 million compared to $41.4 million in the prior year period. The effective tax rate for the 2019 second quarter was 25.6% compared to 25.5% for the 2018 second quarter.

Net earnings were $121.3 million for the 2019 second quarter compared to $121.1 million for the 2018 second quarter. Basic and adjusted basic earnings per Class B share(3) were $0.68 and $0.69, respectively, compared to basic and adjusted basic earnings per Class B share(3) of $0.69 and $0.70, respectively, in the prior year second quarter.

For the six-month period ended June 30, 2019, sales, operating income and net earnings improved 7.8%, 0.8% and 2.1% to $2.7 billion, $403.6 million and $244.9 million, respectively, compared to the same six-month period in 2018. The 2019 six-month period included results from eleven acquisitions completed since January 1, 2018, delivering acquisition-related sales growth for the period of 5.0%. Organic sales growth was 2.4% and foreign currency translation added a 0.4% positive impact. For the six-month period ended June 30, 2019, basic and adjusted basic earnings per Class B share(3) were $1.38 and $1.40, respectively, compared to basic and adjusted basic earnings per Class B share(3) of $1.36 and $1.39, respectively, in the prior year six-month period. Foreign currency translation had a negligible impact on earnings per share.

Geoffrey T. Martin, President and Chief Executive Officer, commented, “Operating performance was essentially flat for both the quarter and half year as a number of end markets slowed globally. For the quarter, the CCL Segment posted 2.3% organic growth but a decline in profitability. CCL Secure performance improved significantly compared to a weak prior year period; results now up on a year to date basis. CCL Design, despite soft automotive markets, also delivered solid sales and profitability improvement driven by share gains in electronics. Home & Personal Care results declined versus a record prior year quarter, largely driven by unusually slow demand for aluminum aerosols in the United States and a soft labels performance in Latin America, especially Brazil. Food & Beverage growth rates slowed, while pricing pressures and new capacity start-up costs impacted profitability. Healthcare & Specialty results also declined on product mix changes. Avery posted 2.5% organic sales growth with improved profitability despite a later start to the North American back-to-school season. Direct-to-consumer product lines continued to grow double-digit with strong operating margins. Checkpoint sales were flat for the quarter and down slightly year to date, largely on the impact of large technology roll out orders last year; profitability declined in both periods compared to a record first half of 2018. Price increases, improved productivity, better mix, foreign exchange gains on U.S. dollar sales and stable resin cost combined to drive significantly higher profitability at Innovia’s legacy operations, compared to a weak prior year quarter. The Treofan acquisition contributed modestly to results with the new extrusion line in Mexico starting up in late May.”

Mr. Martin continued, “Foreign currency translation had negligible impact on earnings per Class B share for the first half of 2019 and at today’s Canadian dollar exchange rates, this should continue, for the third quarter of 2019.”

Mr. Martin concluded, “The Company finished the quarter with a strong balance sheet. The Company’s net leverage ratio(5), decreased to 1.99 times EBITDA(2) compared to 2.1 times EBITDA(2) at the end of the first quarter of 2019. Combined $481.5 million cash-on-hand and US$475.8 million undrawn capacity on our syndicated revolving credit facility gives ample capacity to continue our strategic tuck-in acquisitions globally. With a strong free cash flow(4) outlook for the balance of the year and beyond, the Board of Directors declared a quarterly dividend of $0.17 per Class B non-voting share and $0.1675 per Class A voting share, payable to shareholders of record at the close of business on September 16, 2019, to be paid on September 30, 2019.”

2019 Reporting Changes

The Company adopted IFRS 16 *Leases* on January 1, 2019, using the modified retrospective approach. Accordingly, the comparative information for 2018 has not been restated. The following table illustrates the impact of the new standard on operating income(1) and EBITDA(2) for six-month period ended June 30, 2019.

(millions of CDN $)	As reported June 2019	IFRS 16 Adjustments June 2019	Pro Forma June 2019	As reported June 2018
Operating income(1)				
CCL	$ 259.1	$ (1.8)	$ 257.3	$ 273.7
Avery	73.2	(0.5)	72.7	68.6
Checkpoint	43.4	(0.7)	42.7	50.3
Innovia	27.9	(0.3)	27.6	7.6
	$ 403.6	$ (3.3)	$ 400.3	$ 400.2
EBITDA(2)				
CCL	$ 369.8	$ (12.2)	$ 357.6	$ 371.1
Avery	85.1	(3.8)	81.3	76.8
Checkpoint	62.2	(4.6)	57.6	64.5
Innovia	49.8	(1.5)	48.3	23.5
Corporate	(28.3)	(0.3)	(28.6)	(31.6)
	$ 538.6	$ (22.4)	$ 516.2	$ 504.3

2019 Second Quarter Highlights

CCL

- Sales increased 3.4% to $831.5 million, with 2.3% organic growth, 0.9% acquisition contribution and 0.2% positive impact from currency translation
- Regional organic sales growth: mid-single digit in Europe, double digit in Latin America, low single digit in Asia Pacific and low-single digit decline in North America
- Operating income(1) $117.0 million, 14.1% operating margin(1), compared to $127.3 million, for 2018 second quarter
- Label joint ventures added $0.01 earnings per Class B share

Avery

- Sales increased 4.8% to $203.3 million, with 2.5% organic growth, 0.2% acquisition contribution and 2.1% positive impact from currency translation
- Operating income(1) $45.3 million, 22.3% operating margin(1), compared to $44.6 million for 2018 second quarter

Checkpoint

- Sales down 0.1% to $177.3 million, on organic growth of 0.4% and 0.5% negative impact from foreign currency translation
- Operating income(1) $23.1 million, 13.0% operating margin(1), compared to $27.6 million for 2018 second quarter

Innovia

- Sales increased 60.0% to $142.1 million, with 61.0% acquisition contribution, 0.2% organic decline and 0.8% negative impact from foreign currency translation
- Operating income[(1)] $13.3 million, 9.4% operating margin[(1)], compared to $0.1 million for 2018 second quarter
- New Mexican manufacturing line started up late second quarter 2019

CCL will hold a conference call at 5:30 p.m. EDT on August 8, 2019, to discuss these results. The analyst presentation will be posted on the Company's website.

To access this call, please dial:

1-844-347-1036 Toll Free
1-209-905-5911 International Dial-In Number
Optional Conference Passcode: 4897439

Audio replay service will be available from August 8, 2019, at 8:30 p.m. EDT until August 23, 2019, at 8:30 p.m. EDT.

To access Conference Replay, please dial:
1-855-859-2056 Toll Free
1-404-537-3406 International Dial-In Number
Conference Passcode: 4897439

For more information on CCL, visit our website - www.cclind.com or contact:

Sean Washchuk	Senior Vice President and Chief Financial Officer	416-756-8526

Forward-looking Statements

This press release contains forward-looking information and forward-looking statements (hereinafter collectively referred to as "forward-looking statements"), as defined under applicable securities laws, 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 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 press release contains forward-looking statements regarding the impact of foreign currency exchange rates for the next quarter; the strength of the Company's cash flow; income and profitability of the Company's segments; 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 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 the Company'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 environment and higher consumer spending; improved customer demand for the Company's products; continued historical growth trends, market growth in specific sectors and entering into new sectors; 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 achievement of the Company's plans for improved efficiency and lower costs, including stable aluminum costs; the availability of cash and credit; fluctuations of currency exchange rates; fluctuations in resin prices; the Company's continued relations with its customers; the Company's estimated annual cost reductions; 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 in the 2018 Annual Report, Management's Discussion and Analysis, particularly under Section 4: "Risks and Uncertainties." CCL Industries Inc.'s annual and quarterly reports can be found online at www.cclind.com and www.sedar.com or are available upon request.

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 Company's 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 press release 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.

The financial information presented herein has been prepared on the basis of IFRS for financial statements and is expressed in Canadian dollars unless otherwise stated.

Financial Information

CCL Industries Inc.

Consolidated condensed interim statements of financial position
Unaudited

In millions of Canadian dollars

	As at June 30, 2019	As at December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	$ 481.5	$ 589.1
Trade and other receivables	969.0	938.0
Inventories	537.8	524.6
Prepaid expenses	38.6	34.8
Income taxes recoverable	36.9	38.7
Total current assets	2,063.8	2,125.2
Non-current assets		
Property, plant and equipment	1,820.0	1,797.5
Right-of-use assets*	154.6	-
Goodwill	1,786.8	1,830.3
Intangible assets	1,062.8	1,138.9
Deferred tax assets	29.3	32.5
Equity-accounted investments	58.8	59.8
Other assets	36.2	34.3
Derivative instruments	11.0	9.1
Total non-current assets	4,959.5	4,902.4
Total assets	**$ 7,023.3**	**$ 7,027.6**
Liabilities		
Current liabilities		
Trade and other payables	$ 1,067.8	$ 1,223.4
Current portion of long-term debt	2.1	71.8
Lease liabilities*	36.8	-
Income taxes payable	44.9	51.2
Derivative instruments	0.1	0.5
Total current liabilities	1,151.7	1,346.9
Non-current liabilities		
Long-term debt	2,399.2	2,419.8
Lease liabilities*	122.6	-
Deferred tax liabilities	238.3	216.6
Employee benefits	312.9	320.0
Provisions and other long-term liabilities	11.2	10.6
Derivative instruments	38.4	40.6
Total non-current liabilities	3,122.6	3,007.6
Total liabilities	4,274.3	4,354.5
Equity		
Share capital	352.7	306.3
Contributed surplus	70.9	92.7
Retained earnings	2,423.3	2,238.9
Accumulated other comprehensive income (loss)	(97.9)	35.2
Total equity attributable to shareholders of the Company	2,749.0	2,673.1
Total liabilities and equity	**$ 7,023.3**	**$ 7,027.6**

* Upon adoption of IFRS 16 *Leases,* on January 1, 2019, the Company now recognizes right-of-use assets and lease liabilities within its consolidated condensed interim statements of financial position

CCL Industries Inc.

Consolidated condensed interim income statements
Unaudited

In millions of Canadian dollars, except per share information	**Three Months Ended June 30**		**Six Months Ended June 30**	
	2019	**2018**	**2019**	**2018**
Sales	$ 1,354.2	$ 1,264.4	$ 2,686.3	$ 2,491.5
Cost of sales	969.0	887.7	1,915.0	1,737.6
Gross profit	385.2	376.7	771.3	753.9
Selling, general and administrative expenses	201.2	190.0	396.8	385.8
Restructuring and other items	2.1	3.6	3.5	6.9
Earnings in equity-accounted investments	(1.2)	(0.2)	(2.3)	(1.1)
	183.1	**183.3**	**373.3**	**362.3**
Finance cost	19.7	22.0	41.1	41.9
Finance income	(0.7)	(1.2)	(1.8)	(2.1)
Interest on lease liabilities	1.6	-	3.3	-
Net finance cost	20.6	20.8	42.6	39.8
Earnings before income tax	**162.5**	**162.5**	**330.7**	**322.5**
Income tax expense	41.2	41.4	85.8	82.7
Net earnings for the period	**$ 121.3**	**$ 121.1**	**$ 244.9**	**$ 239.8**
Basic earnings per Class B share	**$ 0.68**	**$ 0.69**	**$ 1.38**	**$ 1.36**
Diluted earnings per Class B share	**$ 0.68**	**$ 0.68**	**$ 1.37**	**$ 1.34**

CCL Industries Inc.

Consolidated condensed interim statements of cash flows
Unaudited

In millions of Canadian dollars	Three Months Ended June 30 2019	Three Months Ended June 30 2018	Six Months Ended June 30 2019	Six Months Ended June 30 2018
Cash provided by (used for)				
Operating activities				
Net earnings	$ 121.3	$ 121.1	$ 244.9	$ 239.8
Adjustments for:				
Property, plant and equipment depreciation	59.3	55.2	116.6	110.3
Right-of-use assets depreciation	9.9	-	19.1	-
Intangibles amortization	14.1	13.1	28.4	25.9
Earnings in equity-accounted investments, net of dividends received	1.5	3.0	0.4	2.1
Net finance costs	20.6	20.8	42.6	39.8
Current income tax expense	33.8	42.5	65.2	82.5
Deferred tax expense	7.4	(1.1)	20.6	0.2
Equity-settled share-based payment transactions	7.4	6.1	13.5	13.2
Loss (gain) on sale of property, plant and equipment	(0.4)	1.4	(1.0)	0.3
	274.9	262.1	550.3	514.1
Change in inventories	(0.1)	(19.4)	(12.3)	(76.6)
Change in trade and other receivables	14.3	(9.1)	(29.0)	(80.8)
Change in prepaid expenses	(5.2)	(1.1)	(3.7)	(1.5)
Change in trade and other payables	22.1	42.5	(158.1)	28.2
Change in income taxes receivable and payable	(8.9)	(5.0)	(5.1)	(1.9)
Change in employee benefits	(1.5)	(5.4)	(7.1)	(3.5)
Change in other assets and liabilities	(13.1)	(9.5)	(6.0)	(5.5)
	282.5	255.1	329.0	372.5
Net interest paid	(24.2)	(17.8)	(38.2)	(35.1)
Income taxes paid	(40.7)	(46.1)	(68.2)	(72.0)
Cash provided by operating activities	**217.6**	**191.2**	**222.6**	**265.4**
Financing activities				
Proceeds on issuance of long-term debt	9.4	596.4	113.4	637.6
Repayment of long-term debt	(72.1)	(323.4)	(116.0)	(380.9)
Payment of lease liabilities	(9.3)	-	(17.9)	-
Proceeds from issuance of shares	6.3	4.6	11.1	17.7
Dividends paid	(30.3)	(23.1)	(60.5)	(46.1)
Cash provided by (used for) financing activities	**(96.0)**	**254.5**	**(69.9)**	**228.3**
Investing activities				
Additions to property, plant and equipment	(113.7)	(95.6)	(211.0)	(204.7)
Proceeds on disposal of property, plant and equipment	2.4	12.8	4.5	16.6
Business acquisitions and other long-term investments	(16.3)	(39.8)	(33.1)	(47.8)
Cash used for investing activities	**(127.6)**	**(122.6)**	**(239.6)**	**(235.9)**
Net increase (decrease) in cash and cash equivalents	(6.0)	323.1	(86.9)	257.8
Cash and cash equivalents at beginning of period	495.8	516.5	589.1	557.5
Translation adjustment on cash and cash equivalents	(8.3)	(17.2)	(20.7)	7.1
Cash and cash equivalents at end of period	**$ 481.5**	**$ 822.4**	**$ 481.5**	**$ 822.4**

CCL Industries Inc.
Segment Information
Unaudited

In millions of Canadian dollars

	Three Months Ended June 30				Six Months Ended June 30			
	Sales		Operating Income		Sales		Operating Income	
	2019	2018	2019	2018	2019	2018	2019	2018
CCL	$ 831.5	$ 804.2	$ 117.0	$ 127.3	$ 1,682.6	$ 1,611.8	$ 259.1	$ 273.7
Avery	203.3	194.0	45.3	44.6	360.9	340.3	73.2	68.6
Checkpoint	177.3	177.4	23.1	27.6	350.8	354.9	43.4	50.3
Innovia	142.1	88.8	13.3	0.1	292.0	184.5	27.9	7.6
Total operations	$ 1,354.2	$ 1,264.4	$ 198.7	$ 199.6	$ 2,686.3	$ 2,491.5	$ 403.6	$ 400.2
Corporate expense			(14.7)	(12.9)			(29.1)	(32.1)
Restructuring and other items			(2.1)	(3.6)			(3.5)	(6.9)
Earnings in equity-accounted investments			1.2	0.2			2.3	1.1
Finance cost			(19.7)	(22.0)			(41.1)	(41.9)
Finance income			0.7	1.2			1.8	2.1
Interest on lease liabilities			(1.6)	-			(3.3)	-
Income tax expense			(41.2)	(41.4)			(85.8)	(82.7)
Net earnings			$ 121.3	$ 121.1			$ 244.9	$ 239.8

	Total assets		Total liabilities		Depreciation and amortization		Capital Expenditures	
	June 30	December 31	June 30	December 31	Six Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018	2019	2018	2019	2018
CCL	$ 3,755.3	$ 3,645.8	$ 946.4	$ 947.5	$ 110.7	$ 97.4	$ 174.1	$ 171.7
Avery	703.8	637.4	252.2	237.3	11.9	8.2	6.2	5.3
Checkpoint	956.4	978.0	455.0	451.2	18.8	14.2	12.9	20.4
Innovia	1,099.1	1,140.7	245.6	225.2	21.9	15.9	17.7	6.6
Equity-accounted investments	58.8	59.8	-	-	-	-	-	-
Corporate	449.9	565.9	2,375.1	2,493.3	0.8	0.5	0.1	0.7
Total	$ 7,023.3	$ 7,027.6	$ 4,274.3	$ 4,354.5	$ 164.1	$ 136.2	$ 211.0	$ 204.7

Non-IFRS Measures

(1) Operating income and operating income margin are non-IFRS financial measures used to assist in understanding the profitability of the Company's business units. Operating income is defined as earnings before corporate expenses, net finance cost, goodwill impairment loss, earnings in equity-accounted investments, restructuring and other items, and taxes. Operating income margin, also known as return on sales, is defined as operating income over sales.

(2) EBITDA is a non-IFRS financial measure used extensively in the packaging industry and other industries to assist in understanding and measuring operating results. EBITDA is also considered as a proxy for cash flow and a facilitator for business valuations. This non-IFRS financial measure is defined as earnings before net finance cost, taxes, depreciation and amortization, goodwill impairment loss, non-cash acquisition accounting adjustments to inventory, earnings in equity-accounted investments and restructuring and other items. The Company believes that this is an important measure as it allows management to assess the ongoing business without the impact of net finance cost, 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 management to compare the business to those of the Company's peers and competitors who may have different capital or organizational structures. EBITDA is 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 included in the senior notes and bank lines of credit.

Unaudited

(In millions of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2019	**2018**	**2019**	**2018**
Net earnings	$ 121.3	$ 121.1	$ 244.9	$ 239.8
Corporate expense	14.7	12.9	29.1	32.1
Earnings in equity-accounted investments	(1.2)	(0.2)	(2.3)	(1.1)
Finance cost, net	20.6	20.8	42.6	39.8
Restructuring and other items	2.1	3.6	3.5	6.9
Income taxes	41.2	41.4	85.8	82.7
Operating income(1)	$ 198.7	$ 199.6	$ 403.6	$ 400.2
Less: Corporate expense	(14.7)	(12.9)	(29.1)	(32.1)
Add: Depreciation and amortization	83.3	68.3	164.1	136.2
EBITDA	**$ 267.3**	**$ 255.0**	**$ 538.6**	**$ 504.3**

(3) Adjusted basic earnings per Class B share is 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 financial measure is defined as basic net earnings per Class B share excluding gains on business dispositions, goodwill impairment loss, non-cash acquisition accounting adjustments to inventory, restructuring and other items, and tax adjustments.

Reconciliation of Basic Earnings per Class B Share to Adjusted Basic Earnings per Class B Share

Unaudited

	Three months ended June 30		Six months ended June 30	
	2019	2018	2019	2018
Basic earnings per Class B Share	$ 0.68	$ 0.69	$ 1.38	$ 1.36
Net loss from restructuring and other items	0.01	0.01	0.02	0.03
Adjusted Basic Earnings per Class B Share	$ 0.69	$ 0.70	$ 1.40	$ 1.39

(4) 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 measure of free cash flow from operations to IFRS measures reported in the consolidated condensed interim statements of cash flows for the periods ended as indicated.

Free Cash Flow from Operations		**Six months ended June 30, 2019**
Cash provided by operating activities	$	222.6
Less: Additions to property, plant and equipment		(211.0)
Add: Proceeds on disposal of property, plant and equipment		4.5
Free Cash Flow from Operations	$	16.1

(5) Leverage ratio is a measure that indicates the Company's ability to service its existing debt. Leverage ratio is calculated as net debt divided by EBITDA.

		June 30, 2019
Unaudited (In millions of Canadian dollars)		
Current portion of long-term debt	$	2.1
Current lease liabilities		36.8
Long-term debt		2,399.2
Long-term lease liabilities		122.6
Total debt	$	2,560.7
Cash and cash equivalents		(481.5)
Net debt	$	2,079.2
Pro forma EBITDA for 12 months ending June 30, 2019 (see below)		1,044.2
Leverage Ratio		**1.99**

EBITDA for 12 months ended December 31, 2018	$	995.3
less: EBITDA for six months ended June 30, 2018		(504.3)
add: EBITDA for six months ended June 30, 2019		538.6
add: pro forma lease expense*		14.6
Pro forma EBITDA for 12 months ended June 30, 2019	$	**1,044.2**

* Pro forma lease expense represents the estimated lease expenses for the six months ended December 31, 2018

Supplemental Financial Information

Sales Change Analysis
Revenue Growth Rates (%)

	Three Months Ended June 30, 2019				Six Months Ended June 30, 2019			
	Organic Growth	**Acquisition Growth**	**FX Translation**	**Total**	**Organic Growth**	**Acquisition Growth**	**FX Translation**	**Total**
CCL	2.3%	0.9%	0.2%	3.4%	3.2%	0.8%	0.4%	4.4%
Avery	2.5%	0.2%	2.1%	4.8%	2.6%	1.3%	2.2%	6.1%
Checkpoint	0.4%	-	(0.5%)	(0.1%)	(0.7%)	-	(0.5%)	(1.2%)
Innovia	(0.2%)	61.0%	(0.8%)	60.0%	0.3%	58.6%	(0.6%)	58.3%
Total	1.9%	4.9%	0.3%	7.1%	2.4%	5.0%	0.4%	7.8%

Business Description

CCL Industries Inc. employs approximately 22,000 people operating 170 production facilities in 40 countries with corporate offices in Toronto, Canada, and Framingham, Massachusetts. CCL is the world's largest converter of pressure sensitive and specialty extruded film materials for a wide range of decorative, instructional, functional and security applications for government institutions and large global customers in the consumer packaging, healthcare & chemicals, consumer electronic device and automotive markets. Extruded & laminated plastic tubes, aluminum aerosols & specialty bottles, folded instructional leaflets, precision decorated & die cut components, electronic displays, polymer banknote substrate 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 for short-run digital printing applications for businesses and consumers available alongside complementary products sold through distributors, mass market stores and e-commerce retailers. Checkpoint is a leading developer of RF and RFID based technology systems for loss prevention and inventory management applications, including labeling and tagging solutions, for the retail and apparel industries worldwide. Innovia is a leading global producer of specialty, high performance, multi-layer, surface engineered films for label, packaging and security applications. The Company is partly backward integrated into materials science with capabilities in polymer extrusion, adhesive development, coating & lamination, surface engineering and metallurgy; deployed as needed across the four business segments.