CCL Industries Inc.
111 Gordon Baker Road, Suite 801, Toronto, ON M2H 3R1, Canada
Tel +1 (416) 756-8500 www.cclind.com

News Release

For Immediate Release, Friday, February 21, 2020
Stock Symbols: TSX – CCL.A and CCL.B

CCL Industries Announces Fourth Quarter and 2019 Results

Fourth Quarter Highlights

- **Per Class B share[3] : $0.67 adjusted basic earnings down 1.5%; $0.59 basic earnings down 9.2%; currency translation neutral**
- **Sales decreased 4.1% on 3.4% organic declines in all Segments and 1.2% negative currency translation, offset 0.5% by acquisitions**
- **13.6% operating margin[1] down 60 bps compared to 2018 fourth quarter**
- **Annual dividend increase of 5.9% effective March 17, 2020**

2019 Highlights

- **Per Class B share[3] : $2.79 adjusted basic earnings, up 2.2%; $2.68 basic earnings up 1.5%; currency translation negative $0.01**
- **Sales increased 3.1% supported by 0.7% organic sales growth, acquisitions contributed 2.7%, 0.3% negative currency translation**
- **Operating income[1] increased 1.5%**
- **Free cash flow from operations[4] of $443.8 million for 2019, exceeded 2018 by $1.3 million**

Toronto, February 21, 2020 - 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 fourth quarter and annual financial results for 2019.

Sales for the fourth quarter of 2019 decreased 4.1% to $1,277.9 million, compared to $1,332.8 million for the fourth quarter of 2018, with 0.5% acquisition-related growth, offset by a 1.2% negative impact from foreign currency translation and a decline in organic sales growth of 3.4%.

Operating income[1] for the fourth quarter of 2019 was $173.9 million compared to $189.2 million for the comparable quarter of 2018. Operating income[1] for the 2019 fourth quarter included a $9.6 million pension curtailment gain, associated with Company's decision to close the legacy Innovia U.K. defined benefit pension plan.

Selling, general and administrative expenses, include lower corporate costs of $13.7 million due to reduced long-term variable compensation expense for the 2019 fourth quarter compared to the same period in 2018.

Restructuring and other items were $19.8 million for the 2019 fourth quarter, consisting of $13.3 million for settlement of lawsuit attributable to business practices employed by the pre-acquisition management at Checkpoint and $6.4 million of restructuring charges across all segments. For the fourth quarter of 2018, restructuring and other items summed to $6.6 million, consisting of reorganization and acquisition transaction costs totaling $3.3 million and other expenses of $3.3 million.

Tax expense for the fourth quarter of 2019 was $30.2 million compared to $35.0 million in the prior year period. The effective tax rate for the 2019 fourth quarter was 22.8% resulting in an annual effective tax rate of 25.3% equal to the annual effective tax rate for 2018.

Net earnings were $104.4 million for the 2019 fourth quarter compared to $114.2 million for the 2018 fourth quarter. Basic and adjusted basic earnings per Class B share(3) were $0.59 and $0.67 respectively, compared to basic and adjusted basic earnings per Class B share(3) of $0.65 and $0.68, respectively, in the prior year fourth quarter.

For the year ending December 31, 2019, sales and operating income improved 3.1% and 1.5% to $5.3 billion and $787.3 million, respectively, compared to December 31, 2018. Operating income for 2019 included the aforementioned $9.6 million pension curtailment gain while 2018 operating included a $4.3 million non-cash acquisition accounting adjustment to fair value the acquired inventory from Treofan expensed through cost of sales. The year ending December 31, 2019, included results from twelve acquisitions completed since January 1, 2018, delivering acquisition related sales growth for the period of 2.7%, coupled with organic sales growth of 0.7% and partially offset by 0.3% negative impact from foreign currency translation. Foreign currency translation had a negative impact of $0.01 per share. For the year ended December 31, 2019, basic and adjusted basic earnings per Class B share(3) were $2.68 and $2.79, respectively, compared to basic and adjusted basic earnings per Class B share(3) of $2.64 and $2.73, respectively, in the prior year.

Geoffrey T. Martin, President and Chief Executive Officer, commented, “CCL Segment performance was mixed for the fourth quarter resulting in a modest decline for 2019. CCL Design results continued 2019 trends with strong sales growth and significant profitability gains in electronics outweighing slower automotive markets. Home & Personal Care sales gained in some emerging markets but declines in North America and Europe more than offset although profitability improved. Slow sales of aerosols drove lower profitability for 2019. Healthcare & Specialty results declined for the quarter and year on challenging generic drug markets, especially in North America, conditions in agricultural chemicals also remained difficult; emerging markets growth a partial offset. Food & Beverage faced difficult comparisons including near 20% organic growth in the fourth quarter of 2018. Results declined on slower new project wins, some share loss and pricing challenges. The same issues drove lower mid-single digit organic growth for 2019 with reduced profitability. CCL Secure posted a strong year with double-digit sales and profitability gains although order timings affected fourth quarter comparisons. Checkpoint had a steady quarter and year as solid organic sales growth in MAS product lines offset slower apparel label sales; profitability declined modestly for both periods excluding the settlement of the outstanding legal case. Avery’s direct-to-consumer business continued to grow double-digit, driving the Segment’s first annual organic growth since 2015, with significantly improved profitability. Legacy product lines were stable in 2019 but seasonally slower this quarter with modestly lower profit. Fourth quarter Innovia results declined on soft end markets and share loss in commodity films. Annual profitability improved meaningfully in 2019 on price increases, lower resin cost, favorable U.S. dollar exchange rates on U.K. export sales and accounting gains on the closure of the U.K. pension scheme while mix improved on higher sales of security and specialty films. The first full year of the Treofan acquisition contributed positively while below pre-acquisition levels although fourth quarter performance improved over prior year.”

Mr. Martin continued, “Foreign currency translation had a negligible impact for the fourth quarter and a negative $0.01 impact on earnings per Class B share for the full year 2019. At today’s

Canadian dollar exchange rates, currency translation would be a modest headwind, if sustained, for the first quarter of 2020."

Mr. Martin concluded, "The Company finished the year with a strengthened balance sheet, despite investing over $40 million in acquisitions and $336 million in capital equipment, net of disposals. The Company's consolidated leverage ratio[5] declined to 1.61 times EBITDA[2]. Combined $704 million cash-on-hand and US$596 million undrawn capacity on our syndicated revolving credit facility gives significant liquidity to develop the Company while navigating through a period of slower global economic growth. With a strong free cash flow outlook for 2020, the Board of Directors declared a 5.9% increase in the quarterly dividend to $0.18 per Class B non-voting share and $0.1775 per Class A voting share, payable to shareholders of record at the close of business on March 17, 2020, to be paid on March 31, 2020. Continued deleveraging and strategic tuck-in acquisitions remain the priority for excess cash flows in 2020."

Mr. Martin added, "We do expect temporary disruption from the coronavirus outbreak as China sales represent approximately 8% of the CCL Segment. Checkpoint also ships apparel labels to global retailer vendors located in China and manufactures the vast majority of its MAS product line in the country. Most of our plants resumed operations on February 18 after an extended Lunar Holiday."

2019 Fourth Quarter Highlights

CCL

- Sales decreased 4.8% to $787.1 million, with 4.2% organic decline, 1.2% negative impact from currency translation and 0.6% acquisition contribution
- Regional organic sales growth: low-single digit gain in Latin America more than offset by low-single digit declines in North America, Europe & Asia Pacific
- Operating income[1] $108.1 million, 13.7% operating margin[1], compared to $120.1 million, for 2018 fourth quarter. Profitability declines
- Label joint ventures added $0.02 earnings per Class B share

Avery

- Sales decreased 1.5% to $170.5 million, with 0.8% acquisition contribution offset by 1.1% negative currency translation and 1.2% organic decline
- Operating income[1] $34.9 million, 20.5% operating margin[1], compared to $36.0 million for the 2018 fourth quarter, strong return in direct-to-consumer channels offset by modest declines in legacy product categories

Checkpoint

- Sales up 1.9% to $192.8 million, on organic growth of 3.6%, partially offset by 1.7% negative currency translation
- MAS gains offset slower apparel label markets
- Operating income[1] $25.0 million, 13.0% operating margin[1], compared to $25.4 million, for 2018 fourth quarter

Innovia

- Sales decreased to $127.5 million with 11.0% organic decline on soft end markets and exits from commodity grades
- Operating income[1] $5.9 million compared to $7.7 million for 2018 fourth quarter

CCL will hold a conference call at 7:30 a.m. EST on February 21, 2020, 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: 5185575

Audio replay service will be available from February 21, 2020, at 10:30 a.m. EST until March 8, 2020, at 11:30 a.m. EDT.

To access Conference Replay, please dial:
1-855-859-2056 Toll Free
1-404-537-3406 International Dial-In Number
Conference Passcode: 5185575

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 anticipated growth in sales, the impact of foreign currency exchange rates on the 2020 first quarter; 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 financial impact from the restructuring of the Checkpoint and Innovia acquisitions; 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 2019 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 statements of financial position
Unaudited

In millions of Canadian dollars	As at December 31, 2019	As at December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	$ 703.6	$ 589.1
Trade and other receivables	849.2	938.0
Inventories	481.6	524.6
Prepaid expenses	36.6	34.8
Income taxes recoverable	34.0	38.7
Total current assets	2,105.0	2,125.2
Non-current assets		
Property, plant and equipment	1,818.2	1,797.5
Right-of-use assets	146.5	-
Goodwill	1,794.4	1,830.3
Intangible assets	1,028.7	1,138.9
Deferred tax assets	30.8	32.5
Equity-accounted investments	62.0	59.8
Other assets	34.5	34.3
Derivative instruments	17.9	9.1
Total non-current assets	4,933.0	4,902.4
Total assets	**$ 7,038.0**	**$ 7,027.6**
Liabilities		
Current liabilities		
Trade and other payables	$ 1,035.6	$ 1,223.4
Current portion of long-term debt	38.8	71.8
Lease liabilities	35.3	-
Income taxes payable	38.1	51.2
Derivative instruments	0.2	0.5
Total current liabilities	1,148.0	1,346.9
Non-current liabilities		
Long-term debt	2,234.8	2,419.8
Lease liabilities	110.9	-
Deferred tax liabilities	245.4	216.6
Employee benefits	364.9	320.0
Provisions and other long-term liabilities	11.4	10.6
Derivative instruments	24.9	40.6
Total non-current liabilities	2,992.3	3,007.6
Total liabilities	4,140.3	4,354.5
Equity		
Share capital	365.5	306.3
Contributed surplus	81.5	92.7
Retained earnings	2,540.0	2,238.9
Accumulated other comprehensive income (loss)	(89.3)	35.2
Total equity attributable to shareholders of the Company	2,897.7	2,673.1
Total liabilities and equity	**$ 7,038.0**	**$ 7,027.6**

CCL Industries Inc.

Consolidated income statements
Unaudited

In millions of Canadian dollars, except per share information	Three Months Ended December 31		Twelve Months Ended December 31	
	2019	**2018**	**2019**	**2018**
Sales	$ 1,277.9	$ 1,332.8	$ 5,321.3	$ 5,161.5
Cost of sales	926.8	958.0	3,809.1	3,662.7
Gross profit	351.1	374.8	1,512.2	1,498.8
Selling, general and administrative expenses	179.8	201.9	774.6	785.8
Restructuring and other items	19.8	6.6	25.0	14.8
Earnings in equity-accounted investments	(2.0)	(2.7)	(5.4)	(5.3)
	153.5	**169.0**	**718.0**	**703.5**
Finance cost	26.8	28.9	86.7	92.9
Finance income	(9.3)	(9.1)	(12.0)	(12.2)
Interest on lease liabilities	1.4	-	6.3	-
Net finance cost	18.9	19.8	81.0	80.7
Earnings before income tax	**134.6**	**149.2**	**637.0**	**622.8**
Income tax expense	30.2	35.0	159.9	156.0
Net earnings	**$ 104.4**	**$ 114.2**	**$ 477.1**	**$ 466.8**
Earnings per share				
Basic earnings per Class B share	**$ 0.59**	**$ 0.65**	**$ 2.68**	**$ 2.64**
Diluted earnings per Class B share	**$ 0.58**	**$ 0.64**	**$ 2.66**	**$ 2.61**

CCL Industries Inc.

Consolidated statements of cash flows
Unaudited

In millions of Canadian dollars	Three Months Ended December 31 2019	Three Months Ended December 31 2018	Twelve Months Ended December 31 2019	Twelve Months Ended December 31 2018
Cash provided by (used for)				
Operating activities				
Net earnings	$ 104.4	$ 114.2	$ 477.1	$ 466.8
Adjustments for:				
Property, plant and equipment depreciation	59.1	56.6	234.0	223.3
Right-of-use assets depreciation	10.2	-	39.1	-
Intangible amortization	14.1	14.7	56.5	54.7
Earnings from equity-accounted investments, net of dividends received	(2.0)	(2.1)	(2.1)	(1.5)
Net finance costs	18.9	19.8	81.0	80.7
Current income tax expense	15.4	20.2	122.6	139.4
Deferred taxes expense	14.8	14.8	37.3	16.6
Equity-settled share-based payment transactions	(0.7)	5.3	26.3	22.9
Gain on sale of property, plant and equipment	(1.2)	(3.8)	(3.6)	(3.6)
	233.0	239.7	1,068.2	999.3
Change in inventories	47.3	2.9	44.5	(62.1)
Change in trade and other receivables	108.2	28.7	90.8	(58.5)
Change in prepaid expenses	3.2	2.9	(1.8)	(1.1)
Change in trade and other payables	(28.7)	104.6	(197.1)	149.4
Change in income taxes receivable and payable	4.6	6.7	(1.7)	(8.6)
Change in employee benefits	42.8	(4.0)	44.9	(13.6)
Change in other assets and liabilities	(47.5)	13.3	(63.9)	1.4
	362.9	394.8	983.9	1,006.2
Net interest paid	(22.7)	(24.5)	(72.3)	(76.8)
Income taxes paid	(41.6)	(41.2)	(132.1)	(156.7)
Cash provided by operating activities	**298.6**	**329.1**	**779.5**	**772.7**
Financing activities				
Proceeds on issuance of long-term debt	53.4	78.3	175.1	888.5
Repayment of long-term debt	(155.3)	(177.7)	(294.9)	(882.7)
Repayment of lease liabilities	(9.7)	-	(37.0)	-
Proceeds from issuance of shares	8.7	0.4	21.7	19.1
Dividends paid	(30.3)	(23.0)	(121.1)	(92.2)
Cash used for financing activities	**(133.2)**	**(122.0)**	**(256.2)**	**(67.3)**
Investing activities				
Additions to property, plant and equipment	(59.8)	(72.9)	(345.6)	(352.9)
Proceeds on disposal of property, plant and equipment	3.4	5.4	9.9	22.7
Business acquisitions and other long-term investments	(7.2)	(14.7)	(40.4)	(365.9)
Cash used for investing activities	**(63.6)**	**(82.2)**	**(376.1)**	**(696.1)**
Net increase in cash and cash equivalents	101.8	124.9	147.2	9.3
Cash and cash equivalents at beginning of year	601.3	438.2	589.1	557.5
Translation adjustments on cash and cash equivalents	0.5	26.0	(32.7)	22.3
Cash and cash equivalents at end of the year	**$ 703.6**	**$ 589.1**	**$ 703.6**	**$ 589.1**

CCL Industries Inc.

Segment Information
Unaudited

In millions of Canadian dollars

	Sales		Operating income		Sales		Operating income	
	Three Months Ended December 31				Twelve Months Ended December 31			
	2019	2018	2019	2018	2019	2018	2019	2018
CCL	$ 787.1	$ 827.2	$ 108.1	$ 120.1	$ 3,300.9	$ 3,255.1	$ 494.3	$ 511.3
Avery	170.5	173.1	34.9	36.0	739.0	711.9	156.5	145.5
Checkpoint	192.8	189.2	25.0	25.4	724.1	712.9	96.4	101.3
Innovia	127.5	143.3	5.9	7.7	557.3	481.6	40.1	17.6
Total operations	$ 1,277.9	$ 1,332.8	$ 173.9	$ 189.2	$ 5,321.3	$ 5,161.5	$ 787.3	$ 775.7
Corporate expense			(2.6)	(16.3)			(49.7)	(62.7)
Restructuring and other items			(19.8)	(6.6)			(25.0)	(14.8)
Earnings in equity-accounted investments			2.0	2.7			5.4	5.3
Finance cost			(26.8)	(28.9)			(86.7)	(92.9)
Finance income			9.3	9.1			12.0	12.2
Interest on lease liabilities			(1.4)	-			(6.3)	-
Income tax expense			(30.2)	(35.0)			(159.9)	(156.0)
Net earnings			$ 104.4	$ 114.2			$ 477.1	$ 466.8

	Total Assets		Total Liabilities		Depreciation and Amortization		Capital Expenditures	
December 31	2019	2018	2019	2018	2019	2018	2019	2018
CCL	$ 3,634.3	$ 3,645.8	$ 964.1	$ 947.5	$ 221.4	$ 194.9	$ 272.7	$ 280.0
Avery	638.2	637.4	236.7	237.3	24.1	17.6	13.5	11.6
Checkpoint	934.1	978.0	486.8	451.2	37.8	27.9	28.9	37.9
Innovia	1,090.8	1,140.7	261.7	225.2	44.7	36.6	30.2	22.7
Equity-accounted investments	62.0	59.8	-	-	-	-	-	-
Corporate	678.6	565.9	2,191.0	2,493.3	1.6	1.0	0.3	0.7
Total	$ 7,038.0	$ 7,027.6	$ 4,140.3	$ 4,354.5	$ 329.6	$ 278.0	$ 345.6	$ 352.9

Non-IFRS Measures

(1) Operating income and operating income margin are key 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 critical 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. Calculations are provided below to reconcile operating income to EBITDA. 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.

Reconciliation of operating income to EBITDA

Unaudited
(In millions of Canadian dollars)

	Three months ended December 31		Twelve months ended December 31	
Sales	2019	2018	2019	2018
CCL	$ 787.1	$ 827.2	$ 3,300.9	$ 3,255.1
Avery	170.5	173.1	739.0	711.9
Checkpoint	192.8	189.2	724.1	712.9
Innovia	127.5	143.3	557.3	481.6
Total sales	$ 1,277.9	$ 1,332.8	$ 5,321.3	$ 5,161.5
Operating income				
CCL	$ 108.1	$ 120.1	$ 494.3	$ 511.3
Avery	34.9	36.0	156.5	145.5
Checkpoint	25.0	25.4	96.4	101.3
Innovia	5.9	7.7	40.1	17.6
Total operating income	173.9	189.2	787.3	775.7
Less: Corporate expenses	(2.6)	(16.3)	(49.7)	(62.7)
Add: Depreciation & amortization	83.4	71.3	329.6	278.0
Add: Non-cash acquisition accounting adjustment to inventory	-	-	-	4.3
EBITDA	**$ 254.7**	**$ 244.2**	**$ 1,067.2**	**$ 995.3**

(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 December 31		Twelve months ended December 31	
	2019	**2018**	**2019**	**2018**
Basic earnings per Class B Share	$ 0.59	$ 0.65	$ 2.68	$ 2.64
Net loss from restructuring and other items	0.08	0.03	0.11	0.07
Non-cash acquisition accounting adjustment related to inventory	-	-	-	0.02
Adjusted Basic Earnings per Class B Share	$ 0.67	$ 0.68	$ 2.79	$ 2.73

(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 statements of cash flows for the periods ended as indicated.

Free Cash Flow from Operations (In millions of Canadian dollars)	**2019**	**2018**
Cash provided by operating activities	$ 779.5	$ 772.7
Less: Additions to property, plant and equipment	(345.6)	(352.9)
Add: Proceeds on disposal of property, plant and equipment	9.9	22.7
Free cash flow from operations	$ 443.8	$ 442.5

(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.

Unaudited (In millions of Canadian dollars)	**December 31, 2019**
Current portion of long-term debt	$ 38.8
Current lease liabilities	35.3
Long-term debt	2,234.8
Long-term lease liabilities	110.9
Total debt	2,419.8
Cash and cash equivalents	(703.6)
Net debt	$ 1,716.2
EBITDA for 12 months ending December 31, 2019	$ 1,067.2
Leverage Ratio	1.61

Supplemental Financial Information

Sales Change Analysis
Revenue Growth Rates (%)

	Three Months Ended December 31, 2019				Twelve Months Ended December 31, 2019			
	Organic Growth	Acquisition Growth	FX Translation	Total	Organic Growth	Acquisition Growth	FX Translation	Total
CCL	(4.2%)	0.6%	(1.2%)	(4.8%)	1.1%	0.7%	(0.4%)	1.4%
Avery	(1.2%)	0.8%	(1.1%)	(1.5%)	1.9%	1.1%	0.8%	3.8%
Checkpoint	3.6%	-	(1.7%)	1.9%	2.6%	-	(1.0%)	1.6%
Innovia	(11.0%)	-	-	(11.0%)	(6.3%)	22.4%	(0.4%)	15.7%
Total	(3.4%)	0.5%	(1.2%)	(4.1%)	0.7%	2.7%	(0.3%)	3.1%

Business Description

CCL Industries Inc. employs approximately 21,400 people operating 183 production facilities in 42 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.