# Investor Update

3rd Quarter 2016

November 9, 2016

# Disclaimer

This presentation 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 presentation contains forward-looking statements regarding the impact of recent acquisitions on margins; the CCL-Korsini IML plant start-up mid-2017; the expected total $30 million in Checkpoint restructuring charges by mid 2017; the Q4 order levels; the expected impact of a currency tailwind or headwind for 2016; the expected 2016 capital additions; and the Company's expected commencement of CCL Container's Canadian plant closure in Q1 2017.

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 after-effects of 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 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; the Company's continued relations with its customers; 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 in the 2015 Annual Report, Management's Discussion and Analysis, particularly under Section 4: "Risks and Uncertainties." CCL's annual and quarterly reports can be found online at [www.cclind.com](http://www.cclind.com) and [www.sedar.com](http://www.sedar.com) or are available upon request.



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# Statement of Earnings

## Periods Ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Nine months 2016 | Nine months 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Sales | $ 1,089.3 | $ 812.9 | +34% | +35% | $ 2,916.3 | $ 2,240.3 | +30% | +28% |
| Operating income[1] | 149.7 | 134.3 | +11% | +13% | 442.7 | 374.0 | +18% | +16% |
| Corporate expense | 12.3 | 12.4 | | | 37.2 | 38.8 | | |
| | 137.4 | 121.9 | | | 405.5 | 335.2 | | |
| Finance cost, net | 10.0 | 6.3 | | | 25.7 | 18.9 | | |
| | 127.4 | 115.6 | | | 379.8 | 316.3 | | |
| Restructuring and other items | 6.0 | 0.9 | | | 27.9 | 1.8 | | |
| Earnings in equity accounted investments | 1.4 | 1.1 | | | 3.3 | 1.9 | | |
| Earnings before income taxes | 122.8 | 115.8 | | | 355.2 | 316.4 | | |
| Income taxes | 36.7 | 34.0 | | | 107.2 | 93.2 | | |
| Net earnings | $ 86.1 | $ 81.8 | +5% | +7% | $ 248.0 | $ 223.2 | +11% | +9% |
| *Effective tax rate* | *30.3%* | *29.7%* | | | *30.5%* | *29.6%* | | |
| *EBITDA* [1] | $ 208.3 | $ 163.2 | +28% | +29% | $ 588.3 | $ 455.2 | +29% | +27% |



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# Earnings per Class B Share

## Periods Ended September 30th

| | Three months | | | Nine months | | |
|---|---|---|---|---|---|---|
| **Per Class B Share** | **2016** | **2015** | **Change** | **2016** | **2015** | **Change** |
| **Net earnings - basic** | **$ 2.47** | **$ 2.36** | **+5%** | **$ 7.10** | **$ 6.45** | **+10%** |
| Net loss/(gain) from restructuring and other items | 0.14 | (0.02) | | 0.61 | - | |
| Non-cash acquistion accounting adjustment related to finished goods inventory | 0.37 | - | | 0.72 | - | |
| **Adjusted basic earnings[1]** | **$ 2.98** | **$ 2.34** | **+27%** | **$ 8.43** | **$ 6.45** | **+31%** |
| Adjusted basic earnings variance (after tax) due to | | | | | | |
| Operating income | $ 0.65 | | | $ 1.78 | | |
| Corporate expenses | - | | | 0.06 | | |
| Interest expenses | (0.07) | | | (0.10) | | |
| Earnings in equity accounted investments | 0.01 | | | 0.04 | | |
| Change in effective tax rate | 0.07 | | | 0.05 | | |
| FX translation impact | (0.02) | | | 0.15 | | |
| | $ 0.64 | | | $ 1.98 | | |



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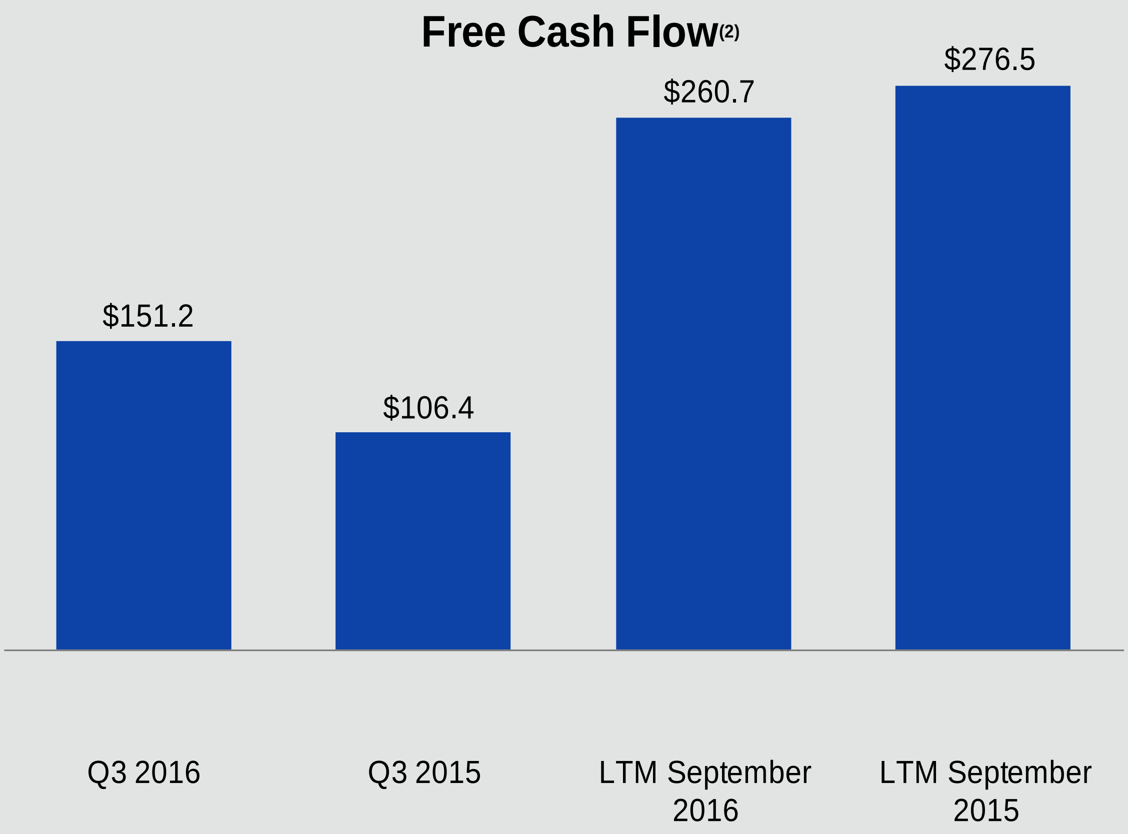
# Cash Flow

## Periods Ended September 30th

(millions of CDN $)



# Cash & Debt Summary

| (millions of CDN $) | September 2016 | December 2015 |
|---|---|---|
| Senior Notes LTD (US$129.0MM) due 2018 | $ 169.2 | $ 330.8 |
| Revolving LTD (US$426.0MM, EUR73.4MM and GBP70.0MM) | 786.5 | 653.9 |
| Bond (US$500.0MM) due 2026 | 655.9 | - |
| Debt - all other | 34.3 | 20.8 |
| Total debt | 1,645.9 | 1,005.5 |
| Less: Cash and cash equivalents | (458.3) | (405.7) |
| Net debt | $ 1,187.6 | $ 599.8 |

- Net debt increased due to eight business acquisitions in 2016
- The interest margin on the revolving credit facility is 120 bps
- Successful inaugural public bond offering for 10 years at 3.25%
- Available capacity within the revolving credit facility is US$582million.

# Capital Spending

## Nine Months Ended September 30th, 2016

| Divisions | Capital Spending | Depreciation(*) | Difference |
|---|---|---|---|
| Label | $ 165.5 | $ 103.8 | $ 61.7 |
| Avery | 14.2 | 9.7 | 4.5 |
| Checkpoint | 4.0 | 7.7 | (3.7) |
| Container | 17.1 | 11.2 | 5.9 |
| Corporate | - | 0.3 | (0.3) |
| | $ 200.8 | $ 132.7 | $ 68.1 |

(*) excludes amortization of intangibles and other assets

- Part offset by $6.7 million asset dispositions
- $230 million capex forecast for 2016
- Q3 annualized depreciation & amortization approximately $215 million



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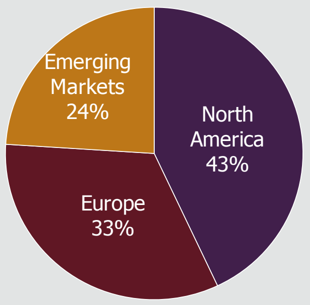
# Label

## Periods Ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Nine months 2016 | Nine months 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Sales | $ 639.5 | $ 522.2 | +22% | +24% | $ 1,865.8 | $ 1,477.2 | +26% | +24% |
| Adj. operating income(*) | $ 94.1 | $ 81.6 | +15% | +17% | $ 289.4 | $ 235.4 | +23% | +20% |
| Return on Sales | 14.7% | 15.6% | | | 15.5% | 15.9% | | |
| EBITDA(1) | $ 132.1 | $ 114.7 | +15% | +17% | $ 403.6 | $ 332.1 | +22% | +20% |
| % of Sales | 20.7% | 22.0% | | | 21.6% | 22.5% | | |

*For the nine-month periods ending September 30, 2016, operating income(1) excludes a $2.0 non-cash acquisition accounting adjustment to Worldmark's opening inventory

- 4.3% organic sales growth rate, North America: low single digit, Europe: mid single digit, Asia flat & Latin America: strong double digit
- Recent acquisitions led profit gains but diluted margins compared to a strong Q315




**Label Sales by Geography**



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# Label

## Third Quarter Ended September 30th

### Home & Personal Care

- Low single digit organic growth vs strong prior year
- Up in the U.S., Asia and Latin America, down in Europe
- Profits flat for the quarter, up year to date

### Healthcare & Specialty

- Low single digit organic growth augmented by acquisitions
- Up in the U.S. & Emerging Markets, Europe up on acquisitions
- Profits up on acquisitions and a patent settlement

### Food & Beverage

- High single digit organic growth
- Strong growth in closures, sleeves and labels
- Profits flat on mix and FX vs strong PY, up year to date
- Significant investments in capacity expansion

### CCL Design

- Low single digit organic growth augmented by acquisitions
- Automotive stable in U.S., strong in Europe
- Electronics: best quarter at Worldmark, batteries soft
- Strong profit gains on acquisitions



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# Label Joint Ventures

**Periods Ended September 30th**

| Results at 100% | Three months | | Nine months | |
|---|---|---|---|---|
| (millions of CDN $) | 2016 | 2015 | 2016 | 2015 |
| Sales | $ 31.5 | $ 28.3 | $ 89.4 | $ 76.8 |
| Net income | $ 3.4 | $ 2.4 | $ 8.4 | $ 5.2 |
| EBITDA | $ 6.3 | $ 5.3 | $ 16.3 | $ 12.8 |
| % of Sales | 20.0% | 18.7% | 18.2% | 16.7% |
| **CCL equity share(*)** | **$ 1.8** | **$ 1.2** | **$ 4.4** | **$ 2.7** |

(*) share of earnings consolidated using equity accounting principles.

- Double digit organic growth continues in Russia: Sleeve plant reaching breakeven
- Strong growth in sales and earnings in the Middle East
- Excellent results in Chile
- CCL-Korsini IML plant in Memphis due to start up mid 2017
- CCL Tube Thailand now fully consolidated (former CCL Taisei)



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# Avery

## Periods Ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Nine months 2016 | Nine months 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Sales | $ 220.2 | $ 233.1 | (6%) | (6%) | $ 607.2 | $ 591.5 | +3% | (1%) |
| Operating income(1) | $ 45.3 | $ 46.5 | (3%) | (3%) | $ 131.3 | $ 118.3 | +11% | +7% |
| Return on Sales | 20.6% | 19.9% | | | 21.6% | 20.0% | | |
| EBITDA(1) | $ 49.4 | $ 50.6 | (2%) | (3%) | $ 143.3 | $ 129.5 | +11% | +7% |
| % of Sales | 22.4% | 21.7% | | | 23.6% | 21.9% | | |

- Share loss in mass market economy back-to-school binders, and slow sales to the superstore channel drove soft top line quarter in North America.
- International business was up
- +70 bps margin expansion on mix
- Direct Marketing e-commerce businesses all performed well



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# Container

## Periods ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Nine months 2016 | Nine months 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Sales | $ 54.1 | $ 57.6 | (6%) | (2%) | $ 175.2 | $ 171.6 | +2% | +3% |
| Operating income[1] | $ 4.7 | $ 6.2 | (24%) | (18%) | $ 23.2 | $ 20.3 | +14% | +16% |
| Return on Sales | 8.7% | 10.8% | | | 13.2% | 11.8% | | |
| EBITDA[1] | $ 8.5 | $ 10.1 | (16%) | (9%) | $ 34.4 | $ 31.7 | +9% | +10% |
| % of Sales | 15.7% | 17.5% | | | 19.6% | 18.5% | | |
| **Rheinfelden** | | | | | | | | |
| CCL equity share | $ (0.4) | $ (0.1) | | | $ (1.1) | $ (0.8) | | |

- Tough prior year comps: profits doubled in the prior year period
- Weak peso, lower US$ sales mix, reduced profits in Mexico on flat sales
- U.S. volume gains offset by aluminum pass through and start up expense for new capacity

# Checkpoint

## Periods ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Twenty weeks 2016 | Twenty weeks 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Sales | $ 175.5 | $ - | n.m. | n.m. | $ 268.1 | $ - | n.m. | n.m. |
| Adj. operating income(*) | $ 22.9 | $ - | n.m. | n.m. | $ 32.7 | $ - | n.m. | n.m. |
| Return on Sales | 13.0% | - | | | 12.2% | - | | |
| EBITDA(1) | $ 30.3 | $ - | n.m. | n.m. | $ 43.4 | $ - | n.m. | n.m. |
| % of Sales | 17.3% | - | | | 16.2% | - | | |

*For the three-month and twenty-week periods ending September 30, 2016, operating income(1) excludes a $17.3 and $31.9, respectively, non-cash acquisition accounting adjustment to Checkpoint's opening inventory

- Profitability improvement exceeded expectations, Q3 is peak quarter.
- Inventory adjustment exercise complete.
- $3 million restructuring expense in Q3, $16 million year to date, now expect $30 million total, completion mid 2017, international business the main focus.



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# Summary

## Periods ended September 30th

| (millions of CDN $) | Three months 2016 | Three months 2015 | Change Reported | Change Ex FX | Nine months 2016 | Nine months 2015 | Change Reported | Change Ex FX |
|---|---|---|---|---|---|---|---|---|
| Label ** | $ 94.1 | $ 81.6 | +15% | +17% | $ 289.4 | $ 235.4 | +23% | +20% |
| Avery | 45.3 | 46.5 | (3%) | (3%) | 131.3 | 118.3 | +11% | +7% |
| Container | 4.7 | 6.2 | (24%) | (18%) | 23.2 | 20.3 | +14% | +16% |
| Checkpoint *** | 22.9 | - | n.m. | n.m. | 32.7 | - | n.m. | n.m. |
| Operating Income(1)* | $ 167.0 | $ 134.3 | +24% | +13% | $ 476.6 | $ 374.0 | +27% | +16% |
| Sales | $ 1,089.3 | $ 812.9 | +34% | +35% | $ 2,916.3 | $ 2,240.3 | +30% | +28% |
| Return on Sales | 15.3% | 16.5% | | | 16.3% | 16.7% | | |
| EBITDA(1) | $ 208.3 | $ 163.2 | +28% | +29% | $ 588.3 | $ 455.2 | +29% | +27% |
| % of Sales | 19.1% | 20.1% | | | 20.2% | 20.3% | | |
| EBITDA less capex as % of sales | 14.1% | 15.3% | | | 13.3% | 14.5% | | |

* For the three-month and nine-month periods ending September 30, 2016, operating income(1) excludes a $17.3 and $33.9, respectively, non-cash acquisition accounting inventory for:

** Worldmark: $2.0 for the nine-month periods ending September 30, 2016.

*** Checkpoint: $17.3 and $31.9, respectively, for the three-month and twenty-week periods ending September 30, 2016.



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# Outlook

- Q4 order levels solid so far, comps challenging organically
- FX looks neutral to a slight tailwind for Q4
- CCL Container’s Canadian plant closure to commence in Q1
- Checkpoint Q4 is second highest quarter of the year, Q1 historically loss making
- Balance sheet retains considerable capacity

# Questions

# Definitions Appendix

(1) Non-IFRS measure; see MD&A dated September 30, 2016 for definition

(2) Free Cash Flow from Operations (non-IFRS measure) = cash from operating activities less capital expenditures, net of proceeds from sale of property, plant and equipment



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