



News Release

For Immediate Release, December 19, 2016

Stock Symbol: TSX – CCL.A and CCL.B

CCL INDUSTRIES TO ACQUIRE INNOVIA FOR \$1.13 BILLION

- Highly strategic opportunity
 - Leading, specialty, global producer of co-extruded, Bi-axially Oriented Polypropylene (“BOPP”) films for labels, packaging & security applications
 - Unique capability for polymer banknotes significantly expands CCL’s security products, customers, markets and technologies
 - Proprietary technology and strong intellectual property portfolio based on scale in R&D drives margin profile
- Enterprise value of \$1.13 billion¹
- 2017 sales forecast at \$570 million with estimated EBITDA of \$155 million
- Integration expense estimated at approximately \$5 million
- Meaningful earnings accretion

Toronto, **December 19, 2016** - CCL Industries Inc. (“CCL”), a world leader in specialty label, security and packaging solutions for global corporations, government institutions, small businesses and consumers, announced today that it has entered into a definitive agreement to acquire the Innovia Group of companies (“Innovia”) for approximately \$1.13 billion, debt free and net of cash from a consortium of U.K. based private equity investors managed by The Smithfield Group LLP. The transaction is subject to regulatory and change of control approvals as well as customary completion procedures with closing expected by the end of the first quarter, 2017.

Geoffrey T. Martin, President and Chief Executive Officer of CCL, said, “This transaction is another transformative acquisition for CCL, propelling the Company to world leadership in the disruptive, fast growing polymer banknote market while strengthening our depth in the materials science arena with proprietary BOPP films technology for the label, packaging and security sectors. We expect to find significant operational, customer and product innovation growth opportunities between Innovia and our end use facing businesses at CCL Label, CCL Design, Checkpoint and Avery. We are very pleased to welcome Innovia’s deeply experienced industry people to our Company and look forward to an exciting future together.”

¹ All figures in the press release are in Canadian dollars unless otherwise noted. The exchange rate used was 1.4 C\$ / Euro

Mr. Martin concluded, "CCL's 2017 pro-forma annual sales are forecast to exceed \$5.0 billion post close. The transaction will be financed from existing capacity in our revolving credit facility and a new US\$ 450 million, two-year term loan provided by a syndicate of banks led by Bank of Montreal. At closing our expected pro-forma net debt to EBITDA leverage ratio is estimated at a conservative 2.5 times, with additional balance sheet liquidity of approximately \$700 million."

Innovia, headquartered in Wigton in the U.K., is a leading global producer of specialty, high performance, multi-layer, surface engineered BOPP films for label, packaging and security applications. The business has film extrusion, coating and metallizing facilities across the U.K., Belgium and Australia as well as high security, specialized polymer banknote operations in the U.K., Australia and Mexico with 1200 employees and sales offices in 16 countries around the world. For 2017, Innovia is expected to generate net revenue of approximately \$570 million and estimated EBITDA of \$155 million.

The Smithfield Group LLP buys, operationally improves and grows businesses headquartered in Europe and North America.

Conference Call to Discuss Transaction

The press release and conference call presentation will be posted on the Company's website on Monday, December 19, 2016 – www.cclind.com.

Geoffrey T. Martin, President and Chief Executive Officer of CCL, and Sean Washchuk, Senior Vice President and Chief Financial Officer of CCL, will discuss the transaction during a conference call on Monday, December 19, 2016 at 5:30 pm EST.

To access this call, please dial:
416-340-2216 – Local
1-866-223-7781 – Toll Free

Audio replay service for the conference call will be available December 19, 2016, at 7:30 p.m. EST until January 19, 2017 at 11:59 p.m. EST.

To access Conference Replay, please dial:
905-694-9451 – Local
1-800-408-3053 – Toll Free
Access Code: 6898751

Forward-Looking Statements

This press release 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 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, income and profitability of the Company's segments; the Company's anticipated improvement in market share; the Company's capital spending levels and planned capital expenditures; the adequacy of the Company's financial liquidity; earnings per share and EBITDA; 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 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; the outcome of anti-trust filings; 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 markets; 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; the Company's strategic rationale for this acquisition; Innovia's 2017 forecasted sales and estimated EBITDA and CCL's pro-forma annual sales post-close; and general business and economic conditions. Should one or more risks materialize or should any assumption 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" of the 2015 Annual MD&A. CCL's annual and quarterly reports can be found online at www.cclind.com and www.sedar.com or are available upon request.

Business Description

CCL Industries employs more than 20,000 people operating 156 production facilities in 35 countries on 6 continents with corporate offices in Toronto, Canada and Framingham, Massachusetts. **CCL Label** 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 and chemicals, consumer durable, electronic device and automotive markets. Extruded and laminated plastic tubes, folded instructional leaflets, precision decorated and die cut components, electronic 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 products sold through distributors and mass market retailers. **CCL Container** is a leading producer of impact extruded aluminum aerosol cans and bottles for consumer packaged goods customers in the United States and Mexico. **Checkpoint** is a leading manufacturer of technology-driven, loss prevention, inventory management and labeling solutions, including RF and RFID-based, to the retail and apparel industry. **CCL** partly backward integrates into materials science with capabilities in polymer extrusion, adhesive development and coating, surface engineering and metallurgy that are deployed across all four business segments.

For more information, contact:

Sean Washchuk

Senior Vice President
and Chief Financial Officer

416-756-8526

For more details on CCL, visit www.cclind.com

For more details on Innovia, visit www.innoviafilms.com/

For more details on The Smithfield Group, visit www.thsmithfieldgroup.com