



**News Release**

**Stock Symbol: TSX – CCL.A and CCL.B**

**For Immediate Release – Thursday, August 5, 2010**

**CCL Industries Doubles its Second Quarter Net Earnings  
 and Declares Dividend**

**Results Summary**

For periods ended June 30	Three months unaudited			Six months unaudited		
(in millions of Cdn dollars, except per share data)	2010	2009	% Change	2010	2009	% Change
Sales	\$ 302.2	\$ 301.3	0.3%	\$ 609.3	\$ 615.4	(1.0%)
EBITDA (Note 1)	\$ 57.0	\$ 48.8	16.8%	\$ 119.5	\$ 108.3	10.3%
Operating Income (Note 2)	\$ 40.0	\$ 29.0	37.9%	\$ 83.6	\$ 68.4	22.2%
Restructuring and other items – net loss/(gain)	\$ (0.1)	\$ 0.4	n.m.	\$ (0.1)	\$ 2.1	n.m
Net earnings	\$ 18.4	\$ 9.0	104.4%	\$ 41.7	\$ 25.7	62.3%
<b>Per Class B share</b>						
Basic earnings per share	\$ 0.56	\$ 0.28	100.0%	\$ 1.27	\$ 0.80	58.8%
Diluted earnings per share	\$ 0.55	\$ 0.27	103.7%	\$ 1.25	\$ 0.78	60.3%
Restructuring and other items – net loss	\$ -	\$ (0.01)		\$ -	\$ (0.05)	
Adjusted basic earnings per Class B Share (Note 3)	\$ 0.56	\$ 0.29	93.1%	\$ 1.27	\$ 0.85	49.4%
<b>Number of outstanding shares (in 000's)</b>						
Weighted average for the period				32,774	32,227	
Actual at period end				33,099	32,788	

Toronto, August 5, 2010 - CCL Industries Inc., a world leader in the development of labelling solutions and specialty packaging for the consumer products and healthcare industries, announced today its financial results for the second quarter ended June 30, 2010, and the declaration of its quarterly dividend.

Sales for the second quarter of 2010 were \$302.2 million, in line with the same period in 2009. Foreign currency translation had a significant unfavourable impact of 14% due to the strengthening of the Canadian dollar compared to most major currencies. Excluding foreign currency translation, sales increased by 13% as a result of strong organic growth across all divisions. Year-to-date, sales decreased by 1% reflecting a negative foreign exchange effect of 13%, offset by organic growth of 11% and a nominal 1% positive impact from acquisitions.

Operating income (a non-GAAP measure; see note 2 below) in the second quarter of 2010 was \$40.0 million, up 38% from \$29.0 million in the second quarter of 2009. Excluding the significant unfavourable currency translation effect, operating income increased by 55%. The increase in operating income, excluding currency translation, at Label (\$13.8 million) and Tube (\$2.3 million) was offset by a decrease of \$1.9 million at Container. Year-to-date, operating income increased by 22% compared to the prior year period but, excluding foreign currency translation, operating income increased by 38% in the first six months of 2010.

EBITDA (a non-GAAP measure; see note 1 below) for the second quarter of 2010 was \$57.0 million, up 17% from the \$48.8 million in the comparable 2009 period. Excluding the unfavourable impact from currency translation, EBITDA increased by 33% compared to the prior year period. Year-to-date, EBITDA was \$119.5 million in 2010, up 10% from \$108.3 million in the comparable 2009 period. Excluding currency translation, EBITDA was up 25% for the first six months of 2010.

Net earnings in the second quarter of 2010 were \$18.4 million, up 104%, compared to \$9.0 million in last year's second quarter, reflecting higher operating income, lower interest expense and a lower effective tax rate partially offset by higher corporate expenses and unfavourable currency translation. In addition, net earnings were favourably impacted by restructuring and other costs of \$0.1 million (with no tax effect) related to a net foreign exchange gain from the repatriation of funds from subsidiaries, compared to a \$0.4 million foreign exchange loss (with no tax effect) from a repatriation of capital in the second quarter of 2009.

Year-to-date net earnings were \$41.7 million, up 62% from \$25.7 million in the comparable 2009 period. Net earnings for the first six months of 2010 were positively affected by a net gain of \$0.1 million due to restructuring and other items. Net earnings for the comparable period in 2009 were affected by a net loss of \$2.1 million due to restructuring and other items.

Basic earnings per Class B share were \$0.56 in the second quarter of 2010 compared with \$0.28 per Class B share in the second quarter of 2009. Year-to-date, basic earnings per Class B share were \$1.27 compared to \$0.80 in the 2009 comparable period.

Adjusted basic earnings per Class B share (a non-GAAP measure; see note 3 below) were \$0.56 in the second quarter of 2010, up 93% from \$0.29 in the corresponding quarter of 2009. Year-to-date, adjusted basic earnings per Class B share were \$1.27 compared to \$0.85 in 2009.

Geoffrey T. Martin, President and Chief Executive Officer commented, "I am pleased to report another strong quarter despite the continuing unfavourable impact of currency translation on our results. Our Label and Tube Divisions both had outstanding quarters while the Container Division continues to face challenges and under perform."

Mr. Martin also noted, "Sales in our Label business, excluding currency translation, were up 11% for the second quarter of 2010 as we witnessed wide spread industry improvement in all regions and markets. Customers responded to the better economic climate with many new initiatives to redesign packages, launch new products and rebuild inventories. The improved consumer environment and continuing solid performance from our Healthcare & Specialty business drove operating income to record levels for the second quarter. The Label Division's return on sales at 16.2% was well above internal targets, particularly for the time of year."

Mr. Martin added, "Sales increased 20% in the Container business, excluding currency translation, in the second quarter. We launched many initiatives to raise prices as industry capacity tightened significantly and profitability remains unacceptable. This will drive margin expansion in the second half of the year and particularly going into 2011 as customer agreements expire. The Canadian operation remains challenged by currency and faces greater timing issues in raising prices than the remainder of the business. Despite this, we do expect to see overall comparative improvements in the second half of 2010 over a poor period in 2009."

Mr. Martin continued, "The Tube Division had another record quarter with sales up 35%, excluding currency translation, driving excellent improvements in our operating margins, particularly at the new Los Angeles facility. We expect to sustain the recent profitability improvement trend but volume will seasonally adjust over the balance of the year."

Mr. Martin stated, "Order intake remains solid across all divisions so far in the third quarter but, at today's rates, currency would have a substantial negative impact on translated results for the balance of 2010 compared to 2009. We therefore expect to see a significant moderation in the rate of improvement over the prior year where we also benefited from both a global recovery and the positive one time impact in our high margin Healthcare business from H1N1 related products."

Mr. Martin concluded, "The Company continues to have a solid financial position with cash balances over \$165 million at quarter end and our net debt to capitalization ratio declining to 31% from 36% last year. Based on our cash flow and capital structure, your Board of Directors has declared a dividend at the same level as the higher dividend declared last quarter. The quarterly dividend of \$0.16 on the Class B non-voting shares and \$0.1475 on the Class A voting shares will be payable to shareholders of record at

the close of business on September 16, 2010, to be paid on September 30, 2010. CCL continues its record of paying quarterly dividends without reduction or omission for over 25 years.”

With headquarters in Toronto, Canada, CCL Industries now employs approximately 5,700 people and operates 60 production facilities globally located to meet the sourcing needs of large international customers. CCL Label is the world’s largest converter of pressure sensitive and film materials for label applications and sells to leading global customers in the consumer packaging, healthcare, automotive and consumer durable markets. CCL Container and CCL Tube are leading producers of aluminum aerosol cans, bottles and extruded plastic tubes for consumer packaged goods customers in the United States, Canada and Mexico.

Note 1 – EBITDA is 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-GAAP measure is defined as earnings before interest, taxes, depreciation and amortization, goodwill impairment loss and restructuring and other items. See section entitled “Supplementary Information” below for a reconciliation of operating income to EBITDA. The Company believes that it is an important measure as it allows management to assess CCL’s ongoing business without the impact of interest, 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 CCL’s ability to incur or service debt and to invest in property, plant and equipment, and it allows management to compare CCL’s business to those of CCL’s 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 of CCL’s senior notes and bank lines of credit.

Note 2 - Operating Income is a key non-GAAP measure to assist in understanding the profitability of the Company’s business units. This non-GAAP measure is defined as income before corporate expenses, interest, restructuring and other items and taxes.

Note 3 – Adjusted Basic Earnings Per Class B Share is an important non-GAAP 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-GAAP measure is defined as basic net earnings per Class B share excluding restructuring and other items and tax adjustments.

## Supplementary Information

### Six months ended June 30 Reconciliation of Operating Income to EBITDA

Unaudited

(In millions of Canadian dollars)

	<u>Three months ended June 30th</u>		<u>Six months ended June 30th</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<u>Operating Income</u>				
Label	\$ 39.2	\$ 28.4	\$ 82.4	\$ 67.6
Container	(2.1)	(0.1)	(3.8)	(0.4)
Tube	2.9	0.7	5.0	1.2
Total operations	40.0	29.0	83.6	68.4
Less: Corporate expenses	(6.1)	(5.3)	(10.9)	(9.8)
Add: Depreciation & Amortization	23.1	25.1	46.8	49.7
<b>EBITDA</b>	<b>\$ 57.0</b>	<b>\$ 48.8</b>	<b>\$ 119.5</b>	<b>\$ 108.3</b>

Unless noted otherwise, all amounts are expressed in Canadian dollars.

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 divisions; the future profitability of the Container Division; 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 evolving 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 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; 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 in the MD&A section of our 2009 Annual Report, particularly under Section 4: "Risks and Uncertainties". Our 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.

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 our business. Such statements do not, unless otherwise specified by us, 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.

For more information, contact:

Gaston Tano	Senior Vice President and Chief Financial Officer	416-756-8526
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**Note:** CCL will hold a conference call at 2:00 p.m. EDT on Thursday, August 5, 2010, to discuss these results. The analyst presentation will be posted on the Company's website.

To access this call, please dial:  
416-340-8018 - Local  
866-223-7781 - Toll Free

Post-View service will be available from Thursday, August 5, 2010, at 6:00 p.m. EDT until Thursday, August 19, 2010, at 11:59 p.m. EDT

To access Conference Replay, please dial:  
416-695-5800 - Local  
800-408-3053 - Toll Free  
Access Code: 7721077

For more details on CCL, visit our website - [www.cclind.com](http://www.cclind.com)

**CCL INDUSTRIES INC.**  
**2010 Second Quarter**  
**Consolidated Statements of Earnings**

Unaudited

Three months ended June 30th

Six months ended June 30th

(in thousands of Canadian dollars, except per share data)	Three months ended June 30th			Six months ended June 30th		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>	<u>2010</u>	<u>2009</u>	<u>% Change</u>
<b>Sales</b>	\$ 302,157	\$ 301,312	0.3	\$ 609,288	\$ 615,383	(1.0)
<b>Costs and expenses</b>						
Cost of goods sold	229,858	236,806		463,838	482,682	
Selling, general and administrative	36,873	39,235		69,754	70,853	
Depreciation and amortization	1,531	1,606		3,042	3,274	
Interest expense, net	33,895	23,665		72,654	58,574	
	6,447	7,599		12,924	15,845	
	<b>27,448</b>	<b>16,066</b>	<b>70.8</b>	<b>59,730</b>	<b>42,729</b>	<b>39.8</b>
Restructuring and other items - net gain/(loss)	104	(433)		104	(2,120)	
<b>Earnings before income taxes</b>	<b>27,552</b>	<b>15,633</b>	<b>76.2</b>	<b>59,834</b>	<b>40,609</b>	<b>47.3</b>
Income taxes						
Current	8,773	4,516		18,590	12,204	
Future	403	2,128		(439)	2,677	
<b>Net earnings</b>	<b>\$ 18,376</b>	<b>\$ 8,989</b>	<b>104.4</b>	<b>\$ 41,683</b>	<b>\$ 25,728</b>	<b>62.0</b>
<b>Basic earnings per Class B share</b>	<b>\$ 0.56</b>	<b>\$ 0.28</b>	<b>100.0</b>	<b>\$ 1.27</b>	<b>\$ 0.80</b>	<b>58.8</b>
<b>Diluted earnings per Class B share</b>	<b>\$ 0.55</b>	<b>\$ 0.27</b>	<b>103.7</b>	<b>\$ 1.25</b>	<b>\$ 0.78</b>	<b>60.3</b>

**CCL INDUSTRIES INC.**  
**2010 Second Quarter**  
**Consolidated Balance Sheets**

<b>Unaudited</b>	June 30th	December 31st	June 30th
<b>(in thousands of Canadian dollars)</b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2009</u></b>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 165,757	\$ 150,594	\$ 120,447
Accounts receivable - trade	182,939	148,688	177,138
Other receivables and prepaid expenses	34,426	24,342	33,482
Inventories	75,974	75,530	80,460
	<hr/> 459,096	<hr/> 399,154	<hr/> 411,527
Property, plant and equipment	725,177	751,592	833,070
Other assets	44,295	46,182	51,291
Future income tax assets	48,821	47,440	42,847
Intangible assets	38,714	42,335	43,899
Goodwill	356,702	358,794	375,325
<b>Total assets</b>	<hr/> <b>\$ 1,672,805</b>	<hr/> <b>\$ 1,645,497</b>	<hr/> <b>\$ 1,757,959</b>
<b>Liabilities</b>			
Current liabilities			
Bank advances	384	-	-
Accounts payable and accrued liabilities	218,510	206,510	242,401
Income and other taxes payable	7,662	10,943	8,659
Current portion of long-term debt	121,288	49,290	23,607
	<hr/> 347,844	<hr/> 266,743	<hr/> 274,667
Long-term debt	383,124	448,849	538,486
Other long-term items	59,002	58,384	59,620
Future income tax liabilities	119,512	118,764	108,758
<b>Total liabilities</b>	<hr/> <b>\$ 909,482</b>	<hr/> <b>\$ 892,740</b>	<hr/> <b>\$ 981,531</b>
<b>Shareholders' equity</b>			
Share capital	203,181	201,339	195,019
Contributed surplus	5,645	3,805	5,600
Retained earnings	674,546	643,303	636,589
Accumulated other comprehensive loss	(120,049)	(95,690)	(60,780)
<b>Total shareholders' equity</b>	<hr/> <b>763,323</b>	<hr/> <b>752,757</b>	<hr/> <b>776,428</b>
<b>Total liabilities and shareholders' equity</b>	<hr/> <b>\$ 1,672,805</b>	<hr/> <b>\$ 1,645,497</b>	<hr/> <b>\$ 1,757,959</b>

**CCL INDUSTRIES INC.**  
**2010 Second Quarter**  
**Consolidated Statements of Cash Flows**

<b>Unaudited</b> (in thousands of Canadian dollars)	Three months ended June 30th		Six months ended June 30th	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Cash provided by (used for)</b>				
<b>Operating activities</b>				
Net earnings	\$ 18,376	\$ 8,989	\$ 41,683	\$ 25,728
Items not involving cash:				
Depreciation and amortization	23,129	25,061	46,820	49,665
Executive compensation	1,135	483	2,015	993
Future income taxes	403	2,091	(439)	3,073
Restructuring and other items	(104)	470	(104)	1,724
Gain on sale of property, plant and equipment	(224)	(234)	(262)	(1,137)
	42,715	36,860	89,713	80,046
Net change in non-cash working capital	12,344	18,088	(27,358)	(18,885)
Cash provided by operating activities	55,059	54,948	62,355	61,161
<b>Financing activities</b>				
Proceeds on issuance of long-term debt	2,857	1,323	4,449	4,144
Retirement of long-term debt	(676)	(832)	(1,291)	(2,092)
(Decrease)/increase in bank advances	(149)	-	384	-
Issue of shares	83	1,350	1,067	3,286
Repayment of executive share purchase plan loans	-	342	683	342
Dividends	(5,264)	(4,884)	(10,524)	(9,746)
Cash used for financing activities	(3,149)	(2,701)	(5,232)	(4,066)
<b>Investing activities</b>				
Additions to property, plant and equipment	(17,395)	(31,962)	(38,617)	(68,509)
Proceeds on disposal of property, plant and equipment	2,591	603	2,659	3,824
Business acquisitions	(7)	(2,728)	(1,246)	(5,445)
Cash used for investing activities	(14,811)	(34,087)	(37,204)	(70,130)
Effect of exchange rate changes on cash	2,042	(4,612)	(4,756)	(2,787)
Increase/(decrease) in cash and cash equivalents	39,141	13,548	15,163	(15,822)
Cash and cash equivalents at beginning of period	126,616	106,899	150,594	136,269
Cash and cash equivalents at end of period	\$ 165,757	\$ 120,447	\$ 165,757	\$ 120,447
Consists of:				
Cash			\$ 55,900	\$ 62,135
Short-term investments			109,857	58,312
Cash and cash equivalents at end of period			\$ 165,757	\$ 120,447

CCL INDUSTRIES INC.  
2010 Second Quarter  
Segmented Information

Unaudited

(in thousands of Canadian dollars)

Industry segments

	Three months ended June 30th				Six months ended June 30th			
	Sales		Operating income		Sales		Operating income	
	2010	2009	2010	2009	2010	2009	2010	2009
Label	\$ 242,102	\$ 248,915	\$ 39,166	\$ 28,465	\$ 491,006	\$ 506,443	\$ 82,376	\$ 67,588
Container	39,695	35,378	(2,103)	(116)	80,010	73,477	(3,773)	(396)
Tube	20,360	17,019	2,898	665	38,272	35,463	4,951	1,179
<b>Total operations</b>	<b>\$ 302,157</b>	<b>\$ 301,312</b>	<b>39,961</b>	<b>29,014</b>	<b>\$ 609,288</b>	<b>\$ 615,383</b>	<b>83,554</b>	<b>68,371</b>
Corporate expense			(6,066)	(5,349)			(10,900)	(9,797)
			33,895	23,665			72,654	58,574
Interest expense, net			6,447	7,599			12,924	15,845
			27,448	16,066			59,730	42,729
Restructuring and other items - net gain/(loss)			104	(433)			104	(2,120)
Earnings before income taxes			27,552	15,633			59,834	40,609
Income taxes			9,176	6,644			18,151	14,881
<b>Net earnings</b>			<b>\$ 18,376</b>	<b>\$ 8,989</b>			<b>\$ 41,683</b>	<b>\$ 25,728</b>

	Identifiable Assets		Goodwill		Depreciation & Amortization		Capital Expenditures	
	June 30th	December 31st	June 30th	December 31st	Six months ended June 30th		Six months ended June 30th	
	2010	2009	2010	2009	2010	2009	2010	2009
Label	\$ 1,160,263	\$ 1,095,832	\$ 343,957	\$ 346,051	\$ 35,888	\$ 36,859	\$ 34,742	\$ 62,419
Container	172,085	171,500	12,745	12,743	7,011	7,628	3,435	1,859
Tube	60,355	59,472	-	-	3,769	4,698	411	4,231
Corporate	280,102	318,693	-	-	152	480	29	-
<b>Total</b>	<b>\$ 1,672,805</b>	<b>\$ 1,645,497</b>	<b>\$ 356,702</b>	<b>\$ 358,794</b>	<b>\$ 46,820</b>	<b>\$ 49,665</b>	<b>\$ 38,617</b>	<b>\$ 68,509</b>