

Tuesday 20th December 2016

The Smithfield Group LLP sells Innovia to CCL Industries Inc for \$1.13 billion*

- Full exit for The Smithfield Group LLP
- 3.6x return on investment, an IRR of 57%
- Innovia well positioned for future growth under CCL

The Smithfield Group LLP ('Smithfield') has agreed the sale of Innovia, the global leader in specialty BOPP films and polymer banknote substrate, to CCL Industries Inc ("CCL"), a world leader in specialty label, security and packaging solutions, for \$1.13 billion*.

Innovia has been part of Smithfield since April 2014. Its sale follows the sale of Innovia's Cellophane division in July 2016 and represents a full realisation of Smithfield's investment in the Innovia Group.

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.

The sale of Innovia will result in a realised investment return of 3.6x and an IRR of 57% for Smithfield's investors.

John Arney, CEO of Smithfield, commented:

"On acquiring Innovia in 2014, Smithfield determined a strategy of profound operational change and organic growth, bringing in a new senior executive team to execute on this.

"Under the leadership of CEO Mark Robertshaw and CFO Omar Shafi Khan, Innovia has achieved significant operational improvements, spun-off non-core operations and developed impressive new technology and products.

"As a consequence, there has been a considerable uplift in Innovia's financial performance, with EBITDA growing by over 45% during the course of Smithfield's ownership. We are confident the business is well positioned for continued growth under CCL."

Richard Booth, Investment Director at Smithfield, added:

"We are proud of all that has been achieved over the last three years and wish Innovia and CCL all the very best as the Group embarks on the next stage of Innovia's exciting evolution."

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*\$1.13 billion Canadian dollars. The exchange rate used was 1.4 C\$ / Euro.

J.P. Morgan Cazenove acted as sole financial advisor for the sellers on the transaction

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Notes to Editors:

About The Smithfield Group:

The Smithfield Group LLP buys, operationally improves and grows businesses headquartered in Europe and North America. Value is returned to Smithfield's investors when the businesses are sold. Smithfield's most recent acquisition was US headquartered Pure Power Technologies, which was acquired in 2016 from Navistar. Pure Power Technologies is a leader in the engineering and manufacturing of new and remanufactured diesel fuel injectors and turbochargers for OEMs and the aftermarket. www.thesmithfieldgroup.com

About Innovia Group:

Innovia Group is the global leader in high-tech film products for packaging and industrial applications and banknotes. Headquartered in Wigton, UK, the Group employs approximately 1200 people.

Innovia Security, its polymer banknote division, has produced c.50 billion polymer banknotes for central banks around the world, representing over 99% of all polymer notes in global circulation since their introduction in Australia in the early 1990s. Its Guardian® substrate is used in 24 countries and provides significant benefits and cost savings to central banks.

In its Films division Innovia is a leading global developer and manufacturer of speciality labels and packaging for a range of technologically advanced industrial applications. It is the global market leader in pressure sensitive labels and tobacco overwrap. Its highly differentiated, proprietary manufacturing methods deliver enhanced product and operational performance for customers, providing a combination of enhanced security and brand integrity.

About CCL Industries Inc:

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 aluminium 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 labelling solutions, including RF and RFID-based, to the retail and apparel industry.

