

*For Immediate Release***Petition on the Publisac in Montréal: response from TC Transcontinental**

Montréal, March 13, 2019 – TC Transcontinental, owner of the Publisac, is responding to the citizen petition, approved today by the City of Montréal, requesting a public consultation on the Publisac. TC Transcontinental reiterates that it will participate, as the case may be, in any public consultation on the Publisac.

“Asking to transform the Publisac business model into a subscription-based model is the same as asking for the end of the Publisac,” stated François Olivier, President and Chief Executive Officer of TC Transcontinental. “Such a model would not be viable because of its complexity and the prohibitive costs associated with it. Québec households would thus be deprived of a product that is responsibly managed from an environmental standpoint and appreciated by the majority of them to save money, get informed on various local services, as well as receive their weekly newspaper. As for local businesses, they would be deprived of an important marketing vehicle in an era of intense competition from e-commerce retail giants. The management of a subscription-based system for more than three million households in Québec would not make it possible to maintain the Publisac. There is, in fact, no place in North America where a flyer and free local information distribution model operates by subscription.”

From an environmental standpoint, the Publisac bag and its contents are both 100% recyclable and every Publisac indicates instructions to this effect. In 2019, TC Transcontinental committed to better informing citizens on the recyclable nature of the bag and encouraging them to separate the bag from its contents in the bin in order to facilitate work at the sorting facilities. To date, the plastic bag has proven to be the best solution for our climate, but TC Transcontinental is analyzing different alternatives to further limit its environmental impact. The Publisac plastic bags represent only 0.5% of all plastic containers and packaging put on the market by companies in Québec in 2018.

TC Transcontinental respects the freedom of choice of those who do not want to receive the Publisac by inviting them to contact Customer Service at the number indicated on the bag to receive a free pictogram. They can also consult the digital version of the flyers at Publisac.ca. TC Transcontinental also expects the right of those who want to receive it to be respected, as well as that of the advertisers who use it in the course of business activities and the publishers who turn to it to communicate local information.

TC Transcontinental will participate in the public consultation that will be held by the City of Montréal as part of the review of its Waste Management Master Plan (WMMP) in 2019. TC Transcontinental, as distributor of the Publisac, and its retailer customers pay several million dollars in contributions each year to Éco Entreprises Québec (ÉEQ), as do all companies that put containers, packaging and printed matter on the market in Québec, thereby assuming 100% of the net costs of efficient and effective curbside recycling services, including those of sorting facilities.

The cities of Halifax (2018), Calgary (2016) and Ottawa (2003) already conducted consultations on flyer distribution, and the distribution system was maintained.

Mr. Olivier concluded: “We know that our distribution will never be 100% perfect, given distribution to more than three million households across Québec, and for this, we need citizen cooperation. For any questions on distribution of the Publisac, we invite you to contact our Customer Service at 1-888-999-2272 so that we may take the appropriate actions.”

A fact sheet entitled “**Publisac: Did You Know?**” is available on www.publisac.ca and www.tc.tc.

About TC Transcontinental

TC Transcontinental is a leader in flexible packaging in North America, and Canada’s largest printer. The Corporation is also a Canadian leader in its specialty media segments. For over 40 years, TC Transcontinental's mission has been to create products and services that allow businesses to attract, reach and retain their target customers.

Respect, teamwork, performance and innovation are the strong values held by the Corporation and its employees. TC Transcontinental's commitment to its stakeholders is to pursue its business activities in a responsible manner.

Transcontinental Inc. (TSX: TCL.A TCL.B), known as TC Transcontinental, has over 9,000 employees, the majority of which are based in Canada, the United States and Latin America. TC Transcontinental had revenues of more than C\$2.6 billion for the fiscal year ended October 28, 2018. For more information, visit TC Transcontinental's website at www.tc.tc.

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For information:

Media

Nathalie St-Jean
Senior Advisor, Corporate Communications
TC Transcontinental
Telephone: 514-954-3581
nathalie.st-jean@tc.tc
www.tc.tc

Financial Community

Mathieu Hébert
Corporate Treasurer
TC Transcontinental
Telephone: 514 954-4029
mathieu.hebert@tc.tc
www.tc.tc