

*For immediate release***Publisac: TC Transcontinental responds to the City of Mirabel**

Montréal, September 10, 2019 – TC Transcontinental (TSX: TCL.A TCL.B), owner of the Publisac, responds to statements made by the mayor of Mirabel, Mr. Jean Bouchard, and circulated in the media.

The discriminatory regulation concerning printed advertising materials adopted by the City of Mirabel on August 12, without consulting stakeholders (citizens, merchants, weeklies and distributors), would create three different categories:

- Category 1: no restriction, since it is not covered by the regulation. This is the case for the municipal newsletter published by the City, distributed by Canada Post, for which there is no opt-out – citizens cannot refuse to receive it.
- Category 2: opt-out system in effect, a citizen has the choice of not receiving printed advertising materials. Citizens have always had the possibility of posting a sticker indicating that they do not want to receive it. This system, which currently applies to all distributors such as the Publisac, would be maintained, but only for Canada Post.
- Category 3: new discriminatory system, on demand. Distributors other than Canada Post, such as the Publisac, would no longer be able to distribute unless a sticker indicating that one wants to receive printed advertising materials (or opt-in) is posted.

The adopted regulation is clearly illegal since it is discriminatory. Under this regulation, Canada Post would have the right to distribute the same content as the Publisac, and in the same conditions as the Publisac distributes it today (opt-out), while the Publisac would lose this right. In addition, the City would continue to distribute its municipal newsletter without any constraints, contrary to independent weeklies. In law, it is recognized that regulatory standards must be fair, impartial and consistent.

Mayor Bouchard disregards the fact that the current system (opt-out) already allows citizens to easily exercise the freedom of choice to not receive printed advertising materials, with a simple request to the Publisac's Customer Service which will send them a free sticker to this effect by mail. The database of addresses collected this way allows us to reduce at source the quantity of flyers to be printed and bags to be produced.

"We share with Mayor Bouchard the objective of enabling those who do not want to receive printed advertising materials to exercise that option," stated François Olivier, President and Chief Executive Officer of TC Transcontinental. "That's exactly what the opt-out system enables. Our request is simple: to be fair and to maintain the current system which easily allows opting out of the distribution."

Mayor Bouchard states that the Publisac is not recycled, which is inaccurate. Newsprint, recovered by sorting facilities that generate a very significant share of their revenues from it, contributes to their viability. As for the plastic bag, progress needs to be made and this is why TC Transcontinental has engaged over the past few months in constructive dialogue with recycling stakeholders in Québec, and will launch this fall a new Publisac bag made from 100% recycled plastic, and still 100% recyclable, thus marking one of the first milestones in the creation of a circular economy for plastic in Québec.

Finally, the mayor is implying that citizens who have not exercised the option of refusal do not consult the Publisac. However, a recent CROP survey demonstrates that 87% of adults in Québec who receive it consult it.

Mr. Olivier concluded as follows: “In summary, the current model works and respects the will of those who do not want to receive the Publisac. Let’s allow the population and free market to dictate the future of the Publisac. Legislative or regulatory authorities should not substitute the will of the large majority of households, merchants and publishers, other than to better frame, as needed, the exercise of an opt-out.”

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.

– 30 –

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