

For immediate release

Relevance and value of the Publisac: TC Transcontinental launches advertising campaign

Montréal, April 24, 2019 – TC Transcontinental (TSX: TCL.A TCL.B), owner of the Publisac, is launching a Publisac advertising campaign across Québec this week. The campaign's messaging reiterates that the Publisac is a product that is responsibly managed from an environmental standpoint and appreciated by the vast majority of Quebecers to save money, plan their purchases, as well as receive their weekly newspaper. The campaign highlights the relevance and value of this service.

"We found that many elements pertaining to the Publisac are not well known to the Québec population and that some misleading information being publicly circulated has created misperceptions," explains François Olivier, President and Chief Executive Officer of TC Transcontinental. "With this campaign, we want to reiterate the benefits that the Publisac has been providing to Québec families, communities and businesses for many decades. Furthermore, it must be noted that the demand made by some to transform the Publisac's current business model into a subscription-based model is the same as asking for the end of the Publisac. Nowhere else in North America does a flyer and free local information distribution model operate by subscription."

Starting today until the end of May, the campaign is being launched notably in the Greater Montréal, Gatineau, Saguenay, Québec City, Trois-Rivières and Sherbrooke regions. In bus shelters, on buses, in the Montréal subway, in local newspapers and on the web, Quebecers will be able to see four advertising executions:

The Publisac is 100% recyclable – Separate the bag and the paper to facilitate sorting

The Publisac bag and its content are both 100% recyclable, as indicated on the bag. TC Transcontinental has committed to better inform citizens in 2019 about the fact that the bag is recyclable and to encourage them to separate the content from the bag in the bin to help the sorting facilities. In fact, a new visual concept promoting this good practice will soon be displayed on the bag. In addition, TC Transcontinental is presently evaluating different alternatives to its current bag to further limit its environmental impact and offer Québec households an innovative protective solution for the flyers. The company will be conducting tests in the market over the summer and consumers will be invited to share their opinion.

We care about the forest – Flyers are made from lumber residue

In Québec, the Government oversees sustainable forest management, and trees are first harvested for lumber. Sawmill residues are recovered in order to manufacture newsprint which is used for printing the Publisac flyers. The recovery rate for newspapers and newsprint inserts and flyers in Québec is 86%1.

Good for the economy and for local information – Your merchants + Your weekly newspaper + 4,500 jobs

The Publisac promotes local and regional economy. Now faced with the new global e-commerce giants, flyers help local and regional businesses, small and large, attract nearby customers to the store. Without the Publisac, businesses would be deprived of an effective promotional tool. It is also a first-rate distribution vehicle for weeklies in Québec, an important source of local information. With other distribution options being significantly more costly, the business model for a large proportion

¹ Source: RECYQ-QUÉBEC / Éco Entreprises Québec - ÉEQ



of weeklies would be at serious risk without the Publisac². Finally, the Publisac provides 4,500 jobs in Québec in connection with the production, bagging and distribution steps.

Allows Quebecers to save money – The majority of them consult it to plan their purchases

The vast majority of Quebecers read and like the Publisac. Québec households plan their weekly purchases and save money this way. In fact, 87% of adults in Québec consult it in areas where the Publisac is distributed and 84% use it to find deals³.

For media: TC Transcontinental is available for interviews on the Publisac.

To read the latest press release "Petition on the Publisac in Montréal: response from TC Transcontinental" issued by the Corporation, click <u>here</u>.

To learn more about the Publisac, a fact sheet entitled "Publisac: Did You Know?" is available on the <u>Publisac.ca</u> and <u>tc.tc</u> websites.

Credit

Advertising creation, media planning and buying of the campaign: DentsuBos

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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² Source: Hebdos Québec

³ Source: CROP survey, summer 2018



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