



FLEXSTAR PACKAGING is a flexible packaging supplier specializing in converting high barrier films including printing, lamination and pouch making. Located in Richmond, British Columbia, Flexstar Packaging employs more than 120 employees and generated about C\$36 million in revenues for the last twelve months ending in July 2016.

Fact Sheet FLEXSTAR PACKAGING

October 17, 2016

ACQUISITION RATIONALE

- Demonstrated double-digit growth over the last five years.
- Adds new manufacturing capabilities in blown-film extrusion.
- Extends our footprint on the West Coast.
- Adds a complementary sales force.
- Opportunities for synergies.

SERVICE OR PRODUCT OFFERING

- Laminations
- Mono layer and coextruded films
- High resolution flexographic printing
- Pre-made pouches
- Cold seal rollstock
- Laser scoring

MANUFACTURING CAPABILITIES

- Film extrusion
- Printing up to 10 colors
- Laminations and coated webs
- Slitting
- Pouch making

FINANCIAL HIGHLIGHTS (IN C\$)

Purchase Price: \$44 million⁽¹⁾
 Revenues: \$36 million⁽²⁾
 EBITDA: \$6 million⁽²⁾

MARKETS SERVED

CEREALS

CONFECTIONARY
AND SNACKS

FROZEN FOOD, COFFEE
AND OTHER



TC TRANSCONTINENTAL PACKAGING'S NETWORK



ABOUT US



Canada's largest printer with operations in print, flexible packaging, publishing and digital media, TC Transcontinental's mission is to create products and services that allow businesses to attract, reach and retain their target customers.

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

Transcontinental Inc. (TSX: TCL.A TCL.B), known as TC Transcontinental, has close to 8,000 employees in Canada and the United States, and revenues of C\$2.0 billion in 2015. Website www.tc.tc

CONTACT INFORMATION

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FORWARD-LOOKING STATEMENT

This report contains certain forward-looking statements concerning the future performance of the Corporation. Such statements, based on the current expectations of management, inherently involve numerous risks and uncertainties, both general and specific.

We caution that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future performance will be affected by a number of factors, many of which are beyond the Corporation's control. The risks, uncertainties and other factors that could influence actual results are described in the *Management's Discussion and Analysis (MD&A) for the fiscal year ended October 31st, 2015* and in the latest Annual Information Form and have been updated in the *MD&A for the third quarter ended July 31st, 2016*.

Note 1: Paid in cash at closing plus an additional consideration payable subject to attaining pre-established financial targets.

Note 2: Last twelve months ending in July 2016.