

For Immediate Release**Transcontinental Inc. to double its packaging revenues with additional acquisition**

Montreal, September 1st, 2015 – Transcontinental Inc. (TSX: TCL.A TCL. B) announced today that it entered into a definitive agreement to acquire Ultra Flex Packaging Corp., a supplier of flexible packaging, located in Brooklyn, New York, for US\$80 million to be paid in cash at closing plus an additional consideration payable subject to attaining pre-established financial targets. Ultra Flex Packaging employs close to 300 people and generated US\$72 million in annual revenues and US\$12 million in operating income before amortization in its last fiscal year. The transaction is subject to regulatory approval in the United States and is expected to close before the end of our fiscal year.

"This acquisition builds on our Capri Packaging acquisition last year and is part of our strategy to ensure our future growth path through diversification," said François Olivier, President and Chief Executive Officer of TC Transcontinental. This latest acquisition expands our footprint in the U.S., gives us access to a national sales force, to new vertical markets and manufacturing capabilities. Once the acquisition has been completed, we will report annualized revenues of over US\$150 million in our packaging division. The three co-owners of Ultra Flex Packaging have agreed to stay on to ensure a smooth transition, provide continuity and support future growth. We are very optimistic of our growth prospects in this area and look forward to welcoming our new employees soon."

"We are very pleased to join TC Transcontinental," said Eli Blatt, Founder and Chief Executive Officer of Ultra Flex Packaging. While we bring to the table industry knowledge, a highly skilled workforce and a national sales team, TC Transcontinental brings strong leadership, financial means and decades of manufacturing experience. Together we have what it takes to build the foundation for future growth."

About TC Transcontinental

Canada's largest printer, with operations in print and digital media, flexible packaging and publishing, 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 commitment to all 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 over 8,000 employees in Canada and the United States, and revenues of C\$2.1 billion in 2014. Website www.tc.tc

Forward-looking Statements

Our public communications often contain oral or written forward-looking statements which are based on the expectations of management and inherently subject to a certain number of risks and uncertainties, known and unknown. By their very nature, forward-looking statements are derived from both general and specific assumptions. The Corporation cautions against undue reliance on such statements since actual results or events may differ materially from the expectations expressed or implied

in them. Forward-looking statements may include observations concerning the Corporation's objectives, strategy, anticipated financial results and business outlook. The Corporation's future performance may also be affected by a number of factors, many of which are beyond the Corporation's will or control. These factors include, but are not limited to, the economic situation in the world and particularly in Canada and the United States, structural changes in the industries in which the Corporation operates, the exchange rate, availability of capital, energy costs, competition, the Corporation's capacity to engage in strategic transactions and integrate acquisitions into its activities, the regulatory environment, the safety of its packaging products used in the food industry, innovation of its offering and concentration of its sales in certain segments. The main risks, uncertainties and factors that could influence actual results are described in Management's Discussion and Analysis (MD&A) for the fiscal year ended on October 31st, 2014, in the latest Annual Information Form and have been updated in the MD&A for the second quarter ended April 30, 2015.

Unless otherwise indicated by the Corporation, forward-looking statements do not take into account the potential impact of nonrecurring or other unusual items, nor of divestitures, business combinations, mergers or acquisitions which may be announced after the date of September 1st, 2015.

The forward-looking statements in this press release are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation.

The forward-looking statements in this release are based on current expectations and information available as at September 1st, 2015. Such forward-looking information may also be found in other documents filed with Canadian securities regulators or in other communications. The Corporation's management disclaims any intention or obligation to update or revise these statements unless otherwise required by the securities authorities.

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