



Acquisition of Coveris Americas

Becoming a Leader in Flexible Packaging in North America

April 2, 2018



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Please find below definitions of non-IFRS financial measures used by the Corporation and related to Coveris Americas in this presentation:

"EBITDA" means the operating earnings before depreciation and amortization; when used in respect of TC Transcontinental, for the fiscal year ended October 29, 2017, and when used in respect of Coveris Americas, for the fiscal year ended December 31, 2017.

"Adjusted EBITDA" means the operating earnings before depreciation and amortization as well as restructuring and other costs (gains) and impairment of assets; when used in respect of TC Transcontinental, for the fiscal year ended October 29, 2017, and when used in respect of Coveris Americas, for the fiscal year ended December 31, 2017.

"pro forma Adjusted EBITDA" means the sum of the Adjusted EBITDA including pro forma adjustments of Coveris Americas for the fiscal year ended December 31, 2017, and the Adjusted EBITDA of TC Transcontinental for the fiscal year ended October 29, 2017.

"adjusted net earnings per share" means the net earnings of TC Transcontinental before restructuring and other costs (gains) and impairment of assets, net of related income taxes, for the fiscal year ended October 29, 2017, divided by the weighted average number of issued and outstanding shares of TC Transcontinental as at the end of the fiscal year ended October 29, 2017.

"free cash flow per share" means the adjusted operating earnings of TC Transcontinental before depreciation and amortization less the sum of capital expenditures, interest paid and income taxes paid for the fiscal year ended October 29, 2017, divided by the weighted average number of issued and outstanding shares of TC Transcontinental as at the end of the fiscal year ended October 29, 2017.

"pro forma Net Debt to Adjusted EBITDA" means TC Transcontinental's projected indebtedness as of closing of the Acquisition divided by the pro forma Adjusted EBITDA.

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These forward-looking statements are used to assist readers in obtaining a better understanding of TC Transcontinental's business, current objectives, strategic priorities, expectations and plans, including following the Acquisition, and may not be appropriate for other purposes. By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although TC Transcontinental believes that the expectations, opinions, projections and comments reflected in these forward-looking statements are reasonable and appropriate, it can give no assurance that such statements will prove to be correct. The assumptions generally used by TC Transcontinental in making forward-looking statements are included in TC Transcontinental's Management's Discussion and Analysis (the "Annual MD&A") for the financial year ended October 29, 2017 available under the Corporation's profile on SEDAR at www.sedar.com. In relation to the Acquisition and the Offering, TC Transcontinental makes the following material assumptions, without limitation: availability of capital resources, performance of operating facilities, strength of market conditions, customer demand and satisfaction of customary closing conditions, including antitrust approvals and receipt of regulatory approval with respect to the Offering. If these assumptions are inaccurate, TC Transcontinental's or the combined entity's actual results could differ materially from those expressed or implied in such forward-looking statements.

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Unless indicated otherwise, all amounts presented are in million of Canadian dollars.

Financial Considerations of the Transaction

Transaction

- ▶ Definitive agreement to purchase Coveris Americas, a subsidiary of Coveris Holdings S.A., for US\$1.32 billion
- ▶ Purchase price multiple of 10.3x Adjusted EBITDA of Coveris Americas before cost saving synergies or 8.9x post-synergies

Financial Impact

- ▶ Coveris Americas generated revenues of US\$966 million and Adjusted EBITDA of US\$128 million for the fiscal year ended December 31, 2017
- ▶ Packaging division to represent 48% and 37% of TC Transcontinental's 2017 pro forma revenues and pro forma Adjusted EBITDA, respectively
- ▶ Immediately high-single digit accretive to adjusted net earnings¹ per share and free cash flow per share before cost saving synergies, double digit accretive including cost saving synergies
- ▶ Annual cost saving synergies estimated at ~US\$20 million to be achieved over a 24-month period after closing of the Acquisition

Fully Committed Financing

- ▶ Acquisition financed through a combination of:
 - Cash on hand
 - Funds drawn from fully-committed new term debt and existing credit facilities
 - Proceeds from \$250 million in new equity through the offering of subscription receipts
- ▶ Pro forma Net Debt to Adjusted EBITDA is expected to be 2.7x at the closing of the Acquisition and to decline below 2.0x within the next 24 months

Closing

- ▶ Transaction is subject to customary closing conditions, including regulatory approvals
- ▶ Transaction expected to close in TC Transcontinental's third quarter of fiscal 2018

Note: Financial figures of Coveris Americas based on the fiscal year ended December 31, 2017. Financial figures of TC Transcontinental based on the fiscal year ended October 29, 2017.

1. Exclude amortization of transaction-related intangibles.

Coveris Americas at a Glance



US\$966 million

Revenues for the fiscal year ended
December 31, 2017

US\$128 million

Adjusted EBITDA for the fiscal year ended
December 31, 2017

Extensive Footprint

- ▶ 21 Facilities with over 3,100 Employees
- ▶ Close to US\$140 Million Invested in the Last Three Years to Modernize Platform

Leadership Position

Across a Broad Range of Growing End Markets

Protected Margins

Majority of Material Customer Contracts Includes
Structural Raw Materials Pass-Through Provisions

3,500 Customers

Broad Customer Portfolio with Long-Standing
Relationships

**Leading integrated flexible packaging manufacturer of
barrier films, pouches, multi-wall bags and coatings**

Compelling Acquisition Rationale

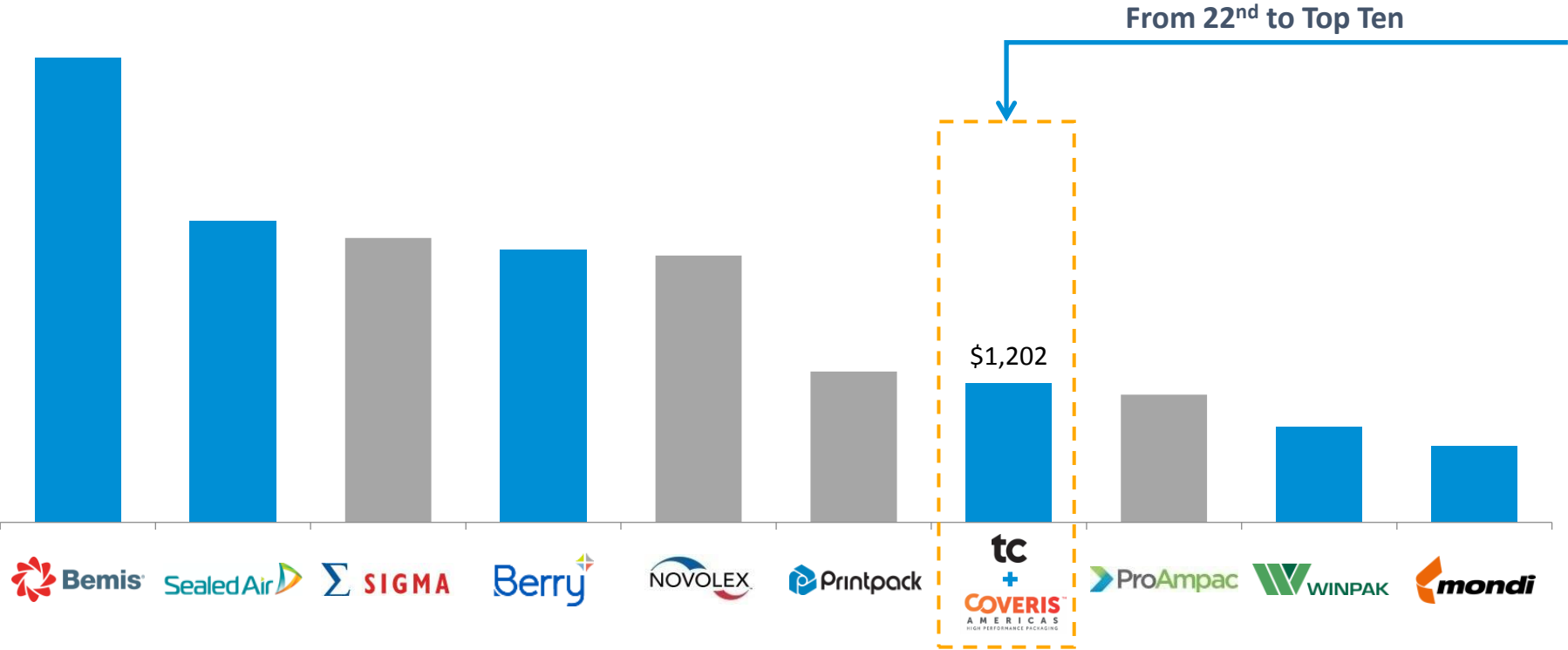
- ✓ Positions TC Transcontinental among the top ten flexible packaging converters in North America
- ✓ Provides TC Transcontinental with a strong position across a broad range of flexible packaging's growing end markets
- ✓ Expands TC Transcontinental's product offering with best-in-class capabilities and greater film manufacturing capabilities
- ✓ Enhances TC Transcontinental's relationships with large, market leading customers
- ✓ Provides an integrated flexible packaging platform leading to potential economies of scale
- ✓ Immediately high-single digit accretive to adjusted net earnings¹ per share and free cash flow per share before cost saving synergies, double digit accretive including cost saving synergies

1. Exclude amortization of transaction-related intangibles.

Positions TC Transcontinental among the Top 10 Flexible Packaging Converters in North America

Top 10 North American Flexible Packaging Converters¹

(US\$ million)



Legend
■ Public ■ Private

Source: Flexible Packaging Magazine.

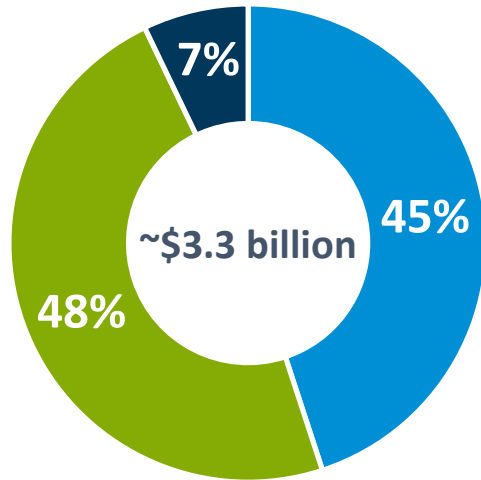
Note: Financial figures of TC Transcontinental in fiscal year 2017 translated at an average CAD/USD exchange rate of 1.3142 for the period beginning November 1, 2016 and ending October 29, 2017.

1. Rankings for peers based on 2017 Top 25 Converters.

Scaling of Flexible Packaging Platform

Pro Forma Revenues

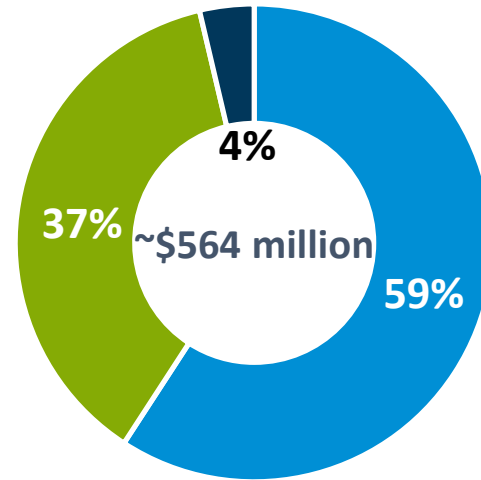
2017¹



Packaging represented 15% of TC Transcontinental's standalone revenues in 2017

Pro Forma Adjusted EBITDA

2017¹



Packaging represented 11% of TC Transcontinental's standalone Adjusted EBITDA in 2017

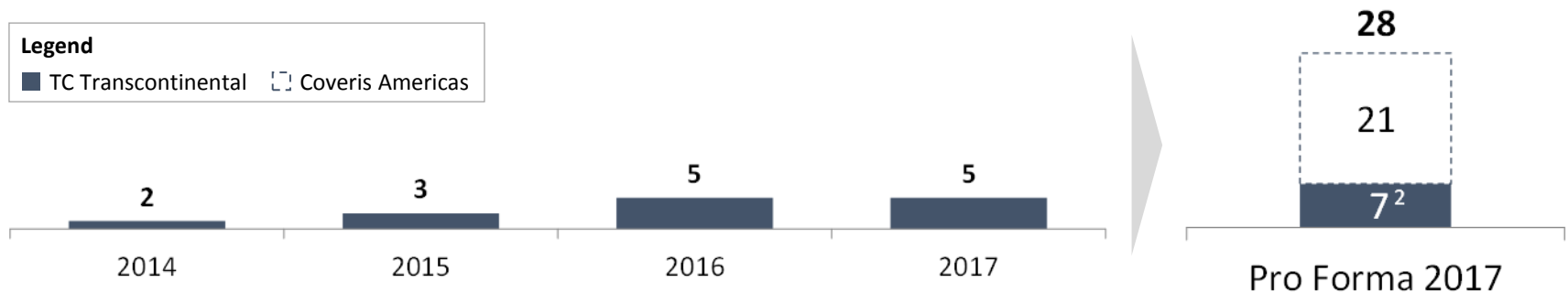
Legend

■ Printing ■ Packaging ■ Media

Flexible Packaging Facilities

Legend

■ TC Transcontinental □ Coveris Americas









Note: Financials of Coveris Americas in fiscal year 2017 translated at an average CAD/USD exchange rate of 1.3031 for the period beginning January 1 and ending December 31, 2017.

1. Management fees of the Printing and Packaging Sector and unallocated corporate management fees have been allocated to the Printing division.

2. Including the acquired facility from Flexipak Industries Inc. announced on November 1, 2017 and the acquired facility from Multifilm Packaging Corporation announced on March 7, 2018.

Comprehensive Product Offering

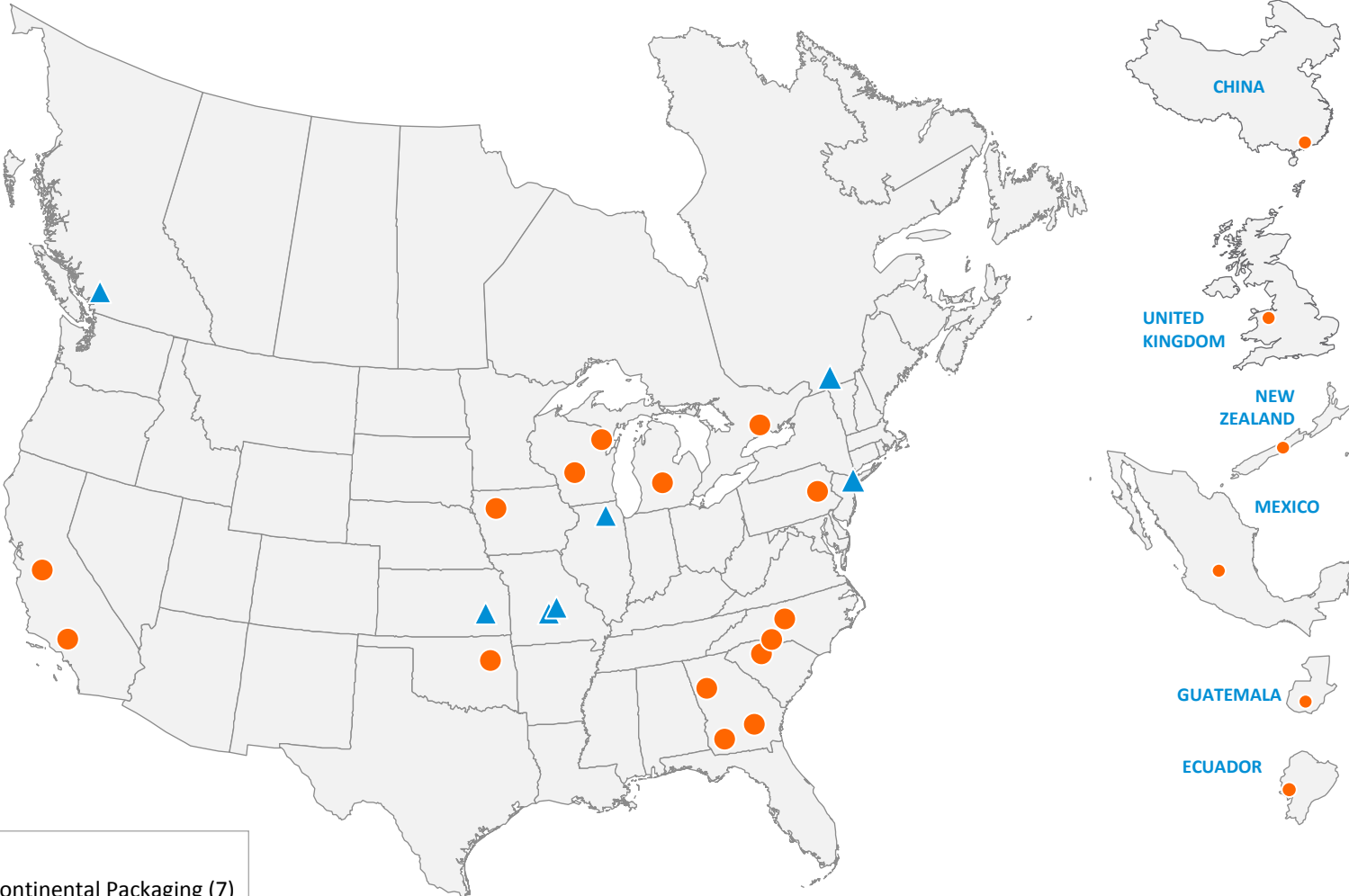
	Types	Markets	Products
Shrink Bags and Thermoforming Films	<ul style="list-style-type: none"> Vacuum shrink and frozen bags Co-ex forming films 	<ul style="list-style-type: none"> Fresh meats Processed meats Cheese 	
Films and Laminations	<ul style="list-style-type: none"> Shrink films and sleeves Form, fill and seal (FFS) Roll stock 	<ul style="list-style-type: none"> Beverage multi-packs Cheese Household products Industrial materials Food 	
Plastic Bags and Pouches	<ul style="list-style-type: none"> Flat bottom Seal/open mouth Side weld 	<ul style="list-style-type: none"> Pet food Lawn and garden Household and personal care 	
Multi-Wall Paper and Composite Bags/Sacks	<ul style="list-style-type: none"> Pasted valve (paper) Pinch/SOS (paper) Pinch/WPP (Comp) ADSL valve 	<ul style="list-style-type: none"> Pet food Dry milk Chemical ingredients Food and agriculture Building materials 	
Fruit Bags and Packaging	<ul style="list-style-type: none"> Banana tree bags Banana packaging Box liners 	<ul style="list-style-type: none"> Bananas Other fruits and vegetables 	
Outdoor Films and Wraps	<ul style="list-style-type: none"> Silage/waste wrap Mulch films Greenhouse films 	<ul style="list-style-type: none"> Crop protection Greenhouse covers Waste transportation 	

Expands Portfolio Across Attractive End Markets

	Alignment with TC	Highlights of Acquired Business
Dairy	Complementary Operations	<ul style="list-style-type: none"> • Strong capability in extrusion lamination • Complements TC Transcontinental's existing offering in the dairy vertical
Pet Food	Complementary Operations	<ul style="list-style-type: none"> • Attractive assets in high-growth end market • A top player in pet food packaging in North America with both paper and plastic offering
Consumer	Complementary Operations	<ul style="list-style-type: none"> • A leader in multiple sub-markets • Attractive assets with good complementarity to TC Transcontinental's packaging business
Agriculture	New End Market	<ul style="list-style-type: none"> • Well-positioned in an attractive market with strong growth • A leading manufacturer of banana tree bags • Good crop protection technology
Protein	New End Market	<ul style="list-style-type: none"> • Entry point into key protein market with state-of-the-art technology • Strong asset base to compete in this vertical
Beverages	New End Market	<ul style="list-style-type: none"> • A leader in North American printed beverage shrink films • High quality products in above market growth sub-segment
Performance Packaging	New End Market	<ul style="list-style-type: none"> • Includes plastic and paper packaging products • Top player in insulation, salt and chemicals
Advanced Coatings	New End Market	<ul style="list-style-type: none"> • A leader in custom coating • Technical coating technologies for film used in medical, digital media and electronics

Provides an Integrated Platform Leading to Potential Economies of Scale

► Acquisition of 21 well-invested facilities, namely in the Americas, the United Kingdom and Australasia



Legend
▲ TC Transcontinental Packaging (7)
● Coveris Americas (21)

Scaling Opportunity of Film Manufacturing

- ▶ Acquisition of a strong expertise in technical films production that enables insourcing of film manufacturing
 - Significant high-end blown extrusion capacity for multi-layer barrier film (up to 11 layers)
 - Extensive extrusion lamination capabilities
 - Cast extrusion capabilities
- ▶ These capabilities will lead to
 - Cost competitiveness
 - Competitive differentiation
 - Product development
 - Innovation of sealant technology



Vertical integration of film manufacturing is a key differentiation factor

Unlocks Important Cost Saving Synergies

- ▶ Value creation to be enhanced by important cost saving synergies to be realized over the first 24 months following the closing of the Acquisition

Economies of Scale

- ▶ Procurement of raw materials

Sharing of Best Practices & Integration

- ▶ Vertical integration of film manufacturing
- ▶ Insourcing of pre-press and plate making operations

Cost saving synergies estimated at US\$20 million

Conclusion



Accelerates TC Transcontinental's transformation into a diversified print, packaging and media company



Positions TC Transcontinental amongst the top ten flexible packaging converters in North America with greater film manufacturing capabilities



Opportunity for TC Transcontinental to leverage its current platform with well-invested assets



Well-positioned to be a consolidator of choice in the flexible packaging sector

Appendix: Financials

Table of reconciliation of certain non-IFRS financial measures used by the Corporation and Coveris Americas herein:

<i>Reconciliation of Operating earnings to Adjusted EBITDA Year ended October 29, 2017</i>	Transcontinental Year ended October 29, 2017 (in millions of CAD)	Coveris Americas Year ended		Pro Forma Financial Information Year ended October 29, 2017 (in millions of CAD) ⁽²⁾
		December 31, 2017 (in millions of USD)	December 31, 2017 (in millions of CAD) ⁽¹⁾	
<i>Operating earnings.....</i>	302.0	68.2	88.9	365.7
<i>Restructuring and other costs (gains)</i>	(13.6)	5.3	6.9	(11.2)
<i>Impairment of assets</i>	4.9	0.3	0.4	4.9
<i>Adjusted operating earnings.....</i>	293.3	73.8	96.2	359.4
<i>Depreciation and amortization</i>	103.4	54.8 ⁽³⁾	71.4	204.9
<i>Adjusted EBITDA</i>	396.7	128.6	167.6	564.3

(1) Translated at an average exchange rate of \$1.3031 / US \$1 for the year ended December 31, 2017.

(2) Includes pro forma adjustments not shown in this table.

(3) Includes US\$1.6 million IT amortization recharge from an affiliated Company.

