TRANSCONTINENTAL

Investor Fact Sheet

Third Quarter of 2018

As at September 6, 2018

HIGHLIGHTS

- Revenues increased by $280.2 million, or 58.7%, from $477.7 million to $757.9 million, mainly as a result of the transformational acquisition of Coveris Americas completed on May 1, 2018. This increase was slightly mitigated by the sale of our local and regional newspaper media assets in Québec and the sale of the printing activities of our Fremont, California, plant.
- Operating earnings decreased by $28.6 million, or 41.9%, from $68.2 million to $39.6 million. Adjusted operating earnings, which exclude restructuring and other costs (gains), impairment of assets, amortization of intangible assets and the reversal of the fair value adjustment of inventory sold arising from business combinations, increased by $10.5 million, or 14.2%, from $74.2 million to $84.7 million.
- Net earnings decreased by $29.7 million, or 60.6%, from $49.0 million to $19.3 million. Adjusted net earnings, which exclude restructuring and other costs (gains), impairment of assets, amortization of intangible assets and the reversal of the fair value adjustment of inventory sold arising from business combinations, net of related income taxes, decreased by $0.8 million, or 1.5%, from $52.9 million to $52.1 million.
- Completed the transformational acquisition of Coveris Americas on May 1, 2018, positioning TC Transcontinental as a North American leader in flexible packaging.

NOTES TO READERS

In this document, unless otherwise indicated, all financial data are prepared in accordance with International Financial Reporting Standards (IFRS) and the term "dollar", as well as the symbol "$" designate Canadian dollars. In this Investor Fact Sheet, we also use non-IFRS financial measures. Please refer to the section entitled "Reconciliation of Non-IFRS Financial Measures" in the Management Discussion and Analysis (MD&A) and Note 3 "Segmented Information" accompanying the unaudited interim consolidated financial statements for the third quarter ended July 29th, 2018 for a complete description of these measures.

During the three-month period ended July 29, 2018, in connection with changes in the organizational structure and following the acquisition of Coveris Americas, the Corporation's operating segments have been modified and are now aggregated by Management into three sectors: Packaging, Printing and Media. The Media Sector, which previously was reported separately, is now aggregated with certain head office costs and the elimination of inter-segment sales under the "Other" category. In addition, the Corporation updated its definition of certain terms presented in the table hereafter, which now exclude the amortization of intangible assets and the reversal of the fair value adjustment of inventory sold arising from business combinations.

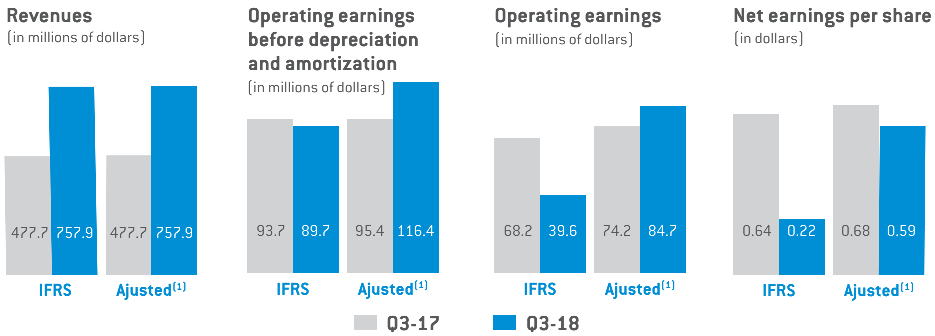
PROFILE

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 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 approximately C$2.0 billion for the fiscal year ended October 29, 2017. The Corporation has completed, on May 1st, 2018, the transformational acquisition of Coveris Americas which generated approximately C$1.26 billion in revenues (US$966 million) for its fiscal year ended December 31, 2017. For more information, visit TC Transcontinental's website at www.tc.tc.

FINANCIAL HIGHLIGHTS



MESSAGE FROM THE PRESIDENT & CEO

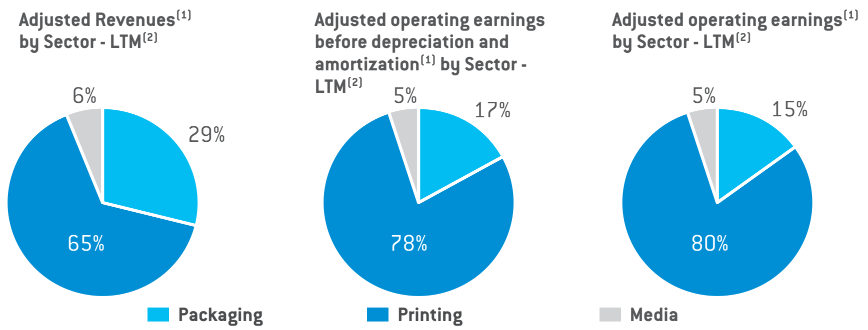
"The third quarter represents a significant milestone for us, marking the transformational acquisition of Coveris Americas and its first contribution to our results, said François Olivier, President and Chief Executive Officer of TC Transcontinental.

"Coveris Americas generated solid revenues, with more moderate profitability than anticipated. That being said, we are maintaining our previously established targets and we are confident that this acquisition will further contribute to our profitability as of the fourth quarter. We launched the rigorous integration of our activities and we are on track to realize the anticipated synergies. Lastly, we are satisfied with the performance of our packaging activities acquired prior to the Coveris Americas acquisition, both in terms of revenue growth and profitability.

"On the printing side, we posted another good quarter excluding the non-cash effect of the end of certain newspaper printing contracts. In addition, the demand for our service offering to retailers remained relatively stable, which reflects the effectiveness of flyers for driving traffic to the store.

"In summary, we are pursuing our business plan with confidence. We expect to continue generating significant cash flows, which will enable us to reduce our net indebtedness."

OVERVIEW



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 29th, 2017* and in the latest Annual Information Form and have been updated in the *MD&A for the second quarter ended April 29th, 2018.*

SELECTED FINANCIAL DATA

(in millions of dollars, except ratios)

	Q3-18	Q2-18	Q1-18	Q4-17	LTM[2]	Q3-17
Revenues	**757.9**	**534.7**	**501.7**	**527.2**	**2,321.5**	**477.7**
Packaging	400.2	87.9	70.9	79.6	638.6	76.5
Printing	334.2	363.9	365.3	399.7	1,463.1	353.8
Other	23.5	20.6	25.7	47.9	117.7	47.4
Adjusted Revenues	**757.9**	**472.4**	**461.9**	**527.2**	**2,219.4**	**477.7**
Operating earnings before depreciation and amortization	**89.7**	**138.7**	**154.7**	**128.5**	**511.6**	**93.7**
Packaging	48.9	11.6	6.0	10.1	76.6	9.0
Printing	71.5	85.6	83.0	108.6	348.6	86.8
Other	(3.9)	(7.5)	2.0	4.6	(4.8)	(0.4)
Adjusted operating earnings before depreciation and amortization[1]	**116.4**	**89.7**	**91.0**	**123.3**	**420.4**	**95.4**
Packaging	12.2%	13.1%	8.5%	12.7%	12.0%	11.8%
Printing	21.4%	23.5%	22.7%	27.2%	23.8%	24.5%
Adjusted operating earnings before depreciation and amortization margin[1]	**15.4%**	**19.0%**	**19.7%**	**23.4%**	**18.9%**	**20.0%**
Net earnings per share	**0.22**	**0.89**	**0.75**	**0.94**	**2.80[5]**	**0.64**
Adjusted net earnings per share[1]	**0.59**	**0.63**	**0.67**	**0.91**	**2.80[5]**	**0.68**
Net indebtedness ratio[3]	3.5x	0.1x	0.1x	0.3x		0.5x
Net indebtedness[3]	1,478.3	50.3	34.5	101.2		195.4

KEY INVESTMENT CONSIDERATIONS

- Strong cash flow generating ability
- Leader in most of the markets we serve
- Solid relationships with our customers
- Balanced portfolio of businesses
- Track record of dividend growth
- Family-controlled business with long term vision
- Investment grade credit rating

REVENUES BY GROUP 2017

(in millions of dollars)

Printing Sector	**1,501**
Retailer-related services[4]	885
Newspapers	242
Magazines and Books	225
Marketing products	149
Packaging Sector	**308**
Media Sector	**232**
Local Solutions	133
Business and Education	99

STOCK MARKET INFORMATION

As at September 5, 2018

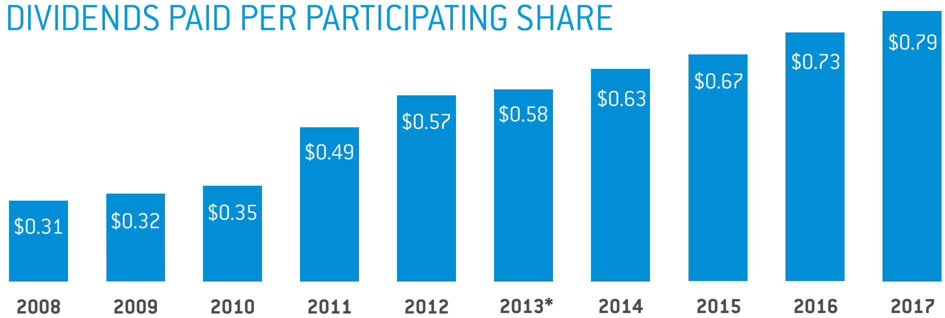
Symbol on the TSX:	**TCL.A**	**TCL.B**
Participating Shares Outstanding:		87.6 M
Public Float:		74.9 M
Market Capitalization:		$2,277.5 M
Dividend Yield:		2.7%
Dividend per Share:		$0.84

Corporate Credit Ratings: - DBRS: BBB (low), Stable outlook
- S&P: BBB-, Negative outlook

ANALYST COVERAGE

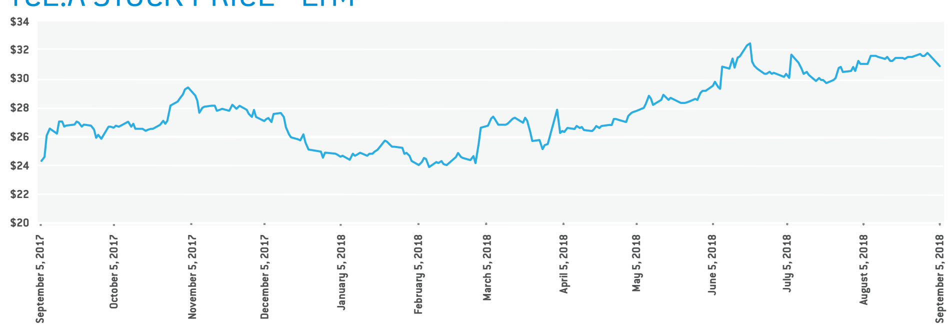
Adam Shine	National Bank Financial
Aravinda Galappatthige	Canaccord Genuity
Robert Bek	CIBC
Damir Gunja	TC Securities
David McFadgen	Cormark Securities Inc.
Drew McReynolds	RBC Capital Markets
Mark Neville	Scotia Capital
Tim Casey	BMO Capital Markets

DIVIDENDS PAID PER PARTICIPATING SHARE



* Paid a special dividend of $1.00 and a regular dividend of $0.58.

TCL.A STOCK PRICE - LTM[2]



IMPORTANT DATES

Quarterly Results

Q4-2018	December 13, 2018
Q1-2019	February 28, 2019
Q2-2019	June 6, 2019
Q3-2019	September 5, 2019

CONTACT

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Note 1: Adjusted revenues exclude the accelerated recognition of deferred revenues. Adjusted operating earnings before depreciation and amortization exclude the accelerated recognition of deferred revenues, restructuring and other costs (gains), impairment of assets and reversal of the fair value adjustment of inventory sold arising from business combinations. Adjusted operating earnings exclude the same elements as well as accelerated depreciation. Adjusted net earnings exclude the same elements, net of related income taxes, as well as the impact of the U.S. tax reform on deferred tax. Adjusted operating earnings before depreciation and amortization margin is calculated by dividing adjusted operating earnings before depreciation and amortization by adjusted revenues.
Note 2: Last twelve months.
Note 3: Net indebtedness represents total of long-term debt plus current portion of long-term debt less cash. The net indebtedness ratio is calculated by dividing the net indebtedness by the last 12 months adjusted operating earnings before depreciation and amortization.
Note 4: Retailer-related services include flyer and in-store marketing product printing, premedia services, and door-to-door distribution.
Note 5: Total of last four quarters as previously reported.