

For immediate release

Media crisis: TC Transcontinental maintains its support for print media and calls for assistance measures for specialty media

Montréal, August 29, 2019 – TC Transcontinental (TSX: TCL.A TCL.B) participated today in the consultations held by the Commission on Culture and Education of the National Assembly of Québec as part of its order of initiative on the future of information media. With its many decades of concrete and unique experience in publishing, printing and door-to-door distribution in Québec, the Corporation would like to help the government in its thought process to providing aid for Québec media which are in the midst of an unprecedented crisis. Mr. François Olivier, President and Chief Executive Officer of TC Transcontinental, along with Mr. Pierre Marcoux, President of TC Media and Mr. Benoit Caron, Vice President of Operations, Distribution, TC Transcontinental Printing, presented the Corporation's brief to the members of the Commission.

"Information media are a source of collective and democratic wealth, and this industry is in dire need of support before it's too late," stated François Olivier, President and Chief Executive Officer of TC Transcontinental, to the Commission. "As the door-to-door distributor for the vast majority of free local newspapers in Québec through the Publisac, we intend to continue doing our part by helping our weekly newspaper publishing customers enjoy visibility everywhere in Québec thanks to the unparalleled reach, effectiveness and pricing of distribution through Publisac. Furthermore, as a publisher with TC Media, we are asking for support measures for specialty media equivalent to those requested for print media covering general interest news."

In its brief entitled *Des solutions pour assurer l'avenir des médias fragilisés*, TC Transcontinental reaffirms how important it is for the government of Québec to carry out the demands stipulated by the *Coalition pour la pérennité de la presse d'information au Québec* (Coalition to ensure the long-term survival of print news media in Québec), and act quickly to support all owners of local and regional newspapers in the province, with solutions that are accessible, permanent and easy to implement, as is the case with long-standing government support for our cultural institutions which could not exist without public funding.

The Corporation also underscores the urgency of taking action to assist specialty media which are also struggling with this crisis and serve different industries with sought-after quality content. These publications contribute in their own right to creating a healthier society by promoting the adoption of best practices in business for all of their stakeholders.

In addition, TC Transcontinental recommends that the Commission should recognize the paramount role played by the Publisac, the only large-scale distribution vehicle that directly reaches all Québec households every week, in providing weeklies with the reach and effectiveness they need. Moreover, TC Transcontinental recommends that the Commission should support maintaining the Publisac's current business model as an essential component of the economic ecosystem for weeklies. The Corporation currently distributes about 95% of Québec's weeklies in the Publisac. The alternatives would be three to five times more expensive for publishers, which is millions of dollars in additional costs that they could not absorb.

The Corporation deplores the demand made by opponents of the Publisac to overturn the business model for this effective mass medium in favour of an opt-in model, which would not be viable for TC Transcontinental. The current opt-out system, in which citizens can put up a pictogram to indicate that they do not want to receive the Publisac, already respects their freedom of choice. According to Association Hebdomas Québec, a non-profit organization for independent local and regional weeklies, an opt-in model would no longer enable the systematic distribution of weeklies in their respective communities across Québec, and would therefore endanger the business model for these newspapers and their future.

The brief submitted by TC Transcontinental to the Commission on Culture and Education is available [here](#) (in French only).

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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