

For immediate release

Publisac: 86% of Quebecers support the current distribution mode (opt-out)

Montréal, October 19, 2019 – TC Transcontinental (TSX: TCL.A TCL.B), owner of the Publisac, is announcing the results of a CROP survey conducted in October. This survey reveals that 86% of Quebecers and Montrealers favour the Publisac's current distribution mode (opt-out), distributed door to door except to those putting up a pictogram indicating they do not want to receive it, versus the end of the Publisac that would be caused by the opt-in model proposed by the Antipublisac movement. In addition, 90% of the Québec population (86% in Montréal) has a positive view of the Publisac.

"This result is logical, and consistent with the result showing that 89% of those who receive the Publisac consult it," according to Stéphane Gendron, Vice President at CROP. "Year after year, our surveys demonstrate that finding deals is what primarily draws Quebecers to the Publisac."

"The will of Quebecers and Montrealers is clear. The current opt-out system works well for them, knowing that any citizen can exercise the choice of not receiving the Publisac," stated François Olivier, President and Chief Executive Officer of TC Transcontinental. "About 200,000 Québec households have made this choice, proving that the current system is working. The opt-out system enables us to reduce at source by adjusting the quantity of flyers to be printed and bags to be produced. Neither advertisers nor weeklies nor TC Transcontinental have an interest in distributing a product that people don't want, both from an economic and environmental perspective."

The Antipublisac movement falsely claims that moving to an opt-in would have no impact on the Publisac. Under such a model, the whole logistical process supporting the opt-out would have to be applied to 3 million households, that is, 15 times more than the current number. That type of system would add incremental costs and complexity to its business model to such an extent that it would mean the end of the Publisac. This would lead to endangering local weeklies - according to the survey, 92% of those who receive a weekly read it, the loss of savings for households, the disappearance of the primary promotional tool for local merchants and the loss of thousands of jobs.

As for recycling, according to the survey, 95% of households recycle the Publisac and 73% of them separate the bag and the flyers before placing them in the bin. "Although the bag made from recycled plastic and its content are 100% recyclable, we work in two ways to facilitate sorting: one aspect is communication, by indicating on the bag and in our advertising campaigns that the bag and its content should be separated before putting them in the bin, and the other aspect is the testing underway, in partnership with the City of Montréal, of a bag that opens under compaction pressure in the collection truck, thus separating the bag from its content to facilitate recycling," added Mr. Olivier.

TC Transcontinental will present its point of view on October 25 during the City of Montréal's public consultation on flyer distribution control stemming from the right of citizen initiative. It will defend the Publisac and its customers, advertisers and local weeklies, and assert that the Publisac is a useful, responsible and legitimate service that must be maintained in accordance with the will of Montrealers.

The results of the 2019 CROP survey are available [here](#) (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 positioned as the leading Canadian French-language educational publishing group. 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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