

Investor Fact Sheet

Fourth Quarter of 2018

As at December 13, 2018

2018 HIGHLIGHTS

- Revenues increased by \$616.3 million, or 30.7%, from \$2,007.2 million to \$2,623.5 million, mainly as a result of the transformational acquisition of Coveris Americas completed on May 1, 2018, which was partially mitigated by the sale of our local and regional newspaper media assets in Québec and the sale of the printing operations of our Fremont, California, plant. Adjusted revenues, which exclude the accelerated recognition of deferred revenues of \$102.1 million, increased by \$514.2 million, or 25.6%, from \$2,007.2 million to \$2,521.4 million.
- Operating earnings increased by \$65.6 million, or 21.7%, from \$302.0 million to \$367.6 million, mainly as a result of the accelerated recognition of deferred revenues, which was partially offset by the unfavourable impact of restructuring and other costs (gains) as well as the accelerated depreciation of equipment at our Fremont, California, printing plant. Adjusted operating earnings increased by \$46.1 million, or 14.8%, from \$310.7 million to \$356.8 million, mainly as a result of the acquisition of Coveris Americas.
- Net earnings increased by \$1.9 million, or 0.9%, from \$211.5 million to \$213.4 million. On a per share basis, net earnings went from \$2.74 to \$2.59 due the effect of the issuance of 10.8 million Class A Subordinate Voting Shares of the Corporation. Adjusted net earnings increased by \$25.7 million, or 12.0%, from \$213.7 million to \$239.4 million, mostly as a result of the acquisition of Coveris Americas, offset by higher financial expenses arising from said acquisition. On a per share basis, it went from \$2.76 to \$2.91.
- Completed the acquisition of Coveris Americas, positioning TC Transcontinental as a North American leader in flexible packaging.
- Concluded an agreement with The Hearst Corporation whereby the Corporation transferred to Hearst, on April 2, 2018, the printing of the *San Francisco Chronicle*.
- Finalized the sale process of local and regional newspapers in Québec as well as their related web properties.

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's Discussion and Analysis (MD&A) and Note 3 "Segmented Information" accompanying the annual consolidated financial statements for the fiscal year ended October 28th, 2018 for a complete description of these measures.

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 28th, 2018* and in the latest *Annual Information Form*.

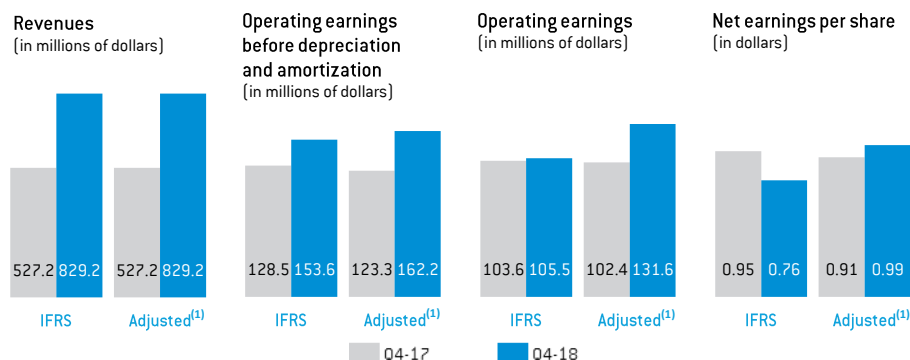
PROFILE

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\$2.6 billion for the fiscal year ended October 28, 2018. For more information, visit TC Transcontinental's website at www.tc.tc.

FOURTH QUARTER FINANCIAL HIGHLIGHTS



MESSAGE FROM THE PRESIDENT & CEO

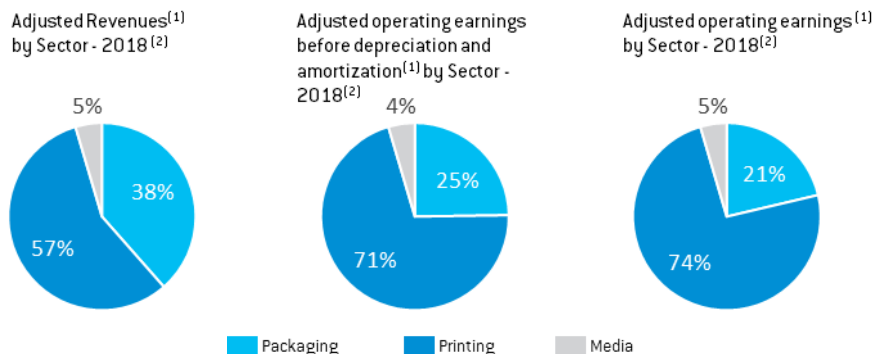
"I am proud of our financial results for 2018, a landmark year for our company as we completed the transformational acquisition of Coveris Americas, said François Olivier, President and Chief Executive Officer of TC Transcontinental. We rigorously executed our business strategy to propel our growth while reporting the highest profitability in our history for a fourth consecutive year.

"In the Packaging Sector, we invested close to \$1.8 billion in strategic acquisitions that elevated the Corporation to the leader ranks in flexible packaging in North America. We thus recorded a significant increase in our financial results, particularly as a result of Coveris Americas' performance. We also remain on track in terms of the targets we established at the time of this transaction and are continuing the integration of our activities while staying focused on realizing expected synergies.

"On the printing side, we are very satisfied with our 2018 results. Once again, this sector had a strong year, both in terms of revenues and profitability. In fact, excluding the non-cash effect of the end of the recognition of deferred revenues related to certain newspapers, our profitability was similar to that of 2017. In addition, the demand for our integrated service offering to retailers remained relatively stable, demonstrating that it creates value for our customers.

"In summary, 2018 was a successful year, and we will pursue the implementation of our long-term plan on a solid foundation. We also expect to continue generating significant cash flows from our operating activities, which will first be allocated to reducing our indebtedness."

OVERVIEW



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

ADJUSTED REVENUES⁽¹⁾ BY GROUP 2018

(in millions of dollars)

Printing Sector	1,443
Retailer-related services ⁽⁴⁾	888
Newspapers	183
Magazines and Books	225
Marketing products	147
Packaging Sector	977
Media Sector	116

STOCK MARKET INFORMATION

As at December 12, 2018

Symbol on the TSX: TCL.A TCL.B

Participating Shares Outstanding:	87.3M
Public Float:	73.4M
Market Capitalization:	\$1,691.8M
Dividend Yield:	4.3%
Annual Dividend per Share:	\$0.84
Corporate Credit Ratings:	– DBRS: BBB (low), Stable outlook – S&P: BBB-, Negative outlook

ANALYST COVERAGE

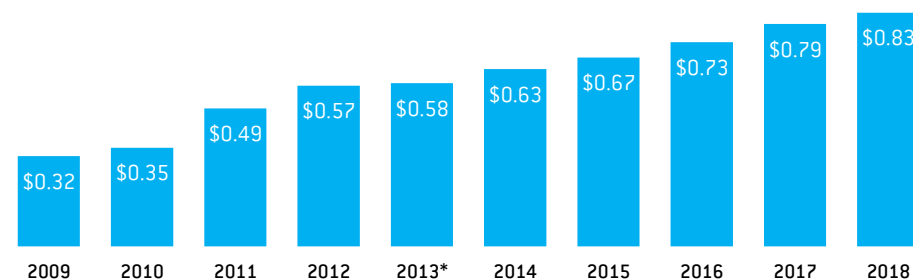
Adam Shine	National Bank Financial
Aravinda Galappaththige	Canaccord Genuity
Robert Bek	CIBC
Damir Gunja	TD Securities
David McFadgen	Cormark Securities Inc.
Drew McReynolds	RBC Capital Markets
Mark Neville	Scotia Capital
Tim Casey	BMO Capital Markets

SELECTED FINANCIAL DATA

(in millions of dollars, except ratios)

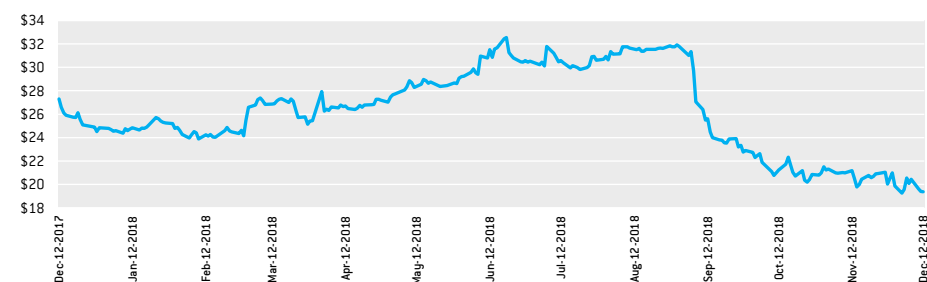
	Q4-18	Q3-18	Q2-18	Q1-18	2018	Q4-17
Revenues	829.2	757.9	534.7	501.7	2,623.5	527.2
Packaging	417.6	400.2	87.9	70.9	976.6	79.6
Printing	379.7	334.2	363.9	365.3	1,443.1	399.7
Other	31.9	23.5	20.6	25.7	101.7	47.9
Adjusted Revenues	829.2	757.9	472.4	461.9	2,521.4	527.2
Operating earnings before depreciation and amortization	153.6	89.7	138.7	154.7	536.7	128.5
Packaging	49.9	48.9	11.6	6.1	116.5	10.1
Printing	92.4	71.5	85.6	82.9	332.4	108.6
Other	19.9	-4.0	-7.5	2.0	10.4	4.6
Adjusted operating earnings before depreciation and amortization⁽¹⁾	162.2	116.4	89.7	91.0	459.3	123.3
Packaging	11.9%	12.2%	13.2%	8.6%	11.9%	12.7%
Printing	24.3%	21.4%	23.5%	22.7%	23.0%	27.2%
Adjusted operating earnings before depreciation and amortization margin⁽¹⁾	19.6%	15.4%	19.0%	19.7%	18.2%	23.4%
Net earnings per share	0.76	0.22	0.89	0.75	2.59⁽⁵⁾	0.95
Adjusted net earnings per share⁽¹⁾	0.99	0.59	0.63	0.67	2.91⁽⁵⁾	0.91
Net indebtedness ratio ⁽³⁾	3.1x	3.5x	0.1x	0.1x		0.3x
Net indebtedness ⁽³⁾	1,420.5	1,478.3	50.3	34.5		101.2

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	Date
Q1-2019	February 28, 2019
Q2-2019	June 6, 2019
Q3-2019	September 5, 2019
Q4-2019	December 12, 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: Per share data corresponds to net earnings per share for the fiscal year 2018 and does not add up to quarterly data due to the issuance of 10.8 million shares in the beginning of the third quarter of 2018.