

For Immediate Release

Transcontinental Inc. sells its consumer magazines to TVA Group Inc.

Montreal, November 17, 2014 – Transcontinental Inc. (TSX: TCL.A, TCL.B) announces today that it is selling its consumer magazines and their websites, as well as all related platforms, to TVA Group Inc. The \$55.5 million transaction is subject to approval by regulators, including the Competition Bureau; it also covers the printing of these magazines by TC Transcontinental Printing and the extension to 2022 of the contract signed in 2013 to print some of the TVA Group Inc. publications.

“In the context of the highly competitive magazine industry that is experiencing a proliferation of platforms and generated content as well as migration of advertising revenues towards digital media, Transcontinental Inc. has decided to sell its consumer magazines produced in Montreal and Toronto to TVA Group whose platforms will enable the continued evolution of these magazines,” said François Olivier, President and Chief Executive Officer. “Furthermore, Transcontinental Inc. has decided to now focus on the local advertising market, which offers us more business opportunities through our 180-odd newspapers in Quebec, Ontario, Saskatchewan and the Atlantic provinces. This important phase in the evolution of the Corporation also gives TC Media full latitude to further develop its digital and interactive marketing products for retailers, among others, and to advance the production and delivery of content in the fields of business and education.”

The brands involved in this transaction include: *Coup de pouce; Elle Québec; Décormag; Le Bel Âge Magazine; Magazine Véro; recettes.qc.ca; Canadian Living; Style at Home; Elle Canada; Good Times; The Hockey News; etc.*

The magazines *Vancouver Magazine* and *Western Living*, distributed in Western Canada, remain the property of TC Media.

“On behalf of all the employees at Transcontinental Inc., I want to thank the some 310 people at TC Media affected by this announcement. Their dedicated contribution has been invaluable for many years in building the readership for these popular magazines now being transferred to TVA Group,” said Mr. Olivier.

Printing Contract

As part of this transaction, Transcontinental Inc. has also signed a parallel agreement with TVA Group Inc. to print these consumer magazines and their marketing products for a period of seven years, and to extend the contracts signed in December 2013 to print certain TVA Group Inc. magazines to the end of June 2022.

“Today’s agreement creates twofold value for Transcontinental Inc.,” said François Olivier. “In one stroke we have also improved the book of business for our Printing Sector.”

TC Transcontinental Profile

Largest printer and a leading provider of media and marketing activation solutions in Canada, TC Transcontinental creates products and services that allow businesses to attract, reach and retain their target customers. The Corporation specializes in print and digital media, the production of magazines, newspapers, books and custom content, mass and personalized marketing, interactive and mobile applications, door-to-door distribution, and also supplies a range of flexible packaging products in the United States.

Transcontinental Inc. (TSX: TCL.A, TCL.B), including TC Transcontinental, TC Media, TC Transcontinental Printing and TC Transcontinental Packaging, has over 9,000 employees in Canada and the United States, and revenues of C\$2.1 billion in 2013. Website www.tc.tc.

- 30 -

For information:

Media

Nathalie St-Jean
Senior Advisor, Corporate Communications
TC Transcontinental
Telephone: 514 954-3581
nathalie.st-jean@tc.tc
www.tc.tc

Financial Community

Jennifer F. McCaughey
Senior Director, Investor Relations and
External Corporate Communications
TC Transcontinental
Telephone: 514 954-2821
jennifer.mccaughey@tc.tc
www.tc.tc