

For Immediate Release

Transcontinental Inc. completes the Capri Packaging acquisition

Montreal, May 5, 2014 – Transcontinental Inc. (TSX: TCL.A, TCL. B, TCL.PR.D) is pleased to announce that it has completed the transaction for the acquisition of the assets of Capri Packaging, a producer of flexible packaging, operating two facilities located in Clinton, Missouri. The acquisition will add about US\$72 million to TC Transcontinental's revenues. As part of the transaction, the seller, Schreiber Foods, Inc. has signed a 10-year agreement to secure Capri Packaging as a strategic supplier of flexible packaging, which represents about 75% of Capri's total revenues.

"The acquisition of Capri Packaging is an important milestone in our development and is an integral part of our strategy to ensure TC Transcontinental's profitable growth through prudent diversification. It represents a strategic move for the Corporation into a new promising area, flexible packaging, where we can significantly leverage our manufacturing competencies. We are enthusiastic about the future prospects that lie ahead for TC Transcontinental. We warmly welcome all Capri Packaging employees into our organization," said François Olivier, President and Chief Executive Officer of Transcontinental Inc.

"In order to efficiently develop, run and grow our manufacturing operations, we have adapted our organizational structure. Mr. Brian Reid is appointed President of the sector that now comprises two divisions: TC Transcontinental Printing and TC Transcontinental Packaging. Drawing on his extensive manufacturing experience, Brian will also oversee the development of our new packaging operations as the Divisional President of TC Transcontinental Packaging, while continuing to oversee the strategic orientations of the Printing division. To support him in his new role, Jacques Grégoire is appointed Divisional President of TC Transcontinental Printing. Jacques is a seasoned manager with over 27 years of leadership experience in key executive roles within TC Transcontinental Printing. Until recently, Jacques was Senior Vice President of the Magazine, Book and Catalogue Group. I wish them both much success in their new roles," noted Mr. Olivier.

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 manufactures a range of flexible packaging products in the United States.

Transcontinental Inc. (TSX: TCL.A, TCL.B, TCL.PR.D), 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.

Forward-looking Statements

Our public communications often contain oral or written forward-looking statements which are based on the expectations of management and inherently subject to a certain number of risks and uncertainties, known and unknown. By their very nature, forward-looking statements are derived from both general and specific assumptions. The Corporation cautions against undue reliance on such statements since actual results or events may differ materially from the expectations expressed or implied in them. Forward-looking statements may include observations concerning the Corporation's objectives, strategy, anticipated financial results and business outlook. The Corporation's future performance may also be affected by a number of factors, many of which are beyond the Corporation's will or control. These factors include, but are not limited to, the economic situation in the world and particularly in Canada and the United States, structural changes in the industries in which the Corporation operates, the exchange rate, availability of capital, energy costs, competition, the Corporation's capacity to engage in strategic transactions and integrate acquisitions into its activities, the regulatory environment, the safety of our packaging products used in the food industry, innovation of our offering and concentration of our sales in certain segments. The main risks, uncertainties and factors that could influence actual results are described in Management's Discussion and Analysis (MD&A) for the fiscal year ended on October 31st, 2013, in the latest Annual Information Form and have been updated in the MD&A for the first quarter ended January 31st, 2014.

Unless otherwise indicated by the Corporation, forward-looking statements do not take into account the potential impact of nonrecurring or other unusual items, nor of divestitures, business combinations, mergers or acquisitions which may be announced after the date of May 5, 2014.

The forward-looking statements in this press release are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation.

The forward-looking statements in this release are based on current expectations and information available as at May 5, 2014. Such forward-looking information may also be found in other documents filed with Canadian securities regulators or in other communications. The Corporation's management disclaims any intention or obligation to update or revise these statements unless otherwise required by the securities authorities.

- 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