

INDIGO AND RAKUTEN KOBO ANNOUNCE A NEW AUDIOBOOK PARTNERSHIP

Rakuten Kobo and Indigo partner to bring Canadians the books they want, in any format they choose.

Toronto, ON (June 19, 2019) – Indigo Books & Music Inc. (TSX: IDG), the world’s first cultural department store for booklovers, is pleased to announce a new audiobook partnership with Rakuten Kobo, a global leader in digital reading. Indigo has expanded their existing eBook and eReader partnership with Kobo to bring Canadians books in even more formats, now including audiobooks.

“Books and stories have always been the heart and soul of Indigo,” said Samantha Taylor, Chief Marketing Officer at Indigo. “We know Canadians’ reading habits are continually evolving – they consume different book formats at different times and for many reasons. Kobo shares our vision of supporting story-telling in all its forms, and through our continued partnership, we are able to provide our customers with access to the content they want in whichever format they choose.”

“We’re thrilled to be working with Indigo to bring Kobo audiobooks to more Canadians,” said Marianne Hamilton, Chief Marketing Officer at Rakuten Kobo. “Together with eBooks in the free Kobo app, audiobooks help people fit more reading time into more parts of their day when traditional reading isn’t possible, such as driving or commuting. It’s also a wonderful thing to give yourself over to the joy of being told a story.”

Research conducted by Kobo indicates that audiobooks are a supplement rather than a replacement for other reading for most users, and the ability to multitask is a big draw. More than 50% of listeners say they do so while driving or travelling, and 24% listen while doing household chores.

Indigo first launched Kobo Inc. in 2009 in response to the rising popularity of e-reading. Kobo became an early leader in the global digital book business, and today has more than 30-million users around the world. In 2012, Kobo was acquired by Japanese e-commerce and internet company Rakuten. Indigo and Rakuten Kobo have remained close partners with Indigo as a key retailer for Kobo e-readers and selling Kobo eBooks on indigo.ca.

With this new partnership, Indigo and Kobo have joined together once again in order to support audiobooks. Now, when Canadians sign up for a free 30-day trial audiobook subscription through a new dedicated Indigo x Kobo Audiobook page they are automatically entered for a chance to win 100,000 plum® points each month from June to September 2019¹. Customers can access this page directly through [Kobo.com/indigoaudio](https://kobo.com/indigoaudio).

Taylor continued, “This marks the beginning of our audiobook partnership. We are also working on deeper technology integration in order to ultimately offer Kobo audiobooks for sale directly through Indigo. We’re so thrilled to be working together on this exciting initiative and strengthening an already wonderful partnership.”

Benefits of Indigo x Kobo Audiobooks subscription include:

- Rakuten Kobo offers the lowest-priced audiobook subscription, at \$12.99 a month
- Your first audiobook is free with a 30-day trial

- Access Kobo’s extensive audiobook library, including new releases, bestsellers, Kobo Originals and Kobo Exclusives
- Your collection is yours forever, even if you cancel your subscription
- Access all of your eBooks and audiobooks in the free, feature-rich Rakuten Kobo app

For more information on Indigo, please visit Indigo.ca.

For more information on Rakuten Kobo, please visit Kobo.com.

About Indigo

Indigo Books & Music Inc. is a publicly traded Canadian company listed on the Toronto Stock Exchange (IDG). Indigo is the world’s first Cultural Department Store – a physical and digital meeting place inspired by and filled with books, music, art, ideas, and beautifully designed lifestyle products. Indigo believes in real books, in living life fully and generously, in being kind to each other and that stories – big and little – connect us.

About Rakuten Kobo

Owned by Tokyo-based Rakuten and headquartered in Toronto, Rakuten Kobo Inc. is one of the world’s most innovative eReading services offering more than 6 million eBooks and audiobooks to millions of customers in 190 countries. Kobo offers an eReader for everyone with a wide variety of E Ink devices as well as a free top-ranking eReading and audiobook listening app for iOS® and Android®. For more information, visit www.kobo.com

Forward-Looking Statements

Statements contained in this news release that are not historical facts are forward-looking statements which involve risk and uncertainties that could cause results to differ materially from those expressed in the forward-looking statements. Among the key factors that could cause such differences are: general economic, market or business conditions in Canada; competitive actions by other companies; changes in laws or regulations; and other factors, many of which are beyond the control of Indigo Books & Music Inc.

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¹ NO PURCHASE OR PAYMENT OF ANY KIND IS NECESSARY TO ENTER OR WIN THIS CONTEST. A PURCHASE OR PAYMENT WILL NOT IMPROVE YOUR CHANCES OF WINNING. Limit One (1) Entry per person. Receive one (1) entry "Entry" when you start a free Audiobooks trial between May 13, 2019 and September 30, 2019. Open only to legal residents of Canada who are 18 years of age or older or who have reached the age of majority in their respective jurisdiction at the time of entry and who are a registered plum® member. Kobo will select one (1) winner per prize period (one winner per month from June 2019 to September 2019) out of all eligible entries. Four (4) prizes available to be won. Each prize consists of: 100,000 plum® points redeemable at any participating Indigo, Chapters, Coles and IndigoSpirit location in Canada (100,000 plum® points Approximate Retail Value is \$280.00 CAD). Odds of winning depend on the number of entries received. To enter the Contest without making a purchase: legibly hand-print (or mechanically print): (i) your full name, complete mailing address (including postal code), telephone number (including area code) and e-mail address on a single piece of paper; and (ii) an original essay of no fewer than two hundred (200) words describing "How

would you use your 100,000 plum® points?” (each, a “Mail-In Entry”). Mail your Mail-In Entry to Kobo Head Office at 101-135 Liberty Street; Toronto, ON M6K 1A7 marked “Attention: 100,000 plum® Points Audiobooks Contest” within the Contest period. Each potential winner must correctly answer a skill-testing question to be declared a winner. Please see www.kobo.com/indigoaudio for full Official Rules.