

Indigo Provides Business Update on COVID-19 Pandemic

TORONTO, ON – April 13, 2020 -- Indigo Books & Music Inc. (TSX: IDG), Canada's largest book, gift and specialty toy retailer, announced an update on operational decisions made in response to the COVID-19 pandemic.

The health and safety of Indigo's families, employees, customers and communities is the Company's top priority. In response to the complex and fast-evolving situation, Indigo temporarily closed its retail locations on March 17th, 2020. The Company also made the difficult decision to temporarily lay-off 5,200 of its retail employees after paying wages for all scheduled shifts up until the end of March.

Indigo is actively following the evolution of government relief programs. In a commitment to re-embrace as many employees as possible throughout the course of this pandemic, and as a result of the recently announced Canadian Emergency Wage Subsidy, Indigo has returned approximately 545 salaried retail leadership employees to its payroll effective April 12th, 2020.

Customers have long told Indigo that it is their "happy place." The Company values this trusted position and is dedicated to supporting its customers through indigo.ca. At this time, with stores closed, the Company's online channel has experienced triple-digit growth.

"Indigo has always focused its curation efforts on enriching products – we are thankful that we can provide our customers with items that create moments of joy during this difficult time," commented CEO Heather Reisman. "Books, wellness products, educational materials and creative activities for kids are all particularly relevant as Canadians look for products to help alleviate stress, and keep their children engaged and learning."

Indigo continues to prioritize the health and safety of its employees. The Company has taken enhanced precautions to support the safety and well-being of its Distribution Centre employees with increased social-distancing measures and heightened sanitation practices based on the guidance and direction from the Public Health Agency of Canada.

The ongoing COVID-19 pandemic is expected to have a material impact on Indigo's business, operations and financial performance for fiscal 2021, the magnitude of which cannot be quantified at this time because of the significant uncertainty associated with the extent, duration and severity of the pandemic itself, and with the government restrictions, effects on consumer behaviour and other factors associated with or resulting from that pandemic, many of which are beyond the Company's control.

Indigo will provide a further update on the operational and financial impacts of COVID-19 on its fourth quarter Fiscal 2020 earnings call on or around June 24th, 2020.

Forward-Looking Information

Statements contained in this news release that are not historical facts are “forward-looking information” within the meaning of applicable Canadian securities legislation. To the extent any forward-looking information constitutes “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided as preliminary financial and operational results. Financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to various risks and uncertainties that could cause actual results to differ materially from those expressed in or implied in this news release. Among the key factors that could cause such differences are: preliminary financial and operational results are subject to the completion of financial closing procedures and have not been audited or reviewed; general economic, market or business conditions; the future impacts and government response to the COVID-19 pandemic, including any impact to online and/or retail operations of the Company; competitive actions by other companies; changes in laws or regulations; and other factors as set out in the Company's annual information form dated May 28, 2019 and filed with Canadian securities regulators available on the Company's issuer profile on SEDAR at www.sedar.com, many of which are beyond the control of the Company.

Undue reliance should not be placed on such forward-looking information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

About Indigo Books & Music Inc.

Indigo 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, 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.

To learn more about Indigo, please visit the “Our Company” section at indigo.ca.

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