FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Cossette Inc. ("**Cossette**")
801 Grande Allée West – Suite 200
Québec, Québec G1S 1C1

Item 2 Date of Material Change

December 23, 2009

Item 3 News Release

On December 23, 2009, a press release was issued from the city of Québec, in the province of Québec and disseminated by CNW Telbec.

Item 4 Summary of Material Change

Cossette announced that the proposed amalgamation (the "Amalgamation") of Cossette with 9209-6841 Quebec Inc. ("**Newco**"), a wholly-owned subsidiary of Mill Road Capital Inc., was completed on December 23, 2009.

The completion follows the approval of the Amalgamation by the shareholders of Cossette at the special general meeting of the company's shareholders held on December 18, 2009.

The subordinate voting shares of Cossette are being delisted from the TSX and Cossette will return to the private company status it held from its birth in 1972, to 1999, the year it became a public company.

The amalgamated company will continue as the Cossette brand with its head office remaining in Quebec City. The current management team will remain in place and the company will pursue its current marketing-communications activities for its numerous clients in Canada, the United States and the United Kingdom.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On December 23, 2009, Cossette announced that the proposed Amalgamation of Cossette with Newco, a wholly-owned subsidiary of Mill Road Capital Inc. was completed.

The completion follows the approval of the Amalgamation by the shareholders of Cossette at the special general meeting of the company's shareholders held on December 18, 2009.

The subordinate voting shares of Cossette are being delisted from the TSX and Cossette will return to the private company status it held from its birth in 1972, to 1999, the year it became a public company.

In connection with the Amalgamation, all shareholders (other than current shareholders of the Newco) will receive $8.10 in cash for each share of Cossette held immediately prior to the Amalgamation.

The amalgamated company will continue as the Cossette brand with its head office remaining in Quebec City. The current management team will remain in place and the company will pursue its current marketing-communications activities for its numerous clients in Canada, the United States and the United Kingdom.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Ms. Kimberley Okell
Vice President, Legal Affairs and Corporate Secretary
(418) 521-3170

Item 9 Date of Report

December 29, 2009