

Transcontinental announces transfer of state-of-the-art equipment from Transcontinental Litho Acme to Transcontinental Direct Montreal

Montreal, August 30, 2011 – Transcontinental announced today that by late September 2011 it will transfer state-of-the-art equipment from Transcontinental Litho Acme to Transcontinental Direct Montreal, at 4491 Des Grandes-Prairies Blvd. in Saint-Léonard. This means that production teams from the two units will be combined at Transcontinental Direct Montreal, and the estimating, sales and marketing teams will be located at 85 Castelnau West in Montreal.

“This new stage in the lives of Transcontinental Litho Acme and Transcontinental Direct Montreal fits in well with Transcontinental’s development plan. With this move, customers will have access to a fully integrated service offering, enhanced expertise and the increased synergies obtained by combining the best assets and people of our two facilities,” said Patrice Lacoste, Senior Vice President, Marketing Products Group, Transcontinental Printing. “This transfer marks another step in our business plan, which is designed to meet the multifaceted needs of businesses and their advertising agencies, for whom traditional print technology, mailing and direct marketing services must be combined with the new digital platforms.”

The reorganization will, however, eliminate the positions of some 30 employees, out of a total workforce of 335. All will receive settlement packages and out-placement services to help them quickly find new jobs.

The transfer of equipment from Transcontinental Litho Acme to Transcontinental Direct Montreal will significantly improve production workflow. By putting all this print expertise under one roof in Montreal, Transcontinental will be providing its customers with leading-edge technology, excellent quality and the best ideas for turning their projects into real successes. Speed, versatility and efficiency will be the hallmarks of this new centre of excellence in printing, direct mail, direct marketing and relationship marketing.

“This equipment transfer shows that Transcontinental is reinvesting in its platform so that we can offer our customers the best of both worlds, providing outstanding synergy based on each plant’s exceptional and proven ability in its own market,” said Patrice Lacoste.

About Transcontinental

Transcontinental creates marketing products and services that allow businesses to attract, reach and retain their target customers. The Corporation is the largest printer in Canada and Mexico, and fourth-



largest in North America. As the leading publisher of consumer magazines and French-language educational resources, and of community newspapers in Quebec and the Atlantic provinces, it is also one of Canada's top media groups. In addition, its digital platforms deliver unique content through more than 300 websites. Transcontinental also offers interactive marketing products and services that use new communications platforms supported by marketing strategy and planning services, database analytics, premedia, e-flyers, email marketing, custom communications and mobile solutions.

Transcontinental (TSX: TCL.A, TCL.B, TCL.PR.D) has 10,500 employees in Canada, the United States and Mexico, and reported revenues of C\$2.1 billion in 2010. For more information about the Corporation, please visit www.transcontinental.com.

- 30 -

For information:

Media

Nancy Bouffard
Director, Internal and External Communications
Transcontinental Inc.
Telephone: 514 954-2809
nancy.bouffard@transcontinental.ca

Financial Community

Jennifer F. McCaughey
Senior Director, Investor Relations and Financial
Communications
Transcontinental Inc.
Telephone: 514 954-2821
jennifer.mccaughey@transcontinental.ca