

*For Immediate Release*

**TRANSCONTINENTAL ACQUIRES CONVERSYS,  
LEADING CANADIAN PRINT-TO-WEB PROVIDER**

Montreal, January 21, 2009 – Transcontinental Inc. today announced the acquisition of Conversys Inc., the leading Canadian Print-to-Web provider that specializes in the seamless transformation of print marketing materials such as flyers and catalogues into rich, interactive Web content that is user-friendly and brand-consistent across multiple channels. The acquisition complements Transcontinental's existing print and interactive communications offering to major retailers.

Conversys's multi-channel marketing services enable businesses to increase sales and more effectively interact with their customers by delivering a continuous flow of digital content through various media, including Web sites, email, and mobile devices. Conversys excels in providing content conversion and hosting services to large scale retail organizations.

"The power and breadth of Transcontinental's products and services, in combination with Conversys's capabilities, provide an unparalleled suite of strategic marketing capabilities to our North American clients," said François Olivier, President and Chief Executive Officer, Transcontinental Inc. "More than ever before, successful companies need effective ways to identify, reach, convert and retain their target customers. This acquisition is a perfect complement to Transcontinental's newly formed Marketing Communications sector, which is focused on developing innovative solutions that span multiple consumer communication channels to deliver improved returns on marketing investments. Transcontinental will also deploy Conversys's technology and services to offer an enriched and more engaging shopping and pre-shopping experience to users of our e-flyer portal, [publisac.ca](http://publisac.ca)."

Conversys's customer base consists of national and regional North American retailers with nearly forty separate banners. Its close to thirty employees and its production capabilities will continue to be based in London, Ontario, while a sales office will be established at the Transcontinental Digital Services facility in Mississauga, Ontario.

"Consumers expect a seamless shopping experience across online and offline channels, with consistency of brand presentation, and relevance and timeliness of advertising information," said Nicky Milner, Vice President, Premedia Group, Transcontinental Marketing Communications. "With Conversys as part of our team, Transcontinental's strength and market reach in the retail market offers significant competitive advantage for Transcontinental, as well as for the customers we serve. We're thrilled about the possibilities for our clients."



Conversys founders Mark Baldwin, President and Dan Hurrell, Chief Operating Officer, will continue to operate the business, and founder Larry Chevalier, Chief Financial Officer, will transition financial management to Transcontinental.

“This is an exciting time for digital marketing and an exciting time for Conversys,” said Mark Baldwin. “We are pleased to be aligned with such a well-respected and progressive industry leader as Transcontinental. As part of the Transcontinental family, we look forward to continuing our commitment to deliver and enhance leading-edge solutions and services to our clients.”

For more information, visit [www.conversysinc.com](http://www.conversysinc.com)

### **About Transcontinental**

Transcontinental provides printing, publishing and marketing services that deliver exceptional value to its clients and provide a unique, integrated platform for them to reach and retain their target audiences. Transcontinental is the largest printer in Canada and sixth-largest in North America. It is also the country’s leading publisher of consumer magazines and French-language educational resources, its second-largest community newspaper publisher, and its digital platform delivers unique content through more than 120 Web sites. Its Marketing Communications Sector provides advertising services and marketing products using new communications platforms supported by database analytics, premedia, email marketing, and custom communications. Transcontinental is a growing company with a culture of continuous improvement and financial discipline, whose values, including respect, innovation and integrity, are central to its operation.

Transcontinental (TSX: TCL.A, TCL.B) has approximately 15,000 employees in Canada, the United States and Mexico, and reported revenues of C\$2.4 billion in 2008. For more information about the Corporation, please visit [www.transcontinental.com](http://www.transcontinental.com).

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