

 **P R E S S R E L E A S E**

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*For Immediate Release*

**TRANSCONTINENTAL INC. ANNOUNCES CLOSING OF \$ 100 MILLION OFFERING OF  
CUMULATIVE RATE RESET PREFERRED SHARES**

Montreal (Québec), October 2, 2009 – Transcontinental Inc. announced today that it has closed its previously announced bought deal public offering of 4,000,000 cumulative 5-year rate reset first preferred shares, series D (the “Series D Preferred Shares”) for gross proceeds of \$100 million, purchased by a syndicate of underwriters led by Scotia Capital Inc. and CIBC World Markets Inc., acting as joint book-runners.

Transcontinental has also granted the underwriters an option to purchase up to 600,000 additional Series D Preferred Shares to cover over-allotments, exercisable in whole or in part at any time up to 30 days following closing of the offering. If the over-allotment option is exercised in full, the aggregate gross proceeds to Transcontinental will be \$115 million.

Net proceeds resulting from the sale of the Series D Preferred Shares of Transcontinental shall be used by the Corporation to repay indebtedness, and for general corporate purposes.

The Series D Preferred Shares offered under the offering have not been and will not be registered under the United States Securities Act of 1933 and state securities laws. Accordingly, the Series D Preferred Shares may not be offered or sold to U.S. persons except pursuant to applicable exemptions from registration. This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

**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 in Mexico, and sixth-largest in North America. It is also the country’s leading publisher of consumer magazines and French-language educational resources, the 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, TCL.PR.D) has approximately 13,000 employees in Canada, the United States and Mexico, and reported revenue 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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For information:

Media

Sylvain Morissette  
Vice-President, Corporate Communications  
Transcontinental Inc.  
Telephone: 514 954-4007  
[sylvain.morissette@transcontinental.ca](mailto:sylvain.morissette@transcontinental.ca)  
[www.transcontinental.com](http://www.transcontinental.com)

Financial Community

Jennifer F. McCaughey  
Director, Investor Relations  
Transcontinental Inc.  
Telephone: 514 954-2821  
[jennifer.mccaughey@transcontinental.ca](mailto:jennifer.mccaughey@transcontinental.ca)