

For Immediate Release

TRANSCONTINENTAL ACQUIRES CORNWALL'S SEAWAY NEWS

Montreal, August 3, 2007 – Transcontinental Media today announced it has acquired *Seaway News* in Cornwall, Ontario. Founded in 1985, the paper serves more than 36,000 households in the eastern Ontario region. The acquisition brings Transcontinental Media's newspaper total to 169 community publications across Canada, totalling approximately 250 million copies annually.

"*Seaway News* is a truly local weekly paper and captures the spirit of the Cornwall area," said Marc-Noël Ouellette, Senior Vice President, Newspaper Group, Transcontinental Media. "And, just as residents look forward to reading about their community each week, we look forward to continuing the success of the paper and building our portfolio in eastern Ontario."

Seaway News, distributed each week in Ad-Bag from Transcontinental Media, complements Transcontinental's existing eastern Ontario publications, such as those serving the Ottawa area which include *L'Express*, *The Star*, *Weekly Journal*, and *Ottawa Business Journal*.

The co-founders of *Seaway News*, Dick Aubry, Publisher and Rick Shaver, General Manager, said, "In 1985 we launched what was then called *Seaway Shopping News*, and we've been with the paper as it's grown to become *Seaway News*. Transcontinental is known for its commitment to both a strong editorial presence and creative advertising solutions in the communities it serves; Cornwall will be no exception."

Transcontinental, as the second largest publisher of community newspapers in Canada, publishes daily, weekly, bi-weekly and monthly newspapers in the provinces of Ontario, Quebec, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, New Brunswick and Saskatchewan.

About Transcontinental Media

The fourth-largest print media group in Canada, with more than 3000 employees and annual revenues of \$580 million in 2006, Transcontinental Media is the country's leading publisher of consumer magazines and of French-language educational resources as well as being the largest publisher of community newspapers in Eastern Canada. It publishes the weekday daily *Métro* in Montreal, owns a number of digital business units, and is also, through Publi-Sac, Quebec's leading door-to-door distributor of advertising material.



Transcontinental Media is a subsidiary of Transcontinental Inc. (TSX: TCL.A, TCL.B), which has more than 14,500 employees in Canada, the United States and Mexico and reported revenues of C\$2.3 billion in 2006.

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