

TRANSCONTINENTAL INC. ANNOUNCES THE SALE OF ITS BOOK PRINTING ASSETS IN LOUISEVILLE AND SHERBROOKE

Montreal, July 16, 2012 – After reviewing its business plan and long-term strategic objectives, Transcontinental Inc. (TSX: TCL.A, TCL.B, TCL.PR.D) today announced that it is selling its book printing assets, namely Transcontinental Gagné printing plant in Louiseville and Transcontinental Métrolitho printing plant in Sherbrooke, to Marquis Book Printing Inc., in Cap-Saint-Ignace, which specializes in book printing.

Given the highly competitive industry of recent years, Transcontinental plans to further specialize in only certain type of markets, such as four-colour web offset printing for educational book markets in Québec, Canada and the United States, a niche where it stands out and has an established reputation. Results in these markets have been excellent and the Corporation is confident about future development.

François Olivier, President and CEO of Transcontinental Inc., says “we thought long and hard before deciding to sell the assets of our Sherbrooke and Louiseville plants. Over the past several months we have made strategic decisions based on changes in the book printing market. We are sure that our one- and two-colour book customers in Québec will continue to be well served by the new acquirer. For our part, we remain well positioned to respond to the demands of our customers who are looking for better marketing solutions in our areas of specialization, including educational book printing.”

About TC Transcontinental

TC 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 the 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. TC Transcontinental is also the leading door-to-door distributor of advertising material in Canada through its Publisac network in Quebec and Targeo in the rest of Canada. Thanks to a wide digital network of more than 3,500 websites, the company reaches over 18.7 million unique visitors per month in Canada. The company also offers interactive marketing products and services that use new communication platforms supported by marketing strategy and planning services, database analytics, pre-media, e-flyers, email marketing, custom communications and mobile solutions.

Transcontinental Inc. (TSX : TCL.A, TCL.B, TCL.PR.D), known by the brands TC Transcontinental, TC Media and TC Transcontinental Printing, has about 10,000 employees in Canada and the United States, and reported revenues of C\$2.0 billion in 2011. For more information about the corporation, please visit www.tc.tc

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