

**TRANSCONTINENTAL FOUNDER MONETIZES PORTION OF SHAREHOLDINGS
WHILE PRESERVING CORPORATION'S CONTINUITY AND STABILITY**

Montreal, August 10, 2010 – Transcontinental Inc. announced today that Rémi Marcoux, its Executive Chairman of the Board and Founder, has concluded, through his holding companies, a transaction to monetize a total of 4 million Transcontinental shares. The monetization transaction involves a forward contract concluded with a Canadian chartered bank referencing the closing price of Transcontinental Class A subordinate voting shares on August 9, 2010. Pursuant to this agreement, Mr. Marcoux's holding companies will maintain the beneficial ownership and voting rights attached to the monetized shares.

"It has always been important to me to ensure the continuity and long-term stability of our operations for the benefit of our clients, our employees and our shareholders," said Mr. Marcoux. "The transaction announced today was designed in a prudent manner to allow both stability in Transcontinental's operations as well as long-term family succession planning."

This financial instrument allows Mr. Marcoux's holding companies to monetize approximately 30% of his aggregate participation in Transcontinental shares while maintaining effective control of the Corporation in the hands of the Marcoux family.

The number of shares subject to monetization are 4,000,000 Transcontinental shares from Mr. Marcoux's holding companies total of 13,209,840 Class B shares.

Prior to the monetization, Transcontinental and Mr. Marcoux's holding companies completed a series of transactions involving an exchange of shares to crystallize the safe income attributable to the block of Transcontinental shares that were monetized. The exchange has no negative impact on the Corporation or its shareholders, nor does it give rise to any change to Class A subordinate voting shares and Class B shares. Mr. Marcoux's holding companies have assumed the costs related to these transactions.

Profile

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, the second-largest community newspaper publisher, and with its digital platforms that deliver unique content through more than 120 websites, it is also one of Canada's leading media groups. In addition, Transcontinental offers marketing products and services that use



new communications platforms supported by database analytics, premedia, e-flyers, email marketing, custom communications and mobile solutions.

Transcontinental (TSX: TCL.A, TCL.B, TCL.PR.D) has 11,000 employees in Canada, the United States and Mexico, and reported revenues of C\$2.4 billion in 2009. For more information about the Corporation, please visit www.transcontinental.com.

Note: This press release contains certain forward-looking statements concerning the future performance of the Corporation. Such statements, based on the current expectations of management, inherently involve numerous risks and uncertainties, known and unknown. We caution that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future performance will be affected by a number of factors, many of which are beyond the Corporation's control, including, but not limited to, the economic situation, structural changes in its industries, exchange rate, availability of capital, energy costs, increased competition, as well as the Corporation's capacity to implement its strategic plan and rationalization plan, engage in strategic transactions and integrate acquisitions into its activities. The risks, uncertainties and other factors that could influence actual results are described in the *Management's Discussion and Analysis and Annual Information Form*.

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