

**TRANSCONTINENTAL INC. ACQUIRES LIPSO,
LEADING CANADIAN MOBILE SOLUTIONS PROVIDER**

Montreal, May 4, 2010 – Transcontinental is pleased to announce the acquisition of Montreal-based LIPSO, a leading provider of integrated mobile solutions, including connectivity, transaction management (SMS, MMS, etc.) and applications development. As an enhancement to its marketing communications solutions in new media and digital platforms, this purchase adds a number of key services to Transcontinental's marketing communications offering, including cell phone bar code reading, mobile couponing in retail sales, and electronic ticketing in transportation and entertainment.

"Every day we work with our clients on the analysis, execution and deployment of their marketing strategies based on one-to-one marketing and new communication platforms," said Christian Trudeau, President of the Marketing Communications Sector, Transcontinental. "The LIPSO acquisition fits right in with this approach and makes it possible for us to create a unique centre of excellence for mobile marketing solutions. It also confirms our leading position in the delivery of marketing communications solutions."

Vivianne Gravel, President of LIPSO, added: "I'm very happy that our company is now part of a major corporation like Transcontinental, which will ramp up our development. This acquisition will keep ownership of LIPSO technology and its jobs in Canada. It's exciting news for LIPSO clients and employees."

Sophie Hennion, Chief Executive Officer of LIPSO, said: "This transaction will help LIPSO's growth in terms of both products and services development and business development, in a period of rocketing demand for mobile applications."

Details on the transaction price and information have not been released. As of today, the 30 LIPSO employees, Vivianne Gravel and Sophie Hennion join the approximately 850 employees in Transcontinental's Marketing Communications Sector.

About LIPSO

LIPSO (LIPSO Systems Inc.) develops and markets mobile solutions that facilitate communications and transactions between organizations and mobile users. LIPSO is Canada's leading company in this field and the only technology provider to play the triple role of system integrator, provider of mobile transaction connectivity/management (SMS, WAP push, MMS, etc.) and developer of innovative mobile apps with strong revenue-generating potential. LIPSO solutions are used by Rogers Media, CBC/Radio-Canada, Air Canada and Air Miles.

About Transcontinental

The Marketing Communications Sector provides marketing services and products using new communications platforms supported by database analytics, premedia, e-flyers, email marketing, and custom communications. 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 fourth-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. Transcontinental is a growth-oriented 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 11,000 employees in Canada, the United States and Mexico, and reported revenue of C\$2.4 billion in 2009. For more information about the Corporation, please visit www.transcontinental.com.

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Financial Community

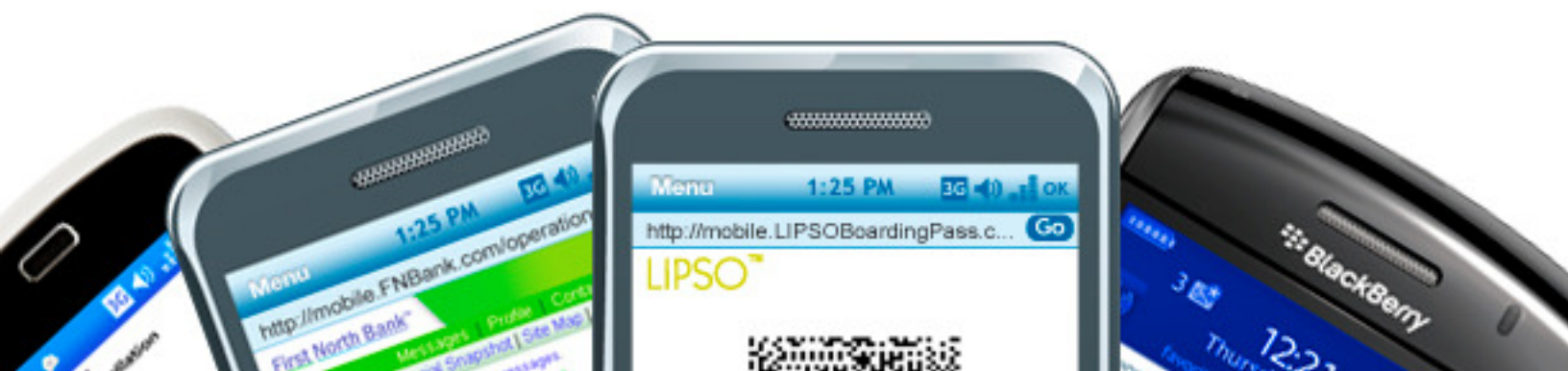
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FACT SHEET

Headquartered in Montreal with locations in Toronto and Paris
Number of employees: 30
www.lipso.com

LIPSO delivers mobile solutions that target people on the go who engage in mobile commerce, entertainment, informational services and mobile marketing. Its turnkey solution deploys custom informational, emergency, and transactional services, helping clients and users design their mobile future.

- LIPSO was founded in 2000 by Vivianne Gravel to develop, commercialize and host leading-edge mobile data technologies, enabling communications and transactions between IT systems and/or mobile terminals
- Integrated product line enabling mobile self service, m-Marketing (m-Loyalty programs) and m-Commerce
- Commercial agreements covering delivery of SMS, MMS and WAP to over 600 wireless networks across North America and selected European countries
- Commercial partnerships with Bell and Rogers for the resale of Lipso's mobile offering
- Strategic research alliance with École supérieure de technologies (ETS) in Montréal
- Proven technology used by clients such as: Air Canada, Air Miles, CBC/Radio-Canada, Rogers Media, and others
- LIPSO has been selected by IDC among the best mobile solution companies and as the Canadian leader in mobile solutions by the National Research Council Canada (NRC)



PRODUCT LINE

[LIPSO Barcode](#) : adapts to any handset and encapsulates commercial information

[LIPSO Campus Alerts](#) : provides sensitive information in a timely manner to reach people on the move, anywhere, anytime

[LIPSO Connect](#) : robust connectivity, support, reporting and financial settlement across all wireless carriers; approved by Canadian mobile carriers

[LIPSO IRROPS](#) : delivers real-time communication capabilities to a passenger's mobile phone or PDA enabling airlines to reach customers on the move, anywhere, anytime

[LIPSO m-Boarding Pass](#) : a patented turnkey mobile barcode solution which globally generates and delivers relevant 2D barcodes with unprecedented quality and reliability

[LIPSO Notification Alerts](#) : provides time-sensitive and valuable information to the traveling public effectively throughout their journey

[LIPSO Payment](#) : enables secure and fast payment initiation, payment authorization, user authentication, service delivery, transaction confirmation and POS system integration via mobile devices

[LIPSO Promo](#) : an interactive communication tool that draws attention and wins loyalty

[LIPSO Publishing](#) : suite of tools allowing publishers to develop/aggregate content, create informational/transactional web portals and mobile applications

[LIPSO Reporting](#) : provides a web-based, near real-time, consolidated view of all activities occurring across LIPSO applications

