

FOR IMMEDIATE RELEASE
August 8, 2007

ALGOMA CENTRAL CORPORATION
Operating results to June 30, 2007 and 2006
(in thousands of dollars ,except per share figures)

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
Revenue from continuing operations:	\$163,136	\$162,671	\$215,164	\$215,448
Net earnings :				
Continuing operations	\$16,522	\$17,873	\$4,786	\$4,984
Discontinued operations	0	725	0	725
Total	\$16,522	\$18,598	\$4,786	\$5,709
Earnings per share:				
Continuing operations	\$4.25	\$4.59	\$1.23	\$1.28
Discontinued operations	0.00	0.19	0.00	0.19
Total	\$4.25	\$4.78	\$1.23	\$1.47
Dividends paid per common share:	\$0.35	\$0.35	\$0.70	\$0.60

The Corporation is reporting net earnings for the three months ended June 30, 2007 of \$16,522 compared to net earnings of \$18,598 for the same period in 2006, a decrease of \$2,076. Included in the 2006 second quarter net earnings was a decrease in income tax expense of \$2,805 due to the announcement by the Federal government concerning future corporate tax rate reductions. Excluding this item in 2006, net earnings for the 2007 second quarter were better than the comparable period by \$729.

Net earnings for the six months ended June 30, 2007 were \$4,786 compared to net earnings of \$5,709 for the same period in 2006, a decrease of \$923. Excluding the decrease in income tax expense of \$2,805 mentioned above, net earnings for the six months ended June 30, 2007 were better than the comparable period by \$1,882.

The increases in net earnings, excluding the income tax adjustment in 2006, of \$729 for the three months ended June 30, 2007 and \$1,882 for the six months ended June 30, 2007 when compared to the same prior year periods were due primarily to the following:

- Improved earnings for the ocean shipping segment due mainly to fewer out-of-service days to June 30, 2007 compared to the corresponding period in 2006 due to regulatory planned dry-dockings.
- Reduction in amortization expense due to changes in the remaining estimated lives of certain capital assets.

The above increases in net earnings were partially offset with the following:

- Decreased operating earnings of the tanker fleet due primarily to fewer operating days due to the sale of the *Algonova* in January 2007.
- The impact of the deferral of earnings on capital work performed by our ship repair business on certain vessels chartered to the Seaway Marine Transport partnership.

On July 4, 2007 the Board of Directors declared a dividend of \$0.35 per common share payable on September 3, 2007 to shareholders of record on August 18, 2007.

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