

FOR IMMEDIATE RELEASE
February 29, 2008



ALGOMA CENTRAL CORPORATION
Operating results to December 31, 2007 and 2006
(in thousands of dollars except per share figures)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2007	2006	2007	2006
Revenues	\$185,134	\$163,061	\$580,546	\$547,993
Net earnings	\$26,077	\$18,680	\$52,443	\$42,059
Earnings per share	\$6.70	\$4.80	\$13.48	\$10.81
Dividends paid per common share	\$0.35	\$0.35	\$1.40	\$1.30

The Corporation is reporting net earnings for the three months ended December 31, 2007 of \$26,077 compared to \$18,680 for the same period in 2006. This increase in net earnings of \$7,397 was due principally to the following:

- an improvement in earnings of the ocean shipping segment as a result of fewer out-of-service days in 2007 compared to 2006 due to reduced planned regulatory dry-dockings, the addition of the Honourable Henry Jackman which entered service on August 1, 2007 and strong earnings from a positioning cargo for a vessel going to a scheduled regulatory dry-docking in China.
- a reduction in income tax expense due to lower future corporate income tax rates.

These increases were partially offset by a reduction in the earnings of the domestic dry-bulk segment due to increased operating expenses and a reduction in the earnings of the product tanker segment from fewer operating days largely as a result of the sale of the Algonova earlier in the year.

Net earnings for the twelve months ended December 31, 2007 were \$52,443 compared to net earnings of \$42,059 for the same period in 2006, an increase of \$10,384. This increase was primarily due to the following:

- Improved earnings for the ocean shipping segment due mainly to fewer out-of-service days in 2007 compared to 2006 due to reduced planned regulatory dry-

dockings, the addition of the Honourable Henry Jackman which entered service on August 1, 2007 and strong earnings from positioning cargos for two vessels going to and one vessel returning from scheduled regulatory dry-dockings in China.

- Improved earnings for the domestic dry-bulk segment due mainly to improved revenue levels and fuel surcharge recoveries.
- A reduction in amortization expense due to changes in the remaining estimated lives of certain capital assets.
- Net foreign exchange gains due to the strengthening of the Canadian dollar against the U.S. dollar.
- Gains realized on the disposal of vessels and a gain from the proceeds relating to an insurance claim for a damaged engine on one of the domestic dry-bulk vessels.
- Decrease in income tax expense due to the announcement by the Federal government concerning future corporate income tax rate reductions.

The above increases in net earnings were partially offset with decreased operating earnings of the tanker fleet due primarily to fewer operating days as a result of the sale of the Algonova in January 2007 and higher operating expenses largely a result of a planned regulatory dry-docking in 2007.

After 31 years with the Corporation, the last seven as President and Chief Executive Officer, Tim Dool announced today that he will retire from those positions after the Corporation's Annual Meeting on April 30, 2008.

During Mr. Dool's seven year tenure as Chief Executive the Corporation's revenue increased by 51%, capital assets grew by 23% and net earnings increased by 60%. The Board is pleased to note that Mr. Dool will continue as a Director of the Corporation and as a valued advisor to the Board and Management.

Upon the retirement of Mr. Dool, Greg Wight, Executive Vice President and Chief Financial Officer, will be appointed President and Chief Executive Officer. Mr. Wight joined the Corporation in 1980 and has been a Vice President since 1996.

Tim S. Dool,
President and Chief Executive Officer
905-687-7888

Greg D. Wight
Executive Vice President and Chief Financial Officer
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