



FOR IMMEDIATE RELEASE
May 7, 2009

ALC-T

ALGOMA CENTRAL CORPORATION

Operating Results

For the Three Months Ended March 31, 2009 and 2008

(In thousand of dollars except per share data)

	Three Months Ended	
	March 31	
	2009	2008
Revenue	\$ 60,435	\$ 68,707
Net loss	\$ 18,453	\$ 8,271
Loss per share	\$ 4.74	\$ 2.13
Dividends paid per common share	\$ 0.45	\$ 0.35

The Corporation is reporting a net loss for the three months ended March 31, 2009 of \$18,453 compared to a net loss of \$8,271 for the same period in 2008. The increase in the net loss was due primarily to net foreign exchange gains in the 2008 similar period and decreases in operating earnings net of income tax of all our business units.

In 2008, the Corporation reported net foreign exchange gains of \$6,843 on the translation of foreign denominated assets and liabilities and in 2009 we are reporting a net foreign exchange loss of \$189. The decrease of \$7,032 is due primarily to gains in 2008 on the translation to Canadian dollars of a Euro denominated short-term cash deposit due to the weakening of the Canadian dollar.

The Domestic Dry-Bulk segment's operating loss net of income tax increased from \$39,239 to \$41,587 due primarily to fewer operating days and an increase in repair and maintenance costs.

The Product Tanker segment operating earnings net of income tax decreased from \$2,415 to \$200 mainly as a result of increased repair and maintenance costs due to two dry-dockings in the first quarter of 2009 when compared to none in the similar 2008 period and higher amortization expense due to the addition of the *Algonova* and the *AlgoCanada*.

The operating earnings net of income tax of the Ocean Shipping segment for the three months ended March 31, 2009 were \$3,885 compared to \$4,933 for the same period in 2008. The decrease resulted primarily from reduced results of the CSL International commercial arrangement due to the North American recession and an increase in re-positioning costs related to a planned regulatory dry-docking.

The Real Estate segment's operating earnings net of income tax decreased from \$1,540 to \$1,110 due primarily to a gain realized on the sale of a building in 2008.

On May 7, 2009, the Board of Directors declared a dividend of \$0.45 per common share payable on June 1, 2009 to shareholders of record on May 15, 2009.

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