

## **Worldcolor narrows net loss in Q1 to US\$29M from \$126M**

The Associated Press

Commercial printer Worldcolor (TSX:WC) has narrowed its net loss to US\$29 million in the first quarter from \$126 million last year, when the former Quebecor World was restructuring under bankruptcy protection.

The company reported Monday its three-month revenues fell to \$692 million from \$752 million as it was affected by its own plant shutdowns and the impact of the recession on its printing business.

Worldcolor, which reports in U.S. dollars, restructured its operations under bankruptcy protection last year, shutting down plants, cutting hundreds of jobs and paring debt to improve its finances.

In the first quarter, it signed a deal to be acquired by Quad/Graphics Inc., a Wisconsin-based company, in a share swap deal originally worth about US\$1.3 billion. When completed, the combination will create a combined publicly traded company in the United States with 30,000 employees when the deal is completed this summer.

Quebecor World, a former subsidiary of Quebecor Inc. (TSX:QBR.B) went into court protection from creditors in May 2008 after being unable to complete the sale of some of its business units to restructure its debts.

In its restructuring, the company announced the closing of printing plants in Oberlin, Ohio; Dyersburg, Tenn., West Bridgewater, Mass; Richmond Hill, Ont.; St-Romuald and Bromont in Quebec and cut other jobs as well.. Worldcolor said the restructuring affected 1,700 employees — 401 positions that were cut by the end of March and 1,299 jobs when all the plants are closed.

"We saw a direct benefit from our restructuring and other cost containment initiatives announced last year and which continued in the first quarter," Mark Angelson, chairman and CEO of Worldcolor, said in a release before markets opened Monday.

"These measures, as well as the streamlining of our North America printing operations into one platform, have enabled us better to serve our customers and to improve our results despite challenging market conditions and continued lower advertising spending."

Worldcolor, a 107-year-old company, prints advertising inserts and circulars, catalogues, direct mail products, magazines, books, directories and many other products. The company has about 16,500 employees and operates plants in

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