

NEWS RELEASE

CONTRANS GROUP INC. ANNOUNCES FIRST QUARTER RESULTS

(Woodstock, Ontario—May 5, 2011) (TSX:CSS)

Financial Highlights

Three months ended March 31

(\$ millions except per share amounts)

| | 2011 | | 2010 ⁽¹⁾ | |
|---|---------------|----------------|---------------------|---------|
| Revenue - as stated | \$ 101.1 | | \$ 93.8 | |
| - fuel surcharges ⁽¹⁾ | (12.5) | | (9.3) | |
| Revenue - transportation services ⁽¹⁾ | 88.6 | 100.0 % | 84.5 | 100.0 % |
| Operating expenses - net of fuel surcharges | 68.6 | 77.4 | 65.7 | 77.8 |
| Selling, general and administration expenses | 9.1 | 10.3 | 8.1 | 9.6 |
| Earnings before amortization, interest and income taxes (EBITDA) | 10.9 | 12.3 | 10.7 | 12.6 |
| Depreciation of property and equipment | 3.6 | 4.1 | 3.0 | 3.4 |
| Amortization of intangible assets | 1.1 | 1.2 | 0.9 | 1.1 |
| Net financing costs | 1.2 | 1.4 | 1.5 | 1.8 |
| Earnings before income taxes (EBT) | 5.0 | 5.6 | 5.3 | 6.3 |
| Income tax provision (recovery) | | | | |
| Current | 6.1 | 6.9 | 3.8 | 4.5 |
| Deferred | (4.5) | (5.1) | (2.1) | (2.4) |
| | 1.6 | 1.8 | 1.7 | 2.1 |
| Net earnings and comprehensive income | \$ 3.4 | 3.8 % | \$ 3.6 | 4.2 % |
| Earnings per share - basic and diluted | \$ 0.10 | | \$ 0.12 | |
| Weighted average shares outstanding | 35,794 | | 29,938 | |

⁽¹⁾ Restated in conjunction with the Company's conversion to International Financial Reporting Standards.

“We have been encouraged by evidence that the economic recovery is gaining momentum” stated Contrans’ Chairman and CEO Stan Dunford. “Shipping activity has increased with many of our customers. We are also beginning to see more tenders for freight. Recently, Contrans was awarded two major contracts. In addition, thanks to last year’s equity issue, Contrans has a very strong balance sheet that has the Company well-positioned to act on opportunities to grow accretively.”

“Contrans’ new waste collection business has shown steady organic growth that has produced results that have exceeded our expectations” added Mr. Dunford. “We believe that this business can provide excellent long-term value to Contrans’ shareholders and we anticipate growing this business further.”

“For years, Contrans has had equipment that has been the envy of the industry and the standard against which others have measured themselves” continued Mr. Dunford. “Last year, in anticipation of an improving economy, we decided to invest in further upgrading our equipment. We now have the youngest, most competitive fleet that we have ever had.”

“On January 19, 2011, after considering Contrans’ financial results and improving outlook, the Company’s Board of Directors concluded that it was appropriate to announce an increase in the dividend rate payable to the Company’s shareholders by 25% from \$0.08 per share per quarter to \$0.10 per share per quarter” stated Mr. Dunford.

Forward-looking Statements

Management’s discussion and analysis contains certain forward-looking statements that involve a number of risks and uncertainties. Forward-looking statements relate to future events or future performance and include, but are not limited to, changes in government regulations regarding weights and dimensions of highway equipment, the age and condition of the transportation fleet and the growth of Contrans’ business. Often, but not always, forward-looking statements can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue” or the negative of these terms or other comparable terminology. Such statements reflect the current views and estimates of management of Contrans with respect to future events, as of the date such statements are made, and they involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from those expressed or implied by forward-looking statements. In evaluating these statements, readers should specifically consider factors such as the risks outlined under “Risk Factors” in Contrans’ Annual Information Form, which is available at www.sedar.com. Although Contrans has attempted to identify important factors that could cause actual events, actions or results to differ materially from those described in the forward-looking statements, there may be other factors that cause such events, actions or results to differ. Contrans is under no obligation (and expressly disclaims any such obligation) to update forward-looking statements if circumstances or management’s views or estimates change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

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