

**THE DATA GROUP INCOME FUND****Attention Business Editors:****The DATA Group Income Fund to acquire Relizon Canada Inc., a provider of document outsourcing solutions, for approximately \$141 million**

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BRAMPTON, ON, Aug. 10 /CNW/ - The DATA Group Income Fund (TSX: DGI.UN) (the "Fund") today announced that it has entered into a share purchase agreement with The Relizon Company, a subsidiary of Workflow Management, Inc. ("Workflow"), to indirectly acquire all of the issued shares of Relizon Canada Inc. ("Relizon Canada"), a provider of document outsourcing solutions in Canada, for a purchase price of approximately \$141 million.

**Conference Call**

The Fund will hold an investor call at 4:30 p.m. (Eastern time) today, August 10, 2006, to discuss the Relizon Canada acquisition. The call may be accessed by dialling 416-644-3414 within the Toronto area, or 1-800-814-4890 outside of Toronto. A playback of the call can be accessed from August 10 to August 21, 2006 by dialling 416-640-1917 or 1-877-289-8525 and entering the access code 21185040 followed by the number sign.

The Fund has changed the time of its quarterly earnings conference call previously scheduled for 11:00 a.m. (Eastern time) on Friday, August 11, 2006 to 8:00 a.m. (Eastern Time) on Friday, August, 11, 2006.

**Relizon Canada Acquisition**

Founded in 1894, Relizon Canada helps organizations improve the efficiency and effectiveness of their printed and electronic communications, both internally with employees, and externally with customers, vendors and prospects. Relizon Canada's solutions support information and document intensive processes in numerous areas across an organization including operations (such as inventory and warehouse management and label production-on-demand), finance (such as statement rendering and billing), sales and marketing (such as marketing literature fulfillment, customer loyalty and acquisition programs, brand consistency and protection) and corporate administration (such as document management). Headquartered in Boucherville, Quebec, Relizon Canada has approximately 945 employees and operates five manufacturing facilities, four business service centres, one warehouse and distribution centre and 20 sales offices across Canada.

Relizon Canada services approximately 2,800 customers across a range of diverse industries, including financial services, transportation, consumer/retail and manufacturing. The company's diversified customer base includes a broad group of Canadian market leaders, including Canada Post Corporation, Manulife Financial Corporation, Purolator Courier Ltd., Aeroplan Limited Partnership, Imperial Oil Limited, Bell Canada, certain Canadian

chartered banks, as well as a broad array of small and middle-market companies. While Relizon serves a number of customers in the financial and transportation sectors, management believes major growth opportunities remain in the document intensive financial, manufacturing and retail sectors.

For the twelve months ended June 30, 2006, Relizon Canada had revenue and Adjusted EBITDA of \$208.7 million and \$18.9 million, respectively.

"Relizon Canada and The DATA Group have both been very successful in reducing customer costs and simplifying business processes for our respective clients", said David Odell, the President and Chief Executive Officer of The DATA Group. "We believe that there are significant opportunities to achieve meaningful synergies by combining the businesses of The DATA Group and Relizon Canada and an ability to leverage complementary strengths."

Relizon Canada maintains long-term relationships with the majority of its largest customers and enjoys regional strengths and specialty product capabilities that complement those of The DATA Group. The Fund believes that the Relizon Canada acquisition is consistent with its objective to achieve stable and growing cash available for distribution.

Under the terms of the share purchase agreement, the Fund has agreed to pay approximately \$141 million, consisting of \$112 million in cash and 2,964,326 Units of the Fund (subject to a 90 day standstill agreement and representing approximately 12.6% of the outstanding Units of the Fund after giving effect to the issuance of Units of the Fund upon the exchange of Subscription Receipts but before the conversion of any convertible debentures, in each case to be issued in connection with the Relizon Canada acquisition (as described below). The share purchase agreement contains a number of customary closing conditions, including compliance with the Competition Act, receipt of applicable regulatory and third party approvals, and the Fund arranging financing on satisfactory terms and conditions. The Fund and Workflow have agreed to negotiate a strategic alliance agreement with respect to mutually beneficial opportunities, Relizon Canada's continuing support for customers of The Relizon Company and certain other matters following the completion of the Relizon Canada acquisition. The Relizon Canada acquisition is expected to close in the third quarter of this year.

TD Securities Inc. acted as financial advisor to The DATA Group and RBC Capital Markets acted as financial advisor to Workflow.

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Strategic Rationale

- Solid Financial and Operating Performance

Relizon Canada has a history of solid financial and operating performance since 2003. Revenue and Adjusted EBITDA have grown steadily since 2003 to \$208.7 million and \$18.9 million, respectively, for the twelve months ended June 30, 2006.

Paralleling the success of The DATA Group, Relizon Canada has also maintained long-term relationships with the majority of its largest customers for more than 10 years. Management believes that this evidences the commitment of both companies to meeting and exceeding the expectations of clients. It also demonstrates the alignment between The DATA Group's and Relizon Canada's fundamental approach to their markets, operating styles and values.

- Significant Opportunities to Achieve Meaningful Synergies

Management believes that the Relizon Canada acquisition creates significant opportunities to achieve meaningful cost synergies. The DATA Group has identified the potential to realize annual pre-tax operating and corporate

synergies of approximately \$7 million, and expects these savings to be fully realized by approximately 24 months after completion of the Relizon Canada acquisition. Operating synergies are expected to consist primarily of cost savings relating to cost improvements from more efficient operations as a result of facilities integration and improved asset utilization, streamlined procurement practices and economies of scale; reduced maintenance capital expenditures requirements; and reduced sales and marketing expenses. Corporate synergies are expected to consist primarily of cost savings relating to reduction of overhead and support services. The DATA Group believes that these synergy estimates for this transaction are realistic, although there can be no assurance that they will ultimately be realized, or that they will not be materially different than estimated. See "Forward Looking Statements" below.

- Leveraging Complementary Strengths as a Larger Combined Business

While both Relizon Canada and The DATA Group operate primarily within the same market segments, each business enjoys both regional strengths and specialty product capabilities which complement the other and can be better leveraged as a combined business.

In addition, it is anticipated that the Relizon Canada acquisition will further enhance Unitholder value by:

- Increasing The DATA Group's Size and Financial Strength

The greater size and financial strength of the combined businesses of The DATA Group and Relizon Canada (the "Combined Business") and the enhanced market capitalization of the Fund is expected to increase trading liquidity of the Units and improve the Fund's access to capital. The Combined Business is also expected to have a better platform from which to pursue selective acquisitions consistent with its strategy.

- Further Enhancing The DATA Group's Stable Cash Flow

Management expects that the Relizon Canada acquisition will further enhance the stability of The DATA Group's cash flows for the reasons previously outlined. In addition, further diversification of products and customer base is expected to mitigate the risk associated with a shift in demand from any one customer or industry, or with potential market shifts in demand for any one product or service.

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Acquisition Financing

The Fund has entered into an agreement with a syndicate of underwriters co-led by TD Securities Inc. and BMO Capital Markets, for a public offering, on a bought deal basis, of 5,650,000 subscription receipts, an issue price of \$9.50 per receipt, each representing the right to receive one Unit of the Fund, for gross proceeds of approximately \$53.7 million and \$35.0 million aggregate principal amount of 6.75% Extendible Convertible Unsecured Subordinated Debentures. The net proceeds of the offering will be used to fund part of the cash portion purchase price for the shares of Relizon Canada. The remainder of the cash portion of the purchase price will be funded by the Fund through existing cash balances and committed credit facilities arranged by The Toronto-Dominion Bank and BMO Bank of Montreal and involving a syndicate of lenders to be determined.

The securities to be offered have not been registered under the U.S.

Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

#### About The DATA Group Income Fund

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The DATA Group Income Fund owns a 100% interest in Data Business Forms Limited ("The DATA Group"). The DATA Group is a leading provider of document management solutions including printed products. Founded in 1959, the Company operates 25 facilities in 11 cities across Canada and has a leading market share in the total document management services segment.

Additional information relating to The DATA Group Income Fund is available on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com) and [www.datagroupincomefund.com](http://www.datagroupincomefund.com).

#### Forward Looking Statements

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund, The DATA Group or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this press release, the words such as "may", "would", "could", "will", "expect", "anticipate", "estimate", "believe", "intend", "plan", and other similar expressions are intended to identify forward-looking statements. These statements reflect the Fund's current views regarding future events and operating performance, are based on information currently available to the Fund, and speak only as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Many factors could cause the actual results, performance or achievements of the Fund and The DATA Group to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. The following factors, among others, could cause actual results to differ from those described in the forward-looking statements in this document: the ability of the Fund to raise sufficient financing to complete the Relizon Canada acquisition; the ability to obtain applicable regulatory approvals of the acquisition; approximately \$7 million per annum in pre-tax operating and other synergies and cost savings, and other benefits expected to be realized, and the timing and net present value thereof, based on the achievement of operational efficiencies from restructuring, integration and other initiatives relating to the combination of The DATA Group and Relizon Canada; the accuracy of estimated synergies in respect of expected cash flows, cost savings and profitability; the risk that the businesses of The DATA Group and Relizon Canada will not be integrated successfully and on a timely basis; the risk that any savings, growth prospects or other synergies from the combination of the businesses will not be fully realized or will take longer to realize than expected; business and economic conditions generally; competition from competitors supplying similar products and services, the ability of the Combined Business to grow its sales or even maintain historical levels of its sales of printed business documents,

increases in the costs of paper and other raw materials used by the Combined Business, the Combined Business' ability to maintain relationships with its customers and other factors discussed under the heading "Risks and Uncertainties" in the Fund's management's discussion and analysis of financial condition and results of operations. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, the Fund does not intend, and does not assume any obligation, to update these forward-looking statements.

#### Non-GAAP Measures

This press release includes certain financial measures that have not been determined in accordance with Canadian generally accepted accounting principles ("GAAP"). References in this press release to "EBITDA" are to earnings before interest, income taxes, depreciation and amortization. The Fund believes that, in addition to net income, EBITDA is a useful supplemental measure as it provides investors with an indication of cash available for distribution prior to debt service, capital expenditures and income taxes. Investors should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings determined in accordance with GAAP as an indicator of the performance of the Fund, The DATA Group or Relizon Canada or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. EBITDA is not a recognized measure under GAAP and does not have a standardized meaning prescribed by GAAP, and the method used by the Fund, The DATA Group and Relizon Canada to calculate EBITDA may differ from the method used by other issuers. Accordingly, EBITDA may not be comparable to similar measures used by other issuers.

"Adjusted EBITDA" is determined by making adjustments to EBITDA to arrive at what is, in the Fund's view, an appropriate basis on which to measure the results of the combined business going forward. When used in reference to The DATA Group, Adjusted EBITDA means EBITDA adjusted for non-cash inventory fair value allocation charges. When used in reference to Relizon Canada, Adjusted EBITDA is EBITDA adjusted for foreign exchange gains on long-term debt, write-off of capitalized finance fees, restructuring expenses, employee compensation plan, enterprise resource planning costs, royalties paid to Relizon Canada's parent company, management fees paid to Relizon Canada's parent company and equipment leases that have been acquired by Relizon Canada. Adjusted EBITDA is not a recognized measure under GAAP and does not have a standardized meaning prescribed by GAAP and the qualifications outlined above with respect to EBITDA apply equally to Adjusted EBITDA. Accordingly, Adjusted EBITDA may not be comparable to similar measures used by other issuers.





Investors are cautioned that EBITDA and Adjusted EBITDA should not be construed as an alternative to net income or loss determined in accordance with GAAP, as indicators of the Company's or the Fund's performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows.

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For further information: Mr. David Odell, President and CEO, Data Business Forms Limited, Tel: (905) 791-3151; Mr. Paul O'Shea, Chief Financial Officer, Data Business Forms Limited, Tel: (905) 791-3151

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