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OPERATOR: Good afternoon, ladies and gentlemen. Thank you for standing by. Welcome to The DATA Group Income Fund Relizon Canada acquisition conference call. At this time, all participants are in a listen-only mode. Following the presentation, we will conduct the question-and-answer session. If anyone has any difficulties hearing the conference, please press * 0 for operator assistance at any time. I would like to remind everyone that this conference call is being recorded on Thursday, August 10th, 2006 at 04:30 a.m. Eastern time.

I will now turn the conference over to Mr. David Odell, President and CEO. Please go ahead, sir.

DAVID ODELL (President and Chief Executive Officer, The DATA Group Income Fund): Good morning, ladies and gentlemen. Thank you very much for joining us to discuss our agreement announced earlier this afternoon to purchase Relizon Canada for \$141 million.

With me is Paul O'Shea, our Chief Financial Officer. Paul and I will answer any questions you may have after our remarks.

Before we begin, I'll remind you that our remarks and our answers to your questions today may contain forward-looking information about future events on the Fund's performance. This information, by its nature, is

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subject to risk and uncertainties that may cause actual events or results to differ materially.

Our acquisition strategy, as many of you know, has been to identify consolidation opportunities within our existing core business segments and acquire strong companies with complementary strengths and significant opportunities to achieve meaningful synergies. This strategy is intended to assist us in achieving our objective of stable and growing cash available for distribution. We believe that the Relizon Canada acquisition announced today is consistent with this strategy and objective.

Let me tell you some more about our new acquisition and why it is an excellent strategic fit for the DATA Group. Paul will then go over certain financial aspects of the transaction.

Like the DATA Group, Relizon is a provider of document outsourcing solutions in Canada and 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 has been successful in reducing customer costs and simplifying business processes for its clients.

Before describing the operations and the assets we're acquiring in more detail, let me add a few comments as to why we believe this

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acquisition fits our strategy. First of all, Relizon Canada has a consistent history of solid financial and operating performance. The transaction allows the fund to bring together two businesses with a history of solid financial and operating performance. Relizon has increased its adjusted EBITDA from 14.8 million in 03 to 18.9 million for the trailing 12 months ended June 30th, 06.

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

We believe this acquisition creates significant opportunities to achieve meaningful synergies. We have identified the potential to realize annual pre-tax operating and corporate synergies of approximately \$7 million and expect these savings to be fully realized by approximately 24 months after the completion of the acquisition.

Operating synergies are expected to consist primarily of cost savings related to cost improvements for more efficient operations as a result of

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facilities integration and improved asset utilization, streamlined procurement practices and economies of scale, reduce maintenance capex expenditure requirements and reduce sales and marketing expenses. Corporate synergies are expected to consist primarily of cost savings related to reduction of overhead in support services. We believe that these synergies' estimates for this transaction are realistic although there can be no assurance that they will ultimately realize or that they will be materially different than estimated.

The combined businesses will be able to leverage complementary strengths as a larger combined entity. With both Relizon Canada and DATA Groups operate primarily within the same market segment, we both do, each business enjoys both regional strengths and specialty product capabilities which complement the other and can be better leveraged as one company. For example, the acquisition will help the DATA Group's presence in Quebec where Relizon is particularly strong.

In addition, while both businesses operate through national sales networks, the acquisition creates logistics opportunities through the integration of manufacturing plants, business service centres, warehouses and other facilities located throughout Canada.

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In addition, we think that the acquisition will further enhance unitholder value in these ways:

1) By increasing the DATA Group's size and financial strength, we expect the greater size and financial strength of the combined business and the enhanced market capitalization to increase trading liquidity of the units and improve our access to capital. The combined businesses will also have a better platform from which to pursue selected acquisitions consistent with our strategy.

2) The acquisition will also further enhance the DATA Group's stable cash flow.

In addition to the reasons previously outlined, further diversification of products and customer base is expected to mitigate the risks associated with the shifts in demand from any one customer or industry or with financial market shifts in demand from one product or service.

Let me now describe the business in a bit more detail. Relizon is headquartered in Boucherville, Quebec, and has approximately 950 employees operating five manufacturing facilities, four business service centres, one warehouse and distribution centre and 20 sales offices across Canada. Like the DATA Group, Relizon has a blue-chip customer base, including customers such as Canada Post, ManuLife,

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Purolator, Aeroplan, Imperial Oil, Bell Canada and two of Canada's largest chartered banks.

Relizon's document management outsourcing solutions help organizations support information and document-intensive processes in numerous areas across an organization, including operations such as inventory and warehouse management and labelled production on demand, finance, such as statements rendering and billing, sales and marketing, such as marketing literature fulfilment, customer loyalty and acquisition programs, brand consistency and protection and corporate administration, such as document management.

Relizon combines its document management process expertise in key vertical markets with the integration of technology tools, marketing program fulfilment, and print production capabilities to create customized print communication solutions.

Relizon leverages these core competencies to deliver communication and document outsourcing solution across four categories: document management, production workflow, billing of statements and marketing solutions.

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The customer-focused outsourcing solutions provided by Relizon are designed to deliver measurable value for customers such as reduced costs, increased operating efficiencies and revenue growth.

I'll now hand over to Paul to discuss certain financial aspects of the transition.

PAUL O'SHEA (Chief Financial Officer, The DATA Group Income Fund): Thank you, David.

From a financial aspect, we expect that the Relizon Canada acquisition will be very positive for the DATA Group and our unitholders. For the 12 months ended June 30, 2006, Relizon Canada had revenue and adjusted EBITDA of 208.7 million and 18.9 million respectively.

The purchase price of the 141 million will be financed through a combination of an equity and convertible debt offering, new committed credit facilities and existing cash balances. We have entered into an 88.7 million bought deal consisting of 53.7 million of subscription receipts, each representing the right to receive one unit of the fund and 35 million of convertible debentures underwritten by a syndicate led by TD Securities and BMO Capital Markets. We will also be issuing approximately 3 million units to Workflow Management.

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In addition, we have entered into a fully committed credit facility co-lead by TD Securities and BMO Capital Markets to finance the remainder of the purchase price and refinance our existing debt.

DAVID ODELL: Paul, can I just interject for everyone to make it clear, Workflow Management is the sponsor of Relizon. They own Relizon Canada and U.S.

PAUL O'SHEA: The new credit facility is for a maximum principal amount of \$90 million. We will draw \$30 million on close which together with our current 40 million will result in a total drawn on our facility of \$70 million.

We expect the combined business to have a proforma senior debt-to-adjusted-EBITDA ratio of approximately 1.6 to 1, which is approximately the same ratio as we had before this acquisition.

I'll now hand the call back to David.

DAVID ODELL: Thanks, Paul.

To summarize, we're very excited about this transaction. We have spent a lot of time in the last year and since we have been public looking at a number of opportunities. This was one that's been top of our list from the get go. It meets all of our key criteria. It's within our sphere of core competencies. I think I've told you all before that anything that we looked

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at doing would be very much a stick-to-our-knitting proposition and this certainly is.

It's a solid company with complementary strengths and it provides significant opportunity to achieve very meaningful synergies. It also increases our size and financial strength and our cash flow will be enhanced through additional stability, operating and corporate synergies.

Thanks very much for your patience. Paul and I would be pleased to answer any questions you may have.

OPERATOR: Thank you. One moment, please. Ladies and gentlemen, we will now conduct the question-and-answer session. Your questions will be polled in the order they are received. Please ensure you lift the handset if you are using a speakerphone before pressing any keys. One moment, please, for your first question.

Your first question comes from James Leung, from Mackenzie Financial. Please go ahead with your question.

JAMES LEUNG: Good afternoon, congratulations, gentlemen.

DAVID ODELL: Thank you, James.

PAUL O'SHEA: Thank you, James.

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JAMES LEUNG: Just a question on are there... the management people at Relizon, is there going to be anybody who'll be joining your company or...?

DAVID ODELL: Absolutely. You know, they are a strong company with very strong people and that's absolute expectation on our part.

JAMES LEUNG: Okay, so have they signed sort of agreements that they will be retained within your organization?

DAVID ODELL: No, they have not.

JAMES LEUNG: Any changes to your board, (inaudible) two people from either Workflow or Relizon Canada?

DAVID ODELL: No.

JAMES LEUNG: Okay. Just also, you outlined a number of assets that they have, the plants in various places in Canada. Are there any plants that you have identified as being, you know, that would be either candidates for being sold or are you keeping all the plants for now?

DAVID ODELL: Well, out of the gate, certainly we'll be keeping them all, but in our synergy plan, we looked at what opportunities there are to do some combinations grouping and what have you. Without, you know, an absolute decision on that, because of course we want to involve Relizon management in our model.

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JAMES LEUNG: So the 7 million doesn't include, or does it include any asset sales at this point?

DAVID ODELL: It does include.

JAMES LEUNG: It does? Yes.

DAVID ODELL: Yes.

JAMES LEUNG: Are there...

DAVID ODELL: Just as a matter of fact and clarification, in making this acquisition, there are several owned properties which will either be sale leasebacks or outright sales.

JAMES LEUNG: What would be the organic growth rate of Relizon? Would that be similar to yours or you have enough intelligence to give you that you can make an assessment at this point?

DAVID ODELL: I think it's a question of over what period of time, you know, one looks at. You'll remember from our subsequent conversations, you know, say going back to DATA, you know, the addition, for example, the large financial institution dramatically bumps up sales. You know, in the case of Relizon about – help me out here, Paul – four years ago, three or four years ago?

PAUL O'SHEA: Yes, that's about right.

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DAVID ODELL: They acquired CIBC. And so that was a significant increase to their revenue. But I would say organically, it would on average over time parallel ours.

JAMES LEUNG: And what would be their market share in, I believe this is in the document management business, which is according to our prospectus that they would compete with you in that particular area. But what would be the market share for them?

DAVID ODELL: Well, we don't have a specific answer on that, and there's no good data on it. But if you go back to our business, about 60 per cent of the...

PAUL O'SHEA: Fifty-six.

DAVID ODELL: Pardon me?

PAUL O'SHEA: Fifty-six per cent.

DAVID ODELL: Fifty-six per cent of the 215 is business that's under managed relationship. I think the parallel would be about the same with them, so it would be based on their sales of 209 million.

JAMES LEUNG: Just maybe on something, are there any sort of client contracts for them that would be under negotiations within the next 12 months or so that we should be aware of?

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DAVID ODELL: Not that I'm aware of. But it's a good question and raises a broader subject. I'm glad you brought it up. When we look at our top-50 customers, one to the other, there is no duplication.

JAMES LEUNG: Okay, just a final question. What's your debt covenant currently, the terms of it, the ratios?

DAVID ODELL: One point six.

PAUL O'SHEA: One point six to one on senior credit. Oh, what's our covenant?

JAMES LEUNG: Yes, the covenant, yes.

PAUL O'SHEA: On senior, it's 2.5 to 1.

JAMES LEUNG: Okay.

PAUL O'SHEA: And that's excluding in convertibles.

JAMES LEUNG: Okay, thanks very much, guys.

DAVID ODELL: Thank you.

OPERATOR: Your next question comes from Sophia Taylor, from TD Newcrest. Please go ahead with your question.

DAVID ODELL: Hello, Sophia.

SOPHIA TAYLOR: Good afternoon and congratulations on your announcement.

DAVID ODELL: Thank you very much.

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SOPHIA TAYLOR: James has actually asked my questions, but I did have a few others. On the revenue synergy side, I know that that number is not... or, sorry, that that is not built into your 7 million, but I'm just sort of curious. Do you foresee on this merger any type of cross-selling that could be rise to revenue synergies?

DAVID ODELL: I think there's two sides to that coin, so let me start with the first. Yes, I do. Relizon – I'll do a couple of contrasts here – they have a stronger direct mail business and capabilities than the DATA Group does. So I certainly see opportunities there, the sales leverage side of things. They also have some interesting product fulfilment surrounding gift cards. By gift cards, I mean when you go into an Imperial Oil station and you see the cards worth \$10, \$20, \$50 and so on, that's what I'm referring to. So I certainly see opportunities there.

Conversely, with respect to our digital network and our commercial printer on the DATA side of things, I see sales leverage there.

On the other side, you'll remember, Sophia, and many others will – you'll probably get sick of my saying this, but I'll say it again – we are all about growing value-added as a per cent of sales; and so that's very much the focus of the organization and will be the focus of the new organization.

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Therefore, once we get through all of the integration and have specific decisions on what we're... where we're doing what. You know, we may lop off some low-value added marginal business that exists in both places as a result of the fact that we're operating independently.

Does that answer your question?

OPERATOR: Your next question comes from John Grandy, from Westwind Partners. Please go ahead with your question.

DAVID ODELL: Hello, John.

JOHN GRANDY: Hi, good afternoon. How are you?

DAVID ODELL: Fine, thank you.

JOHN GRANDY: A couple of questions basically, just doing some quick math here and if I add in the full 7 million of synergies, I calculate that you would be paying about 5.5 times trailing EBITDA for the acquisition. Is that a fair calculation?

DAVID ODELL: Very good.

JOHN GRANDY: Okay, good. A good start. Could we talk briefly about capital expenditures in the acquired business? How are they? Are they significant as a percentage of sales?

DAVID ODELL: Let me say this: We have I think demonstrated in our first year out a conservative and a disciplined approach to things. You

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know, you'll probably remember the first-year prospectus of 16.7 and distributable cash (inaudible) 20.7. You'll remember we said maintenance capex estimate was 3.7 and we were considerably under that. So we will be applying the same disciplines to the whole business as exists today and, you know, if you like, Paul can run you through some of the disciplines that we apply.

Clearly, when you have these two businesses going together, the overall needs for maintenance capex are significantly reduced relative to what's required on a standalone basis.

JOHN GRANDY: Okay, that's good. So there will be capex synergies. Can I assume that if I look at the capex to revenue ratio in Relizon, is it similar to that of DATA Group?

PAUL O'SHEA: At this point, it's slightly higher.

JOHN GRANDY: Slightly higher?

PAUL O'SHEA: But it will be, when you put the two businesses together, it will be at our run rate (inaudible) basis.

JOHN GRANDY: Okay, perfect. That makes it easy for me to build a model then. And in terms of the sustainable revenue growth rate, I know this has been asked already, but just to confirm, the range of 2 to 3 per cent a year, would that be a fair assessment?

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DAVID ODELL: That's our target.

JOHN GRANDY: Okay.

DAVID ODELL: And remembering what I said a couple of moments ago about value-added, so I'm interested in growing value-added as a per cent of total sales.

JOHN GRANDY: Yes.

DAVID ODELL: Okay.

JOHN GRANDY: Now, you mentioned a very interesting comment that the top-50 clients of Relizon do not overlap with you, which I found quite interesting, perhaps somewhat surprising considering that Canada is a small market. To what extent do you think you're going to have cross-selling opportunities between the two businesses?

DAVID ODELL: Well, I think they are significant and they are significant particularly surrounding some specialist categories like labels, gift certificates, our commercial printing capability and our digital assets.

JOHN GRANDY: Um-hmm.

DAVID ODELL: So I think there are significant cross-selling opportunities. Both organizations and, you know, Moe Yacoub and I had this discussion during the course of the whole thing. Moe is president of Relizon. Notwithstanding the terrific and leading job that both these

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companies have achieved, you know, we have opportunities to increase the depth and breadth of what we sell within our current client base. We're not close to perfection yet on that one.

JOHN GRANDY: Perfect, and my final question, perhaps I've missed it in the press release, is on the convertible debentures, I wonder if you could tell me what the conversion premium is on those.

PAUL O'SHEA: It's 15 per cent.

JOHN GRANDY: Fifteen per cent. That's perfect. Thank you very much.

DAVID ODELL: Thank you.

OPERATOR: Your next question is a follow-up question from Sophia Taylor, from TD Newcrest. Please go ahead with your question.

SOPHIA TAYLOR: Hi, sorry about that. I got cut off earlier by mistake.

DAVID ODELL: Oh, I'm sorry.

SOPHIA TAYLOR: It's my fault. Just on the top-50 customer list, just sort of wondering what I guess your top-10 say would represent as a percentage of revenue, or what your largest customer concentration might be.

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DAVID ODELL: Those are good questions. I don't think I have that number calculated. Do you, Paul?

PAUL O'SHEA: I don't have that at my fingertips. But no one customer is more than I believe 9 or 10 per cent of the total revenue of each base of 210, 215 million.

SOPHIA TAYLOR: Okay, great.

PAUL O'SHEA: So that'll be reduced even more when you put the two companies together.

SOPHIA TAYLOR: Perfect. Thank you. And then on the cost synergy side, I'm wondering if you could give us some sort of sense of timeline over the next two years in terms of just the waiting of it. Do you expect to see a lot of that up front, or...? I'll leave it open.

DAVID ODELL: Well, Sophia, I think you know as well, so we like to get on with things and we like to be conservative and we like to under-promise and over-deliver. At the same time, you know, we need a couple of months to get the teams together to share thoughts on what the opportunities are and how we're going to structure the thing and then get going with it.

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So, you know, the synergies associated with any kind of plan opportunities of course take a little bit longer because you've got to identify them and execute them.

PAUL O'SHEA: I wouldn't say that they're in the first six months.

SOPHIA TAYLOR: Not within the first six months, sorry?

PAUL O'SHEA: No, I wouldn't... I would expect the majority of this synergy to be, you know, towards the end of the first year and into the second year.

SOPHIA TAYLOR: Okay, the retained interest, I have yet to look through the finer points of the prospectus, but I'm just sort of wondering what the hurdles might be, or lock-up period related to that?

PAUL O'SHEA: Ninety days.

SOPHIA TAYLOR: Ninety days, and any hurdles, thresholds or targets? Does anything need to be met for that to...

PAUL O'SHEA: No.

DAVID ODELL: No.

SOPHIA TAYLOR: Okay. And then just last question, your recent announcement...

DAVID ODELL: Yes.

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SOPHIA TAYLOR: ... from a trust on part to trust on trust, wondering how this transaction folds into all of this?

PAUL O'SHEA: It does. It folds in. We expect to close this prior to reorganizing, so we will still proceed with our plan to reorganize into trust on partnership.

SOPHIA TAYLOR: And that would include this?

PAUL O'SHEA: That would include this acquisition.

DAVID ODELL: That's correct. Remember, and I think we talked about this before. You know, we had homework to do on that. But of course, because we were working on some opportunities, we were reluctant to go forward and put us in a position where we have to do something twice and incur more, unnecessary expense to the detriment of our shareholders.

SOPHIA TAYLOR: Okay, great. Thank you very much. That's it for me.

DAVID ODELL: Thanks, Sophia.

OPERATOR: Your next question is also a follow-up question from James Leung, from Mackenzie Financial. Please go ahead with your question.

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JAMES LEUNG: Hi, guys. This is a question regarding there is something that you mentioned about the strategic alliance agreement with respect, with Workflow in regards to beneficial opportunities. Can you sort of elaborate on what sort of opportunities that you're referring to?

DAVID ODELL: I think I can. There is some... a bit of north-south business that goes on now that we have agreed to continue. There is some product in development where the opportunities from a market size and selling standpoint, a significant part of that rests in the States. Workflow, through Relizon U.S. and the other parts of their business, have some good relationships there.

So post-transaction, we will look to strike an alliance to have them sell a couple of specialty items with respect to the U.S. under terms and conditions acceptable to us. Sales targets, margins, what have you.

JAMES LEUNG: And this is something that the current Relizon Canada does not currently have under the Workflow product shelf?

DAVID ODELL: Sorry, no. It relates to things that exist within Relizon Canada.

JAMES LEUNG: And will Relizon Canada, will you operate that, will you fold that totally into your organization or is that Relizon Canada branding still being kept?

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DAVID ODELL: No, it will be folded into our organization.

JAMES LEUNG: Okay, thanks.

DAVID ODELL: Thank you.

OPERATOR: Ladies and gentlemen, if there are any additional questions, please queue up now.

Mr. Odell, there are no further questions at this time. Please continue.

DAVID ODELL: Okay, well, thank you very much for joining us on short notice. We will be having a call, hosting a call at eight o'clock tomorrow morning on our quarterly and we look forward to talking to you then.

OPERATOR: Ladies and gentlemen, this concludes the conference call for today. Thank you for participating. Please disconnect your lines.

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