For Immediate Release

DATA GROUP LTD. ANNOUNCES
THIRD QUARTER RESULTS FOR 2014

HIGHLIGHTS

Q3 2014

- Third quarter 2014 ("Q3") Revenues of $78.1 million, Q3 Gross Profit of $19.2 million and Q3 Net Income of $1.8 million
- Q3 Adjusted EBITDA of $6.2 million (See Table 2 and "Non-GAAP Measures" below)

YTD 2014

- Year to Date 2014 ("YTD") Revenues of $232.8 million, YTD Gross Profit of $55.9 million and YTD Net Income of $2.9 million
- YTD Adjusted EBITDA of $16.3 million (See Table 2 and "Non-GAAP Measures" below)

Brampton, Ontario – November 6, 2014 – DATA Group Ltd. (TSX: DGI) ("DATA Group") announced its consolidated financial and operating results for the third quarter ended September 30, 2014.

We continue to make progress on our Transformation Plan and remain focused on creating long-term enterprise value appreciation for our shareholders. **In the third quarter of 2014, we were encouraged by positive results as we were able to increase Revenue by 5.4% and Adjusted EBITDA by 41%**, relative to the same period in 2013.

Why is a Transformation Plan Required?

Our industry has seen wholesale changes over the last number of years, mostly due to rapid technological advances. The competitive environment in which we operate has become even more challenging as our industry transforms to more digital forms of communications and adapts to new client demands for blended print and digital solutions. These factors adversely impacted our financial results for 2013 and the first half of 2014. **DATA Group has responded with a Transformation Plan that establishes clear goals, all of which aim to enhance shareholder value.** Our Transformation Plan is showing results in the three key areas we have targeted; cost reduction, debt reduction and revenue stabilization. In summary:

Cost Reduction

In October we announced plans for the consolidation of four existing manufacturing locations in Western Canada into one new, modern print and marketing communications centre located in Calgary, Alberta. This will happen in early 2015 and be part of our 2015 savings. We anticipate annual savings of $2.5 million to $3.0 million as a result of this consolidation, with associated restructuring charges in the first quarter of 2015 of $2.0 million to $2.2 million. We also completed several management changes in the third quarter which have strengthened our operational management team and will positively contribute to our cost savings program.

When we started the restructuring process we had a target to take out 35% of our manufacturing floor space and 20% of our headcount at all levels. We are well advanced in achieving our targets. Including the announcements made in October, we will have reduced our manufacturing floor space by 23% and our headcount by 13%. While doing this, we have successfully sublet three of the exited facilities in which we had ongoing lease commitments.

Debt Reduction

We reduced our long-term indebtedness by $10.0 million since the beginning of 2013, including a $2.0 million reduction in the third quarter of 2014, and we intend to further reduce debt going forward. We have also commenced a normal course issuer bid for the purchase of up to $4.476 million of our outstanding 6.00% Convertible Unsecured Subordinated Debentures ("6.00% Convertible Debentures") due June 30, 2017. As at September 30, 2014, $0.2 million principal amount of 6.00% Convertible Debentures have been purchased under the NCIB.

Revenue Stabilization

Our intent in 2014 is to stabilize our revenue and position ourselves for longer term growth. Our plan to achieve this goal is based on;

- Adding new sales talent
- Winning market share in our traditional print business
- Investing in the key growth areas we have identified; labels, marketing print and digital communications
- Bundling our digital services with our print offerings

Our increased revenue in the third quarter indicates progress towards this goal, highlighted by strong new business development results. Year to date, revenue has materially stabilized relative to 2013 and new business development results have improved by approximately 30%.

The significant changes we have made to our management and sales team in the past year have given us an aggressive focus on new business development and the talent to lead our Transformation Plan. In the third quarter we continued to make a number of personnel changes to strengthen our sales team, highlighted by new sales leadership in Quebec, and to make prudent investments to expand our capabilities in the growth areas we have targeted. The new Calgary facility we recently announced will provide more effective service offerings to clients in Western Canada, including a wide range of document management and marketing communications services. During the third quarter we also completed installation of recent investments in new specialty label production and point of sale/lottery roll production capabilities and we made encouraging progress on a number of new business sales opportunities in the retail, financial services and transportation markets

RESULTS OF OPERATIONS

All financial information in this press release is presented in Canadian dollars and in accordance with generally accepted accounting principles ("GAAP") measured under International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") for publicly accountable entities, unless otherwise noted.

Table 1 The following table sets out selected historical consolidated financial information for the periods noted.

For the periods ended September 30, 2014 and 2013 *(in thousands of Canadian dollars, except per share amounts, unaudited)*	**July 1 to Sept. 30, 2014 $**	**July 1 to Sept. 30, 2013 $**	**Jan. 1 to Sept. 30, 2014 $**	**Jan. 1 to Sept. 30, 2013 $**
Revenues	78,128	74,129	232,804	234,814
Cost of revenues	58,900	56,431	176,936	175,622
Gross profit	19,228	17,698	55,868	59,192
Selling, general and administrative expenses	14,272	14,650	43,359	45,651
Restructuring expenses	301	624	2,035	6,638
Gain on cancellation of convertible debentures	(60)	-	(60)	-
Impairment of goodwill	-	19,000	-	19,000
Amortization of intangible assets	479	2,132	1,437	6,753
Income (loss) before finance costs and income taxes	4,236	(18,708)	9,097	(18,850)
Finance costs				
Interest expense	1,550	1,693	4,638	4,966
Interest income	(6)	(5)	(15)	(13)
Amortization of transaction costs	137	144	416	434
	1,681	1,832	5,039	5,387
Income (loss) before income taxes	2,555	(20,540)	4,058	(24,237)
Income tax expense (recovery)				
Current	33	308	33	1,861
Deferred	673	(683)	1,126	(3,120)
	706	(375)	1,159	(1,259)
Net income (loss) for the period	1,849	(20,165)	2,899	(22,978)
Net income (loss) attributable to common shareholders	1,849	(20,164)	2,899	(22,963)
Basic and diluted earnings (loss) per share	0.08	(0.86)	0.12	(0.98)
Number of common shares outstanding	23,490,592	23,490,592	23,490,592	23,490,592

As at September 30, 2014 and December 31, 2013 *(in thousands of Canadian dollars, unaudited)*	**As at Sept. 30, 2014 $**	**As at Dec. 31, 2013 $**
Current assets	83,112	78,717
Current liabilities	48,066	42,545
Total assets	165,167	166,597
Total non-current liabilities	100,130	105,977
Shareholders’ equity	16,971	18,075

Table 2 The following table provides a reconciliation of net income (loss) to Adjusted EBITDA for the periods noted. See "Non-GAAP Measures".

Adjusted EBITDA Reconciliation

For the periods ended September 30, 2014 and 2013 *(in thousands of Canadian dollars, unaudited)*	**July 1 to Sept. 30, 2014 $**	**July 1 to Sept. 30, 2013 $**	**Jan. 1 to Sept. 30, 2014 $**	**Jan. 1 to Sept. 30, 2013 $**
Net income (loss) for the period	1,849	(20,165)	2,899	(22,978)
Interest expense	1,550	1,693	4,638	4,966
Interest income	(6)	(5)	(15)	(13)
Amortization of transaction costs	137	144	416	434
Current income tax expense	33	308	33	1,861
Deferred income tax expense (recovery)	673	(683)	1,126	(3,120)
Depreciation of property, plant and equipment	1,202	1,323	3,754	3,974
Amortization of intangible assets	479	2,132	1,437	6,753
EBITDA	5,917	(15,253)	14,288	(8,123)
Restructuring expenses	301	624	2,035	6,638
Gain on cancellation of convertible debentures	(60)	-	(60)	-
Impairment of goodwill	-	19,000	-	19,000
Adjusted EBITDA	6,158	4,371	16,263	17,515

Revenues

For the quarter ended September 30, 2014, DATA Group recorded revenues of $78.1 million, an increase of $4.0 million or 5.4% compared with the same period in 2013. The increase, before intersegment revenues, was the result of a $3.4 million increase in the DATA East and West segment and a $0.7 million increase in the Multiple Pakfold segment, respectively. For the nine months ended September 30, 2014, DATA Group recorded revenues of $232.8 million, a decrease of $2.0 million or 0.9% compared with the same period in 2013. The decrease, before intersegment revenues, was the result of a $3.2 million decrease in the DATA East and West segment and was partially offset by a $1.4 million increase in the Multiple Pakfold segment. The increase in revenues for the three months end September 30, 2014 in the DATA East and West segment was primarily due to the increase in sales to existing customers, improvement in product mix and price increases passed through to customers for increased material costs. Revenues in the DATA East and West segment for the nine months ended September 30, 2014 decreased from the same period in the prior year and mostly in the first half of 2014. The decrease was primarily due to orders from existing customers for print-related products and services which did not repeat in 2014, aggressive pricing by DATA Group's competitors supplying similar products and services and a change in product mix. The segment continued to experience revenue gains from new business, which partially offset declines in revenues from existing customers due to non-repeating orders, technological change and competitive activity. The increase in revenues for the three and nine months ended September 30, 2014 in the Multiple Pakfold segment was attributable to new business which arose as a result of the bankruptcy of a competitor.

Cost of Revenues and Gross Profit

For the quarter ended September 30, 2014, cost of revenues increased to $58.9 million from $56.4 million for the same period in 2013. Gross profit for the quarter ended September 30, 2014 was $19.2 million, which represented an increase of $1.5 million or 8.6% from $17.7 million for the same period in 2013. The increase in gross profit for the quarter ended September 30, 2014 was attributable to a gross profit increase of $1.3 million in the DATA East and West segment and a gross profit increase of $0.2 million in the Multiple Pakfold segment, respectively. Gross profit as a percentage of revenues increased to 24.6% for the quarter ended September 30, 2014 compared to 23.9% for the same period in 2013. For the nine months ended September 30, 2014, cost of revenues increased to $176.9 million from $175.6 million for the same period in 2013. Gross profit for the nine months ended September 30, 2014 was $55.9 million, which represented a decrease of $3.3 million or 5.6% from $59.2 million for the same period in 2013. The decrease in gross profit for the nine months ended September 30, 2014 was attributable to a gross profit decrease of $3.6 million in the DATA East and West segment and was partially offset by a gross profit increase of $0.3 million in the Multiple Pakfold segment. Gross profit as a percentage of revenues decreased to 24.0% for the nine months ended September 30, 2014 compared to 25.2% for the same period in 2013.

Selling, General and Administrative Expenses and Restructuring Expenses

Selling, general and administrative ("SG&A") expenses, excluding amortization of intangible assets, for the quarter ended September 30, 2014 decreased $0.4 million to $14.3 million compared to $14.7 million in the same period in 2013. As a percentage of revenues, these costs were 18.3% of revenues for the quarter ended September 30, 2014 compared to 19.8% of revenues for the same period in 2013. SG&A expenses, excluding amortization of intangible assets, for the nine months ended September 30, 2014 decreased $2.3 million to $43.4 million compared to $45.7 million for the same period of 2013. As a percentage of revenues, these costs were 18.6% of revenues for the nine months ended September 30, 2014 compared to 19.4% of revenues for the same period in 2013. The decrease in SG&A expenses for the three and nine months ended September 30, 2014 was attributable to cost saving initiatives implemented in 2013. For the three and nine months ended September 30, 2014, DATA Group incurred restructuring expenses related to headcount reductions of $0.3 million and $2.0 million, respectively, as part of its ongoing restructuring initiatives. For the three and nine months ended September 30, 2013, DATA Group incurred restructuring expenses related to headcount reductions and lease exit charges of $0.6 million and $6.6 million, respectively, as part of its 2013 restructuring initiatives. The 2013 restructuring initiatives included closing facilities in Brockville, Ontario and Anjou, Québec and transferring the operations of The Fulfillment Solutions Advantage Inc. from Markham, Ontario to DATA Group's existing facility in Mississauga, Ontario.

Impairment of goodwill

During the three months ended September 30, 2013, market indicators, including the trading price of DATA Group's common shares and changes in revenue trends and forecasted profits indicated that DATA Group's assets may be impaired. As a result of this new information, DATA Group performed an impairment analysis by comparing the fair value of each cash generating unit ("CGU") to the CGU's carrying value. DATA Group determined the fair value of each CGU by discounting expected future cash flows in accordance with recognized valuation methods. The process of determining those fair values required DATA Group to make a number of estimates and assumptions such as projected future revenues, costs of revenues, operating margins, market conditions well into the future, and discount rates. As a result of that review, DATA Group concluded that the fair value of its DATA East and West CGU was less than its carrying value. Accordingly, DATA Group recognized an impairment of goodwill charge of $19.0 million related to the DATA East and West CGU.

Adjusted EBITDA

For the quarter ended September 30, 2014, Adjusted EBITDA was $6.2 million, or 7.9% of revenues. Adjusted EBITDA for the quarter ended September 30, 2014 increased $1.8 million or 40.9% from the same period in the prior year and the Adjusted EBITDA margin for the quarter, as a percentage of revenues, increased from 5.9% of revenues in 2013 to 7.9% of revenues for the same period in 2014. Adjusted EBITDA for the nine months ended September 30, 2014 was $16.3 million, or 7.0% of revenues. Adjusted EBITDA for the nine months ended September 30, 2014 decreased $1.2 million or 7.1% from the same period in the prior year and the Adjusted EBITDA margin for the nine month period, as a percentage of revenues, decreased from 7.5% of revenues in 2013 to 7.0% of revenues for the same period in 2014. The increase in Adjusted EBITDA during the three months ended September 30, 2014 was due to the increase in sales to existing customers, improvement in product mix, price increases passed through to customers for increased material costs and a decline in SG&A expenses as a result of prior restructuring initiatives. The decrease in Adjusted EBITDA during the nine months ended September 30, 2014 was due to the continued investment in new products and services, a decline in revenues in the first and second quarters of 2014 due to pricing concessions and changes in product mix, and was partially offset by cost savings realized as a result of prior restructuring initiatives.

Interest Expense

Interest expense on long-term debt outstanding under DATA Group's credit facilities, DATA Group's outstanding 6.00% Convertible Debentures, certain unfavourable lease obligations related to closed facilities and DATA Group's employee benefit plans was $1.5 million for the three months ended September 30, 2014 compared to $1.7 million for the same period in 2013, and was $4.6 million for the nine months ended September 30, 2014 compared to $5.0 million for the same period in 2013. Interest expense for the three and nine month periods ended September 30, 2014 was lower primarily as a result of reductions in discount rates used to measure DATA Group's employee benefit plans.

Income Taxes

DATA Group reported income before income taxes of $2.6 million, a current income tax expense of $0.1 million and a deferred income tax expense of $0.7 million for the three months ended September 30, 2014 compared to loss before income taxes of $20.5 million, current income tax expense of $0.3 million and a deferred income tax recovery of $0.7 million for the three months ended September 30, 2013. DATA Group reported income before income taxes of $4.1 million, a current income tax expense of $0.1 million and a deferred income tax expense of $1.1 million for the nine months ended September 30, 2014 compared to a loss before income taxes of $24.2 million, a current income tax expense of $1.9 million and a deferred income tax recovery of $3.1 million for the nine months ended September 30, 2013. The decrease in the current income tax expense during the three and nine months ended September 30, 2014 was due to the reduction in taxable income as the result of the use of non-capital loss carry-forwards. The increase in the deferred income tax expense for the three and nine months ended September 30, 2014 was due to a change in estimates of future reversals of temporary differences.

Net Income

Net income for the three and nine months ended September 30, 2014 was $1.8 million and $2.9 million, respectively, compared to a net loss of $20.2 million and $23.0 million, respectively, for same periods in 2013. The increase in comparable profitability for the three and nine months ended September 30, 2014 was due to cost savings realized as a result of prior restructuring initiatives that led to a decline in SG&A expenses, a reduction in restructuring expenses, amortization of intangibles and current income tax expense for the third quarter and first nine months of 2014, respectively. The increase in comparable profitability for the three and nine months ended September 30, 2014 was also due to the absence of any goodwill impairment charges during 2014. The increase in comparable profitability for the three months ended September 30, 2014 was due to the increase in sales to existing customers, improvement in product mix and price increases passed through to customers for increased material costs.

The increase in comparable profitability during the three and nine months ended September 30, 2014 was partially offset by larger deferred income tax expense during 2014, respectively. The increase in comparable profitability for the first nine months of 2014 was partially offset by lower gross profit as a result of lower revenues.

INVESTING ACTIVITIES

Capital expenditures for the three months ended September 30, 2014 of $1.0 million related primarily to maintenance capital expenditures, which were financed by cash flow from operations. For the nine months ended September 30, 2014, DATA Group incurred capital expenditures of $1.8 million related primarily to maintenance capital expenditures, which were financed by cash flow from operations.

FINANCING ACTIVITIES

During the three and nine months ended September 30, 2014, DATA Group repaid $2.0 million and $5.5 million, respectively, of the principal amount outstanding under its Revolving Bank Facility.

About DATA Group Ltd.

DATA Group Ltd. is a managed business communications services company specializing in customized document management and marketing solutions. DATA Group develops, manufactures, markets and supports integrated web and print-based communications, information management and direct marketing products and services that help its customers reduce costs, increase revenues, maintain brand consistency and simplify their business processes. DATA Group's expertise and resources enable it to address any document requirement of its customers, from a simple mail-out to an enterprise-wide document management or direct marketing initiative. We have approximately 1,670 employees working from 35 locations across Canada and the United States to accomplish this.

Additional information relating to DATA Group Ltd. is available on www.datagroup.ca, and in the disclosure documents filed by DATA Group Ltd. on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

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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, objectives or achievements of DATA Group, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. When used in this press release, 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 DATA Group's current views regarding future events and operating performance, are based on information currently available to DATA Group, 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, objectives or achievements of DATA Group to be materially different from any future results, performance, objectives or achievements that may be expressed or implied by such forward-looking statements. The principal factors, assumptions and risks that DATA Group made or took into account in the preparation of these forward-looking statements include the risk that DATA Group will not be successful in reducing the size of its legacy print business, reducing costs, reducing or refinancing its long-term debt and growing its digital communications business; the risk that DATA Group may not be successful in managing its organic growth; DATA Group's ability to invest in, develop and successfully market new products and services; competition from competitors supplying similar products and services; DATA Group's ability to grow its sales or even maintain historical levels of its sales of printed business documents; the impact of economic conditions on DATA Group's businesses; risks associated with acquisitions by DATA Group; increases in the costs of paper and other raw materials used by DATA Group; and DATA Group's ability to maintain relationships with its customers. Additional factors are discussed elsewhere in this press release and under the heading "Risks and Uncertainties" in DATA Group's management's discussion and analysis and in DATA Group's other publicly available disclosure documents, as filed by DATA Group on SEDAR (www.sedar.com). 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, DATA Group does not intend and does not assume any obligation to update these forward-looking statements.

NON-GAAP MEASURES

This press release includes certain non-GAAP measures as supplementary information. When used in this press release, EBITDA means earnings before interest and finance costs, taxes, depreciation and amortization. Adjusted EBITDA for the three and nine months ended September 30, 2014 means EBITDA adjusted for restructuring expenses and gains on the cancellation of convertible debentures purchased by DATA Group in the market, respectively. Adjusted EBITDA for the three and nine months ended September 30, 2013 means EBITDA adjusted for restructuring expenses and goodwill impairment charges, respectively. DATA Group believes that, in addition to net income (loss), EBITDA and Adjusted EBITDA are useful supplemental measures in evaluating the performance of DATA Group and its predecessors. EBITDA and Adjusted EBITDA are not earnings measures recognized by IFRS and do not have any standardized meanings prescribed by IFRS. Therefore, EBITDA and Adjusted EBITDA are unlikely to be comparable to similar measures presented by other issuers.

Investors are cautioned that neither EBITDA nor Adjusted EBITDA should be construed as an alternative to net income (loss) determined in accordance with IFRS as an indicator of DATA Group's performance. For a reconciliation of net income (loss) to Adjusted EBITDA, see Table 2 above.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands of Canadian dollars, unaudited)	**September 30, 2014**	**December 31, 2013**
	$	**$**
Assets		
Current assets		
Cash and cash equivalents	-	478
Trade receivables	37,743	36,551
Inventories	40,270	37,585
Prepaid expenses and other current assets	5,099	3,929
Income taxes receivable	-	174
	83,112	78,717
Non-current assets		
Deferred income tax assets	1,954	1,687
Property, plant and equipment	15,295	17,266
Pension asset	-	2,684
Intangible assets	7,740	9,177
Goodwill	57,066	57,066
	165,167	166,597
Liabilities		
Current liabilities		
Bank overdraft	1,263	-
Current portion of Revolving bank facility	4,500	4,000
Trade payables	28,275	26,061
Income taxes payables	286	-
Provisions	2,126	2,369
Deferred revenue	11,616	10,115
	48,066	42,545
Non-current liabilities		
Provisions	1,391	2,368
Revolving bank facility	43,250	49,109
Convertible debentures	43,192	42,909
Other non-current liabilities	634	858
Pension obligations	8,858	8,102
Other post-employment benefit plans	2,805	2,631
	148,196	148,522
Equity		
Shareholders' equity		
Shares	215,336	215,336
Conversion options	514	516
Accumulated other comprehensive income	63	30
Deficit	(198,942)	(197,807)
	16,971	18,075
	165,167	166,597

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(in thousands of Canadian dollars, except per share amounts, unaudited)	**For the three months ended September 30, 2014**	**For the three months ended September 30, 2013**
	$	**$**
Revenues	78,128	74,129
Cost of revenues	58,900	56,431
Gross profit	19,228	17,698
Expenses		
Selling, commissions and expenses	8,589	8,792
General and administration expenses excluding amortization of intangible assets	5,683	5,858
Restructuring expenses	301	624
Gain on cancellation of convertible debentures	(60)	-
Impairment of goodwill	-	19,000
Amortization of intangible assets	479	2,132
	14,992	36,406
Income (loss) before finance costs and income taxes	4,236	(18,708)
Finance costs		
Interest expense	1,550	1,693
Interest income	(6)	(5)
Amortization of transaction costs	137	144
	1,681	1,832
Income (loss) before income taxes	2,555	(20,540)
Income tax expense (recovery)		
Current	33	308
Deferred	673	(683)
	706	(375)
Net income (loss) for the period	1,849	(20,165)
Net income (loss) attributable to:		
Common shareholders	1,849	(20,164)
Non-controlling interest	-	(1)
	1,849	(20,165)
Basic earnings (loss) per share	0.08	(0.86)
Diluted earnings (loss) per share	0.08	(0.86)

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(in thousands of Canadian dollars, except per share amounts, unaudited)	**For the nine months ended September 30, 2014**	**For the nine months ended September 30, 2013**
	$	**$**
Revenues	232,804	234,814
Cost of revenues	176,936	175,622
Gross profit	55,868	59,192
Expenses		
Selling, commissions and expenses	26,308	27,233
General and administration expenses excluding amortization of intangible assets	17,051	18,418
Restructuring expenses	2,035	6,638
Gain on cancellation of convertible debentures	(60)	-
Impairment of goodwill	-	19,000
Amortization of intangible assets	1,437	6,753
	46,771	78,042
Income (loss) before finance costs and income taxes	9,097	(18,850)
Finance costs		
Interest expense	4,638	4,966
Interest income	(15)	(13)
Amortization of transaction costs	416	434
	5,039	5,387
Income (loss) before income taxes	4,058	(24,237)
Income tax expense (recovery)		
Current	33	1,861
Deferred	1,126	(3,120)
	1,159	(1,259)
Net income (loss) for the period	2,899	(22,978)
Net income (loss) attributable to:		
Common shareholders	2,899	(22,963)
Non-controlling interest	-	(15)
	2,899	(22,978)
Basic earnings (loss) per share	0.12	(0.98)
Diluted earnings (loss) per share	0.12	(0.98)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands of Canadian dollars, unaudited)	For the three months ended September 30, 2014 $	For the three months ended September 30, 2013 $
Net income (loss) for the period	1,849	(20,165)
Other comprehensive income (loss):		
Items that may be reclassified subsequently to net income (loss)		
Foreign currency translation	32	9
	32	9
Items that will not be reclassified to net income (loss)		
Re-measurements of post-employment benefit obligations	(2,478)	1,701
Taxes related to post-employment adjustment above	636	(448)
	(1,842)	1,253
Other comprehensive (loss) income for the period, net of tax	(1,810)	1,262
Comprehensive income (loss) for the period	39	(18,903)
Comprehensive income (loss) attributable to:		
Common shareholders	39	(18,902)
Non-controlling interest	-	(1)
	39	(18,903)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in thousands of Canadian dollars, unaudited)	**For the nine months ended September 30, 2014**	**For the nine months ended September 30, 2013**
	$	**$**
Net income (loss) for the period	2,899	(22,978)
Other comprehensive income (loss):		
Items that may be reclassified subsequently to net income (loss)		
Foreign currency translation	33	11
	33	11
Items that will not be reclassified to net income (loss)		
Re-measurements of post-employment benefit obligations	(5,427)	6,038
Taxes related to post-employment adjustment above	1,393	(1,585)
	(4,034)	4,453
Other comprehensive (loss) income for the period, net of tax	(4,001)	4,464
Comprehensive loss for the period	(1,102)	(18,514)
Comprehensive loss attributable to:		
Common shareholders	(1,102)	(18,499)
Non-controlling interest	-	(15)
	(1,102)	(18,514)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in thousands of Canadian dollars, unaudited)

	Attributable to Shareholders						
	Shares	**Conversion options**	**Accumulated other comprehensive income**	**Deficit**	**Total Shareholders' Equity**	**Non-controlling interest**	**Total Equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance as at December 31, 2012	215,336	516	1	(153,875)	61,978	136	62,114
Net loss for the period	-	-	-	(22,963)	(22,963)	(15)	(22,978)
Other comprehensive income for the period	-	-	11	4,453	4,464	-	4,464
Total comprehensive income (loss) for the period	-	-	11	(18,510)	(18,499)	(15)	(18,514)
Dividends declared	-	-	-	(5,286)	(5,286)	-	(5,286)
Balance as at September 30, 2013	215,336	516	12	(177,671)	38,193	121	38,314
Balance as at December 31, 2013	215,336	516	30	(197,807)	18,075	-	18,075
Net income for the period	-	-	-	2,899	2,899	-	2,899
Other comprehensive (loss) income for the period	-	-	33	(4,034)	(4,001)	-	(4,001)
Total comprehensive (loss) income for the period	-	-	33	(1,135)	(1,102)	-	(1,102)
Cancellation of convertible debentures	-	(2)	-	-	(2)	-	(2)
Balance as at September 30, 2014	215,336	514	63	(198,942)	16,971	-	16,971

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of Canadian dollars, unaudited)	**For the three months ended September 30, 2014 $**	**For the three months ended September 30, 2013 $**
Cash provided by (used in)		
Operating activities		
Net income (loss) for the period	1,849	(20,165)
Adjustments to net income (loss)		
Depreciation of property, plant and equipment	1,202	1,323
Amortization of intangible assets	479	2,132
Pension expense	156	236
(Gain) loss on disposal of property, plant and equipment	(139)	3
Impairment of goodwill	-	19,000
Provisions	301	624
Gain on cancellation of convertible debentures	(60)	-
Amortization of transaction costs	137	144
Accretion of convertible debentures	73	76
Other non-current liabilities	(33)	(80)
Other post-employment benefit plans, net	59	45
Income tax expense (recovery)	706	(375)
	4,730	2,963
Changes in working capital	2,479	(862)
Contributions made to pension plans	(624)	(753)
Provisions paid	(1,023)	(1,246)
Income tax refunds (paid)	301	(99)
	5,863	3
Investing activities		
Purchase of property, plant and equipment	(990)	(1,202)
Purchase of intangible assets	-	(7)
Proceeds on disposal of property, plant and equipment	140	2
	(850)	(1,207)
Financing activities		
Repayment of revolving bank facility	(2,000)	-
Repurchase of convertible debentures	(107)	-
Finance costs	(9)	-
Finance lease payments	(6)	(8)
Dividends paid	-	(1,762)
	(2,122)	(1,770)
Decrease (increase) in bank overdraft during the period	2,891	(2,974)
Bank overdraft – beginning of period	(4,167)	(354)
Effects of foreign exchange on cash balances	13	(2)
Bank overdraft – end of period	(1,263)	(3,330)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of Canadian dollars, unaudited)	**For the nine months ended September 30, 2014 $**	**For the nine months ended September 30, 2013 $**
Cash provided by (used in)		
Operating activities		
Net income (loss) for the period	2,899	(22,978)
Adjustments to net income (loss)		
Depreciation of property, plant and equipment	3,754	3,974
Amortization of intangible assets	1,437	6,753
Pension expense	397	708
(Gain) loss on disposal of property, plant and equipment	(149)	125
Impairment of goodwill	-	19,000
Provisions	2,035	6,638
Gain on cancellation of convertible debentures	(60)	-
Amortization of transaction costs	416	434
Accretion of convertible debentures	220	223
Other non-current liabilities	(194)	(255)
Other post-employment benefit plans, net	174	140
Income tax expense (recovery)	1,159	(1,259)
	12,088	13,503
Changes in working capital	(1,337)	2,120
Contributions made to pension plans	(2,384)	(2,294)
Provisions paid	(3,255)	(2,283)
Income tax refunds (paid)	427	(3,985)
	5,539	7,061
Investing activities		
Purchase of property, plant and equipment	(1,784)	(2,009)
Purchase of intangible assets	-	(7)
Proceeds on disposal of property, plant and equipment	161	103
	(1,623)	(1,913)
Financing activities		
Repayment of revolving bank facility	(5,500)	(2,500)
Repurchase of convertible debentures	(107)	-
Finance costs	(47)	(11)
Finance lease payments	(18)	(12)
Dividends paid	-	(4,797)
	(5,672)	(7,320)
(Decrease) in cash and cash equivalents and (increase) in bank overdraft during the period	(1,756)	(2,172)
Cash and cash equivalents (bank overdraft) – beginning of period	478	(1,161)
Effects of foreign exchange on cash balances	15	3
Bank overdraft – end of period	(1,263)	(3,330)