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For Immediate Release

DATA GROUP ANNOUNCES FURTHER DETAILS OF THE CONSIDERATION TO BE PAID UPON THE PARTIAL REDEMPTION OF ITS 6.00% CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES

Brampton, Ontario – December 16, 2015 – On November 12, 2015, DATA Group Ltd. (TSX: DGI) (“DATA Group” or the “Company”) issued a redemption notice to redeem \$33,530,000 (or approximately 75%) of the \$44,705,000 aggregate principal amount of its 6.00% convertible unsecured subordinated debentures due June 30, 2017 (the “Debentures”) outstanding, on December 23, 2015 (the “Redemption Date”), on a pro rata basis.

On redemption, holders of Debentures redeemed will receive: (i) that number of common shares of the Company (“Common Shares”) equal to the principal amount of Debentures redeemed on the Redemption Date divided by 95% of the volume-weighted average trading price of the Common Shares on the Toronto Stock Exchange for the 20 consecutive trading days ending on December 16, 2015; and (ii) a cash payment equal to accrued and unpaid interest on the Debentures redeemed up to but excluding the Redemption Date, less any applicable withholding taxes ((i) and (ii) together, the “Total Redemption Price”).

The Company announced today that holders of Debentures redeemed on the Redemption Date will receive 29,086 Common Shares for each \$1,000 aggregate principal amount of Debentures redeemed.

As a result of the redemption of Debentures, an aggregate total of 975,262,140 new Common Shares will be issued to holders of Debentures redeemed, and immediately following the Redemption Date the Company will have a total of 998,752,732 Common Shares outstanding.

Holders of Debentures redeemed need not take any action in order to receive the Total Redemption Price. The Debentures to be redeemed will be selected by the Debenture Trustee on a pro rata basis to the nearest multiple of \$1,000 in accordance with the principal amount of the Debentures registered in the name of each holder as of the record date of December 21, 2015 or in such manner as the Debenture Trustee deems equitable. No Debenture will be redeemed in part unless the principal amount redeemed is \$1,000 or a multiple thereof.

Holders of Debentures also have the right to convert their Debentures, at their option, into Common Shares at a conversion price of \$12.20 per share, representing a conversion rate of 81.9672 Common Shares per \$1,000 principal amount of Debentures, plus a cash payment representing accrued and unpaid interest for the period up to but excluding the date of conversion.

CDS and Computershare have determined that the last day on which submissions to convert Debentures will be accepted is as of the close of business on December 17, 2015. CDS and Computershare will begin to accept conversions of Debentures not redeemed as of January 4, 2016.

This press release shall not constitute an offer to sell, a solicitation to buy or an offer to purchase or sell any securities. The redemption of the Debentures is being made only pursuant to the related notice of redemption.

About DATA Group Ltd.

DATA Group Ltd. is a managed business communications services Corporation 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 1,435 employees working from 26 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 fact that DATA Group will be required to issue a large number of Common Shares to satisfy a portion of the Total Redemption Price, which will significantly dilute existing shareholders' interests in DATA Group, materially increase the number of outstanding Common Shares and likely have an adverse effect on the trading price of the Common Shares; the risk that DATA Group may not be successful 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.