COLABOR

NEWS RELEASE **FOR IMMEDIATE RELEASE**

COLABOR GROUP REPORTS RESULTS FOR THE SECOND QUARTER OF 2013

- **Comparable sales up 0.5%**
- **EBITDA of $9.7 million, or 2.8% of sales**
- **Declaration of a quarterly dividend of $0.06 per share**

Boucherville, Quebec, July 17, 2013 – Colabor Group Inc. (TSX: GCL) ("Colabor" or the "Company") today reported results for the second quarter of fiscal 2013 ended June 15, 2013.

"Our overall comparable performance of the second quarter shows a significant sequential improvement from the first quarter of this year. In fact, the decrease in EBITDA from a year earlier is due essentially to the end of a large supply contract at the beginning of the second quarter of 2013," said Claude Gariépy, President and Chief Executive Officer of Colabor.

Financial highlights	**Quarter ended**		**Six months ended**	
(thousands of dollars except per-share data)	**June 15, 2013**	**June 16, 2012**	**June 15, 2013**	**June 16, 2012**
Sales	**345,817**	354,294	**639,397**	652,227
EBITDA*	**9,728**	10,651	**12,037**	16,107
Charges not related to current operations	**0**	253	**247**	253
Net earnings (loss)	**2,390**	2,903	**(968)**	2,167
Per share – basic ($)	**0.09**	0.13	**(0.04)**	0.09
Cash flow*	**4,192**	7,567	**3,726**	10,842
Per share – basic ($)	**0.15**	0.33	**0.15**	0.47
Weighted average number of shares outstanding (basic, in thousands)	**27,062**	23,076	**25,578**	23,069

** Cash flow from operations before changes in operating assets and liabilities less purchases of property, plant and equipment and interest paid.*

SECOND-QUARTER RESULTS

Comparable sales were up 0.5% excluding certain items listed below. Total sales for the 84-day period ended June 15, 2013 were $345.8 million, compared to $354.3 million for the 84-day period ended June 16, 2012. The decrease of 2.4% was due essentially to the loss, announced in May 2012, of a large supply contract in Ontario effective April 1, 2013; to the Company's decision to substantially reduce unprofitable activities in the distribution of tobacco products at the beginning of 2013; and, to a lesser extent, to the sale of the Skor Culinary Concepts Division in December 2012. On the other hand, the acquisition of T. Lauzon Ltée ("Lauzon"), completed on March 4, 2013, contributed $20.3 million to sales in the second quarter.

Earnings before financial expenses, income taxes, depreciation and amortization ("EBITDA") were $9.7 million, or 2.8% of sales, versus $10.7 million, or 3.0% of sales, a year earlier. The reduction in dollar terms reflects mainly the end of the supply contract, while the reduction as a percentage of sales reflects the normal lag time in adjusting expenses to the new sales volume.

Net earnings for the second quarter of 2013 were $2.4 million, or $0.09 per share, compared to $2.9 million, or $0.13 per share, in the corresponding quarter of 2012. The results for the 2012 quarter are net of a $253,000 asset writeoff charge related to the integration of information systems in Ontario.

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Cash flow was $4.2 million, or $0.15 per share, compared to $7.6 million, or $0.33 per share, a year earlier. The change reflects mainly the effect on cash flow of an investment of $2.9 million related to the upgrading of physical installations to obtain HACCP accreditation at the Norref division.

SEGMENTED RESULTS

Sales of the Distribution segment were $229.1 million in the second quarter of 2013, compared to $250.0 million a year earlier. The 8.4% decrease is attributable essentially to the factors mentioned above, offset in part by Lauzon's distribution sales. Comparable sales were up 0.1%.

Sales of the Wholesale segment were $116.8 million in the second quarter of 2013, up from $104.3 million in the second quarter of 2012. The 11.9% increase reflects mainly the acquisition of Lauzon's wholesale operations. Comparable sales were up 1.3%.

SIX-MONTH RESULTS

For the 166-day period ended June 15, 2013, total sales were $639.4 million, down 2.0% from $652.2 million for the 168-day period ended June 16, 2012. On the basis of an equal number of days, and excluding the aforementioned items, comparable sales were up 0.3%.

EBITDA for the first six months of 2013 was $12.0 million, or 1.9% of sales, compared to $16.1 million, or 2.5% of sales, in the first six months of 2012. The net loss for the period was $968,000, compared to net earnings of $2.2 million in the year-earlier period. Cash flow was $3.7 million, or $0.15 per share, compared to $10.8 million, or $0.47 per share, a year earlier.

FOCUSED PURSUIT OF EFFICIENCY AND DEVELOPMENT PLAN

Colabor is assiduously pursuing its plan to optimize overall operating efficiency and accelerate the capture of savings. During the second quarter the Company pursued the following initiatives:

- Launch of measures to stimulate organic growth and higher-margin sales;
- Transfer of meat-product purchasing from the Ontario Division and Eastern Quebec to Lauzon;
- Review of operations of the Eastern Quebec and New Brunswick division, including improvement of the supply chain among the warehouses of this division;
- Review of agreements with suppliers and of merchandise acquisition costs;
- Pursuit and completion of the federal HACCP accreditation process for the Norref distribution centre. Colabor expects to receive this accreditation in the coming weeks.

FINANCIAL POSITION

As of June 15, 2013, the Company had drawn $85.4 million on its authorized bank credit facility. On July 15, 2013, the Company agreed with its lenders to amend certain terms of its credit facilities effective June 15, 2013. This agreement has the effect of eliminating the need to meet certain financial ratios, of authorizing available credit of $135.0 million and of advancing the maturity date of the credit facilities to April 28, 2015.

DECLARATION OF A $0.06 PER SHARE QUARTERLY DIVIDEND

The Company's Board of Directors has declared a cash dividend of $0.06 per share, to be paid on August 15, 2013 to the Company's shareholders of record at close of business on August 2, 2013.

"The dividend level provides comfort to Management with regards to the Company's ability to sustain this amount given the outlook of the organization," added Mr. Gariépy.

CONFERENCE CALL

Colabor will hold a conference call to discuss these results on Wednesday, July 17, 2013, beginning at 2 p.m. Eastern Time. Interested parties can join the call by dialling 647-427-7450 (from Toronto and overseas) or 1-888-231-8191 (from elsewhere in North America). If you are unable to participate, you can listen to a recording by dialling 1-855-859-2056 and entering the code 14951384 on your telephone keypad. The recording will be available from 5 p.m. on Wednesday, July 17, 2013 to 11:59 p.m. on Wednesday, July 24, 2013.

NON-IFRS MEASURES

The information provided in this release includes non-IFRS performance measures, notably earnings before financial expenses, income taxes, depreciation and amortization ("EBITDA") and cash flow. Since these concepts are not defined by IFRS, they may not be comparable to those of other companies.

ADDITIONAL INFORMATION

The *Management Discussion and Analysis* and financial statements of the Company will be available at SEDAR (www.sedar.com) following publication of this release. Additional information about Colabor Group Inc. may also be found at SEDAR and on the Company's website at www.colabor.com.

FORWARD-LOOKING STATEMENTS

This news release may contain forward-looking statements reflecting the opinions or current expectations of Colabor Group Inc. concerning its performance and business operations and future events. These statements are subject to risks, uncertainties and assumptions. Actual results or events may differ.

ABOUT COLABOR

Colabor is a wholesaler and distributor of food and non-food products serving the foodservice market (cafeterias, restaurants, hotels, restaurant chains) and the retail market (grocery stores, convenience stores, etc.) in Quebec, Ontario and the Atlantic provinces.

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