



## COLABOR GROUP INC. PROVIDES UPDATE ON REVIEW OF CONVERSION TRANSACTION

BOUCHERVILLE, QUEBEC – January 25, 2013

Colabor Group Inc. (TSX: GCL) (“**Colabor**” or the “**Company**”) announces that it has met today with representatives from the Canada Revenue Agency (“**CRA**”) and has received from the CRA a draft notice of reassessment challenging the tax consequences of its conversion (“**Conversion**”) from an income fund structure to a corporation in August 2009. The CRA is arguing that the Conversion falls under general anti-avoidance rule of the *Income Tax Act* (Canada) (the “**Income Tax Act**”).

Colabor remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and as of today intends to vigorously defend such position at the administrative level and afterwards, if and when a final notice of reassessment is received from the CRA. After the administrative process, if Colabor receives a final notice of reassessment, in order to appeal it, Colabor would be required to make a payment of 50% of the amount of such reassessment.

“We remain highly confident with our tax position based on the analysis performed before the transaction was completed and changes to the Income Tax Act subsequent to Colabor completing its conversion from an income fund to a corporation. Colabor remains focused on its action plan to optimize operating efficiencies, promote and accelerate the realization of synergies and realize acquisitions to complement to our current activities” said Claude Gariépy, President and Chief Executive Officer of Colabor.

Colabor is a wholesaler and distributor of food and non-food products serving the retail (grocery stores, convenience stores, etc.) and food-service (cafeterias, restaurants, hotels, restaurant chains, etc.) markets.

Additional information can be found in the information documents filed by the Colabor Group Inc. with securities regulators, at [www.sedar.com](http://www.sedar.com).

FOR ADDITIONAL INFORMATION, PLEASE CONTACT THE FOLLOWING PERSONS:

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