NEWS RELEASE **FOR IMMEDIATE RELEASE**

COLABOR GROUP REPORTS STRONG GROWTH IN RESULTS FOR THIRD QUARTER 2011

- **Comparable sales up 3.2% (total sales up 38.6%)**
- **39.0% increase in EBITDA to $10.6 million**
- **Cash flow up 35.5% to $7.8 million**
- **Debt reduction and normal-course share repurchase**

Boucherville, Quebec, October 18, 2011 – Colabor Group Inc. (TSX: GCL) ("Colabor" or the "Company") today reported results for the third quarter of fiscal 2011 ended September 10, 2011.

THIRD-QUARTER RESULTS

Consolidated sales for the 84-day period ended September 10, 2011 were $324.8 million, up 38.6% from $234.3 million for the 84-day period ended September 11, 2010. The increase reflects the acquisition of RTD Distributions Ltée on September 21, 2010, of Les Pêcheries Norref Québec Inc. on February 28, 2011, of Edfrex Inc. on March 30, 2011, and of The Skor Food Group Inc. on May 9, 2011. These acquisitions contributed $83.0 million to sales of the quarter. Excluding this contribution, the Company's comparable sales increased 3.2% despite continuing difficult conditions in the foodservice industry.

Earnings before financial expenses, income taxes, depreciation and amortization ("EBITDA") were $10.6 million, or 3.25% of sales, compared to $7.6 million, or 3.24% of sales, a year earlier. The increase in EBITDA reflects the contribution of the acquisitions, while the stability as a percentage of sales reflects stiff competition in the foodservice distribution industry that neutralized the favourable effect of increased sales volume and the optimization measures, efficiency gains and synergies resulting from integration of the acquisitions.

Net earnings for the quarter were $3.1 million, or $0.14 per share, compared to $1.8 million, or $0.08 per share, in the same quarter of 2010. Cash flow in the 2011 quarter was up 35.5% to $7.8 million, or $0.34 per share, from $5.8 million, or $0.26 per share, a year earlier. This strong performance meant that as of September 10, 2011, the ratio of dividend to cash flow per share over the previous 12 months was 81%, an improvement from 86% at the end of the second quarter.

Financial highlights	**Quarter ended**		**Nine months ended**	
(thousands of dollars except per-share data)	**Sept. 10, 2011**	**Sept. 11, 2010**	**Sept. 10, 2011**	**Sept. 11, 2010**
Sales	**324,760**	234,309	**881,587**	704,819
EBITDA*	**10,554**	7,594	**25,685**	23,480
Net earnings	**3,099**	1,791	**4,826**	6,924
Cash flow*	**7,830**	5,778	**18,241**	18,111
Per share – basic ($)	**0.34**	0.26	**0.79**	0.87
Weighted average number of shares outstanding (basic, in thousands)	**22,923**	21,957	**23,002**	20,918

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

Under the newly applicable International Financial Reporting Standards ("IFRS"), the use of tax losses acquired at the time of conversion to a corporation in 2009 requires the recording of a deferred income tax charge against the Company's income. By way of comparison, the previous accounting treatment, under Canadian Generally Accepted Accounting Principles

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("GAAP"), entailed only a minimal deferred income tax charge and amortization of the deferred credit in the Company's liabilities. Since the deferred income tax charge involves no disbursement of funds, management considers that cash flow is a better measure of Colabor's financial performance. Results for the 84-day and 254-day periods ended September 11, 2010 have been restated.

"The results of the third quarter reflect the dedication of all our employees and the members of our network, as Colabor posted satisfactory performance in both organic sales growth and operating profitability," said Gilles C. Lachance, Colabor President and Chief Executive Officer. "In addition, a marked improvement in cash flow allowed Colabor both to reduce its debt and to repurchase shares under a normal-course issuer bid."

SEGMENTED RESULTS

Sales of the **Wholesale** segment were $85.2 million in the third quarter of 2011, down 7.8% from $92.3 million in the third quarter of 2010. The decrease reflects the elimination of sales to entities of the Distribution segment, which includes the acquisitions. Comparable sales were up 2.9% as a result of favourable weather, initiatives to stimulate the sales of certain product categories and the weakness of sales in the third quarter of 2010.

Sales of the **Distribution** segment were $239.6 million in third quarter 2011 compared to $142.0 million a year earlier. The increase of $97.6 million is attributable mainly to the acquisitions noted above. Comparable sales were up 1.0%, with demand continuing to improve gradually in most of the Company's target markets.

NINE-MONTH RESULTS

For the 253-day period ended September 10, 2011, consolidated sales were $881.6 million, compared to $704.8 million for the 254-day period ended September 11, 2010. The increase of 25.1% is attributable essentially to the acquisitions noted above. The residual effect of the loss of a large supply contract in February 2010 subtracted $8.2 million from sales in the first nine months of 2011 relative to the same period a year earlier. Excluding these factors, and on the basis of an equal number of days, comparable sales were up a marginal 0.5%.

EBITDA in the first nine months of 2011 was $25.7 million, or 2.91% of sales, compared to $23.5 million, or 3.33% of sales, in the first nine months of 2010. Net earnings for the nine-month period, also reflecting acquisition-related before-tax charges of $1.8 million recorded in the second quarter (as required under IFRS), were $4.8 million, or $0.21 per share, compared to $6.9 million, or $0.33 per share, in the year-earlier period. Cash flow was $18.2 million, or $0.79 per share, compared to $18.1 million, or $0.87 per share, a year earlier.

FINANCIAL POSITION

As of September 10, 2011, the Company's financial position was sound with an amount of $113.5 million drawn from an authorized bank credit facility of $150.0 million, versus $116.0 million at the end of the second quarter. Also as of September 10, the ratio of total debt to EBITDA of the previous 12 months was 2.82:1.00. The Company's credit agreement stipulates a ratio below 3.25:1.00. The interest coverage ratio was 5.29:1.00, well above the required minimum of 3.50:1.00.

During the third quarter, the Company repurchased 308,500 common shares under a normal-course issuer bid, bringing to 328,200 the number of shares repurchased since the initiation of the program. Under this program Colabor is authorized to repurchase 500,000 common shares between October 28, 2010 and October 27, 2011.

OUTLOOK

"Despite conditions that have restricted consumers' discretionary buying power, Colabor will benefit from the broader product offering and geographical scope that has resulted from its recent acquisitions. These gains, combined with the favourable effects of measures to optimize our operations, should increase our cash flow and further reinforce our financial position. On this solid foundation, Colabor will actively pursue its development strategy of becoming a one-stop shop for its customers and a leading player of national scope in its industry," Mr. Lachance concluded.

CONFERENCE CALL

Colabor will hold a conference call to discuss its third-quarter results on Tuesday, October 18, 2011, beginning at 10:30 a.m. Eastern Time. Interested parties can join the call by dialling 416-644-3426 (from Toronto and overseas) or 1-800-731-5319 (from elsewhere in North America). If you are unable to participate, you can listen to a recording by dialling 1-877-289-8525 and entering the code 4475849# on your telephone keypad. The recording will be available from 12:30 a.m. Tuesday, October 18 to 11:59 p.m. Tuesday, October 25, 2011.

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.

ABOUT COLABOR

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

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.

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