COLABOR INCOME FUND

MANAGEMENT'S DISCUSSION & ANALYSIS

October 4, 2007

This Management's Discussion & Analysis (MD&A) of Colabor Income Fund (the "Fund") discusses the operating results, cash flows and financial situation for the 84-day period ended September 8, 2007 (3rd quarter) of the fiscal year ending December 31, 2007. These financial statements are in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). These financial statements have been published on SEDAR at www.sedar.com.
This report also contains information that is a non-GAAP measure of performance, such as the concept of earnings before financial expenses and amortization (EBITDA) and the concept of standardized distributable cash. Since these concepts are not defined in Canadian GAAP, they may not be comparable with those of other funds.

Forward-looking Statements

The MD&A is intended to assist unitholders in understanding the nature and extent of changes and trends, as well as risks and uncertainties. Consequently, actual results may differ significantly from information reported or inferred in these statements. The main factors that could result in a significant difference between the Fund's actual results and the projections or expectations set out in the forward-looking statements are described under *Risks and Uncertainties*.

General

The Fund

The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Quebec under a Declaration of Trust dated May 19, 2005.

The Fund's units are traded on the Toronto Stock Exchange under the symbol *CLB.UN*.

Activities

Colabor was founded in 1962 and is one of the largest master distributors of food, food-related and non-food products that it purchases and supplies to wholesale distributors that, in turn, distribute the products to over 25,000 customers operating in the retail or foodservice market segments in Quebec and the Atlantic provinces. These operations are described under *Boucherville Division* in this MD&A.

On January 8, 2007, Colabor Income Fund acquired *Summit Food Service Distributors Inc.* ("Summit"), one of the major foodservice distributors in the industry in Canada, from *Cara Operations Limited* ("Cara"). Summit distributes more than 8,000 products from warehouses in Ottawa, London and Mississauga to more than 3,000 customers, including Cara (Swiss Chalet, Harvey's, Kelsey's Neighbourhood Bar and Grill, Montana's Cookhouse and Milestone's Grill and Bar), other foodservice chains and independent restaurants as well as to institutions including hospitals, schools and government institutions. Summit's product line includes frozen products, current consumption dry products, dairy products, produce, meat, seafood, poultry and sanitation products. These operations are described under *Summit Division* in this MD&A.

Scope of MD&A

This MD&A covers the Fund's results for the 84-day period ended September 8, 2007, which represents the third quarter of the fiscal year ending December 31, 2007.

The Fund's fiscal year comprises thirteen 28-day periods. Three quarters comprise three 28-day periods each and the fourth quarter includes four 28-day periods. The Fund's year-end is December 31.

The Fund's financial statements for the 84-day period and for the 251-day period ended September 8, 2007 include the results of the Summit Division only since January 8, 2007. Accordingly, the results for the same periods for the prior year include only results for the Boucherville Division.

Results of Operations

Consolidated Earnings

(unaudited and in thousands of dollars, except per unit amounts)

	2007-09-08 (84 days)		2006-09-08 (84 days)		Variance	
	$		$		$	%
Net sales	195,488	100.00%	91,285	100.00%	104,203	114.15%
Earnings before financial expenses and amortization	6,798	3.48%	3,215	3.52%	3,583	111.45%
Financial expenses	1,622	0.83%	259	0.28%	1,363	526.25%
Amortization of property, plant and equipment	858	0.44%	215	0.24%	643	299.07%
Amortization of intangible assets	1,634	0.84%	744	0.82%	890	119.62%
	4,114	2.11%	1,218	1.34%	2,896	237.77%
Earnings before non-controlling interest	2,684	1.37%	1,997	2.18%	687	34.40%
Non-controlling interest	948	0.48%	935	1.02%	13	1,39%
Net earnings	1,736	0.89%	1,062	1.16%	674	63.47%
Basic and diluted net earnings per unit	0.18 $		0.18 $			

	2007-09-08 (251 days)		2006-09-08 (251 days)		Variance	
	$		$		$	%
Net sales	558,365	100.00%	263,279	100.00%	295,086	112.08%
Earnings before financial expenses and amortization	17,772	3.18%	8,262	3.14%	9,510	115.11%
Financial expenses	4,712	0.84%	574	0.22%	4,138	720.91%
Amortization of property, plant and equipment	2,301	0.41%	636	0.24%	1,665	261.79%
Amortization of intangible assets	4,814	0.86%	2,232	0.85%	2,582	115.68%
	11,827	2.11%	3,442	1.31%	8,385	243,.1%
Earnings before non-controlling interest	5,945	1.07%	4,820	1.83%	1,125	23.34%
Non-controlling interest	2,140	0.38%	2,266	0.86%	(126)	-5.56%
Net earnings	3,805	0.69%	2,554	0.97%	1,251	48.98%
Basic and diluted net earnings per unit	0.39 $		0.44 $			

Net Sales

Net sales consist of:

For the Boucherville Division: Gross sales to customers from the Boucherville warehouse and direct sales to affiliated wholesalers, less rebates of about 3% of the affiliated wholesalers' sales, as provided in the agreement between Colabor LP and the affiliated-wholesalers.

For the Summit division: Gross sales to customers from the London, Mississauga and Ottawa warehouses less rebates, as provided in individual agreements with these customers.

Sales
(in thousands of dollars)

	2007-09-08 (84 days)		2006-09-08 (84 days)		Variance	
	$	%	$	%	$	%
Boucherville Division						
Retail	29,841	15.3%	27,051	29.6%	2,790	10.3%
Foodservice	69,157	35.4%	64,234	70.4%	4,923	7.7%
	98,998	50.7%	91,285	100.0%	7,713	8.4%
Summit Division						
Foodservice	96,490	49.3%			96,490	S/O
	195,488	100.0%	91,285	100.0%	104,203	114.2%

	2007-09-08 (251 days)		2006-09-08 (251 days)		Variance	
	$	%	$	%	$	%
Boucherville Division						
Retail	81,943	14.7%	79,984	30.4%	1,959	2.4%
Foodservice	196,733	35.2%	183,295	69.6%	13,438	7.3%
	278,676	49.9%	263,279	100.0%	15,397	5.8%
Summit Division						
Foodservice	279,689	50.1%			279,689	S/O
	558,365	100.0%	263,279	100.0%	295,086	112.1%

Boucherville Division

Retail

The growth in sales of the retail division is primarily attributable to the recruitment of two new customers by one of the affiliated wholesalers during the third quarter, which will contribute to improving this sector during the fourth quarter as well.

Foodservice

Organic growth in the affiliated wholesalers' foodservice sales continues to outpace industry levels.
The 7.7% increase in salesfor the quarter and 7.3% for the 251-day period ended September 8, 2007, compared with previous periods is more than 3% higher than the 4.1% (including inflation) growth over 2006 anticipated by the Canadian Restaurant and Foodservices Association.

Summit Division

The acquisition of Summit has made it possible to double the Fund's sales and is consistent with management expectations.

Earnings Before Financial Expenses and Amortization (EBITDA)

Although the growth in EBITDA for the quarter was slightly lower than the improvement in sales, it is nevertheless 115% higher than the 112% increase in sales for the 251-day period ended September 8 compared with 2006.

Synergies

As mentioned in the December 21, 2006 short form prospectus, the Fund's management expects that synergies from the acquisition of Summit will be about $2.2 million. These synergies will primarily result of streamlining and negotiating new supply agreements with suppliers and combining certain programs, such as property insurance, group insurance and others.

At this time, most agreements have been negotiated with suppliers and results reflect a portion of the negotiated synergies. The Company is confident it will achieve the targeted synergies during its fiscal year. Synergies will primarily be realized at the end of September for the Boucherville Division as a result of purchases at the Colabor Exhibition and for the Summit Division as a result of purchases at the Sell-A-Rama.

Amortization of Intangible Assets

This item increased as a result of the amortization, over 10- and 15-year periods, of customer relationships following the Summit acquisition.

Cash

Consolidated cash flows

(unaudited and in thousands of dollars)	2007-09-08 (84 days)	2006-09-08 (84 days)	2007-09-08 (251 days)	2006-09-08 (251 days)
	$	$	$	$
OPERATING ACTIVITIES				
Net earnings	1,736	1,062	3,805	2,554
Non-cash items				
Amortization of property, plant and equipment	858	215	2,301	636
Amortization of intangible assets	1,634	744	4,814	2,232
Non-controlling interest	948	935	2,140	2,266
Compensation cost from long-term incentive plan	53	34	144	81
Accretion of difference between effective and nominal debenture rate	194		573	
	5,423	2,990	13,777	7,769
Changes in operating assets and liabilities				
Accounts receivable	12,282	2,929	516	(5,145)
Withholding taxes recoverable	(50)		(297)	
Inventory	1,053	2,763	6,193	(1,453)
Prepaid expenses	389	480	(166)	(15)
Deferred financing expenses	19		37	
Accounts payable and accrued liabilities	(591)	(2,051)	5,854	7,291
Rebates payable	(7,666)	(1,203)	(3,985)	2,786
Deferred revenue	321	657	526	1,304
	5,757	3,575	8,678	4,768
Cash flows from operating activities	11,180	6,565	22,455	12,537
INVESTING ACTIVITIES				
Business acquisition			(109,048)	
Property, plant and equipment	(134)	(249)	(584)	(463)
Cash flows from investing activities	(134)	(249)	(109,632)	(463)
FINANCING ACTIVITIES				
Bank loans	(8,658)	1,683	26,919	1,801
Distributions paid to unitholders	(1,775)	(1,011)	(6,715)	(3,970)
Distributions paid on exchangeable Colabor LP units	(913)	(987)	(3,651)	(3,594)
Repayment of notes payable		(6,087)		(6,195)
Repayment of long-term debt	(78)	(78)	(312)	(312)
Repayment of security deposits				(468)
Purchase of units held by the Fund for long-term incentive plan		(301)	(238)	(448)
Issue of debentures			47,186	
Issue of trust units			24,171	
Cash flows from financing activities	(11,424)	(6,781)	87,360	(13,186)
Net change in cash	(378)	(465)	183	(1,112)
Bank overdraft, beginning of period	(2,776)	(899)	(3,337)	(252)
Bank overdraft, end of period	(3,154)	(1,364)	(3,154)	(1,364)

Credit Facilities

The Company has entered into a three-year agreement with a banking syndicate for operating credit facilities for an authorized amount of $70 million secured by a first ranking hypothec on the Company's assets.

Under the terms of the credit agreement, the Fund is required to maintain (i) a prescribed ratio of total debt (excluding the debentures) to EBITDA less than 2.50:1.00 and (ii) a prescribed ratio of EBITDA to interest expenses greater than 4.00:1.00.
Based on the banking syndicate's method of calculation, the debt/EBITDA ratio is 1.14:1and the interest coverage ratio is 4.97 times.

During the quarter, the operating credit was reduced by $8.7 million to $30.5 million.

Distributions

In management's opinion, cash flows from operating activities and the funds from operating credits are sufficient to support planned acquisitions of property, plant and equipment, working capital requirements and monthly cash distributions of $0.0897 per unit and will comply with the banking syndicate's ratio requirements.

Standardized Distributable Cash

Information about standardized distributable cash has been prepared, in all material respects, in accordance with *National Policy 41-201 – Income Trusts and Other Indirect Offerings* published by the Canadian Securities Administrator in July 2007 and in accordance with the guidelines on disclosures in management's discussion and analysis in *Standardized Distributable Cash in Income Trusts and Other Flow-through Entities*, also released in July 2007 by the Canadian Institute of Chartered Accountants.

Standardized distributable cash is a non-GAAP measure and is a general indication of net cash from operations, which the enterprise may distribute to unitholders, at its discretion.

Colabor's business is subject to normal industry seasonal fluctuations due to weather conditions and holiday periods. Sales are generally lower at the beginning of the year due to lower consumer spending following the Christmas holiday season. They then increase gradually during the spring and summer months as sales of food consumed away from home increase and reach their peak in the last four months of the fiscal year.

The Fund declares monthly distributions to unitholders of record on the last day of each month and pays the distributions on or around the 15th of the following month. The annual distribution per unit is $1.076.

The following table shows the changes in standardized distributable cash and distributed distributions for the third quarter of 2007 and the cumulative results for the 251-day period ended September 8, compared with the same periods in 2006. It also provides information since the creation of the Fund, that is, as at June 28, 2005.

Standardized Distributable Cash

(unaudited and in thousands of dollars)

	2007-09-08 (84 days)	2006-09-08 (84 days)	2007-09-08 (251 days)	2006-09-08 (251 days)	Since the creation of the Fund (2005-06-28)
	$	$	$	$	$
Cash flows from operating activities	11,180	6,565	22,455	12,537	64,171
Acquisition of property, plant and equipment (1)	(134)	(249)	(584)	(463)	(1,650)
Standardized distributable cash	**11,046**	**6,316**	**21,871**	**12,074**	**62,521**
(1) Acquisition of property, plant and equipment:					
Maintenance assets (recurring)	134	7	477	168	768
Distribution software (non-recurring)		242	107	295	882
	134	249	584	463	1,650
Distributions paid on units	1,775	1,011	6,715	3,970	15,271
Distributions paid on exchangeable Colabor LP units	913	987	3,651	3,594	11,284
Distributed cash	**2,688**	**1,998**	**10,366**	**7,564**	**26,555**
Weighted average number of units					
Units	9,895,793	5,775,000	9,714,557	5,775,000	6,998,884
Exchangeable Colabor LP units	5,087,439	5,087,439	5,087,439	5,087,439	5,087,439
	14,983,232	10,862,439	14,801,996	10,862,439	12,086,323
Standardized distributable cash per unit	**$0.74**	**$0.58**	**$1.48**	**$1.11**	**$5.17**
Cash distributed per unit	**$0.18**	**$0.18**	**$0.70**	**$0.70**	**$2.20**
Ratio of distributed cash to standardized distributable cash	**24.3%**	**31.6%**	**47.4%**	**62.6%**	**42.5%**

Summary of Past Quarters

('000)	2007-09-08 (84 days)	2007-06-16 (84 days)	2007-03-24 (83 days)	2006-12-31 (114 days)	2006-09-08 (84 days)	2006-06-16 (84 days)	2006-03-24 (83 days)	2005-12-31 (113 days)
	$	$	$	$	$	$	$	$
Net sales	195,488	200,210	162,667	137,119	91,285	98,531	73,463	135,946
EBITDA	6,798	6,327	4,647	5,799	3,215	3,323	1,724	5,906
Net earnings	1,736	1,523	546	2,257	1,062	1,165	327	2,270
Basic and diluted net earnings per unit	$0.18	$0.15	$0.06	$0.39	$0.18	$0.20	$0.06	$0.39

Related Party Transactions

Following the initial public offering, on June 28, 2005, the Fund had indirectly acquired a 53.2% interest in Colabor LP, with the remaining 46.8% interest in Colabor LP being held by the Vendor (“Colabor Investments Inc.”) as exchangeable Colabor LP units.
Subsequent to the Summit acquisition, the Vendor now holds an undiluted 34% interest and a diluted 24.7% interest in Colabor LP, which enables it to exercise significant influence over the Fund.

Related party transactions include the following:

- Sales to customers controlled by trustees of the Fund, which are on the same terms and conditions as sales to other customers of the Fund;

- Rebates to affiliated and preferred wholesalers of the Vendor at the rate of 3% of their sales, as provided in the agreement in effect until 2015;

- Until 2022, the Fund leases the building in which its head office and the Boucherville distribution centre are located;

- Under an agreement expiring in 2015, the Fund pays fees to a subsidiary of the Vendor for IT services.

All of these transactions were concluded in the normal course of business and are measured at the exchange amount.

The following table presents amounts per category and period.

Related Party Transactions

(in thousands of dollars)	2007-09-08 (84 days)	2006-09-08 (84 days)	2007-09-08 (251 days)	2006-09-08 (251 days)
	$	$	$	$
Net sales to customers controlled by trustees	3,966	10,068	17,041	27,614
Rebates	2,874	2,632	8,102	7,625
Rent	468	468	1404	1404
IT services	104	95	401	342

Off-balance Sheet Transactions

The Fund does not have any off-balance sheet transaction obligations.

Risks and Uncertainties

Industry-related risks that could impact profitability and that are beyond management's control:

- *Dependence on affiliated-wholesalers*

  Sales generated by affiliated-wholesalers account for a significant portion of the Fund's sales. The loss of a significant number of these wholesalers could have a negative impact on Colabor's earnings.
  This risk has been mitigated by the execution of agreements to amend the affiliate agreements to provide for an initial ten-year period, renewal provisions for two additional terms of five years and also provide for the granting of a right of first refusal by the affiliated-wholesalers to Colabor LP on their businesses. However, there is no assurance that Colabor LP will be able to finance the exercise of such right of first refusal. Moreover, incentives are built in the contractual relationships existing between the affiliated-wholesalers, Colabor LP and the Vendor to encourage the affiliated-wholesalers to increase their purchases from Colabor.

- *Absence of long-term agreements between affiliated-wholesalers and their customers*

  In accordance with general industry practice, the affiliated-wholesalers do not normally enter into long-term agreements with their customers. As a result, customers may, without notice or penalty, terminate their relationship with the affiliated-wholesalers. In addition, even if customers should decide to continue their relationship with the affiliated-wholesalers, there is no guarantee they will purchase the same volume of products as in the past or that they will pay the same price for those products as they have in the past. Any loss of customers by the affiliated-wholesalers, or decrease in the volume purchased or the price paid by them for products, could affect the Fund's sales and have an adverse effect on its financial condition and results of operations as well as on the amount of cash available for distribution to unitholders. In the past, affiliated-wholesalers, relying on their knowledge of their respective markets, have been able to differentiate themselves from their competitors by providing personalized services to their customers, in particular flexible delivery schedules and a product line tailored to their customers' needs. In management's view, there will be no change in this regard in the future.

- *Customer choices*

  Colabor's success also depends on the continuing interests of customers in its products. A change in customer choices could affect demand for Colabor's products.

- *Dependence on Cara*

  Subsequent to the Summit acquisition, sales to Cara (including franchisees of Cara) represented a significant portion of the Fund's sales. The loss of Cara as customer, a decrease in purchase by Cara or a decrease in Cara's market share in the foodservice industry could have a material and adverse effect on the Fund's financial condition,

business, results of operations and liquidity. This risk has been mitigated by the execution of a ten-year distribution agreement, with a five-year renewal option.

Tax position

On October 31, 2006, the Minister of Finance of Canada announced a proposal to apply a tax at the trust level on distributions of certain income from publicly traded mutual fund trusts at rates of tax comparable to the combined federal and provincial corporate tax and to treat such distributions as dividends to the unitholders. The documents released as part of this announcement provided that existing trusts would have a four-year transition period and would not be subject to the new rules until 2011. However, these documents also provide that the application date of 2011 is subject to the possible need to foreclose inappropriate new avoidance techniques. As an example, the proposals provided that, while there is now no intention to prevent existing income trusts from normal growth prior to 2011, any undue expansion of an existing income trust such as might be attempted through the insertion of a disproportionately large amount of additional capital could cause this to be revisited.

After the close of markets on December 15, 2006, i.e. after the underwriting agreement was signed and the preliminary prospectus was filed to arrange a portion of the financing required for the Summit asset acquisition, the Department of Finance issued a press release that provided guidance on what the Department means by "normal growth". The Department indicated that it will not recommend that an income trust will not lose the benefit of the tax deferral to 2011 if the aggregate amount of new equity (including units and debt that is convertible into units) issued by it before 2008 does not exceed $50 million. The Department also provided other safe harbours limiting the issuance of new equity on an annual basis to a percentage of a trust's market capitalization as of October 31, 2006.

Draft legislation was tabled on December 21, 2006 which did not provide for any "normal growth" requirement. The March 19, 2007 budget confirmed the federal government's intention of implementing the measures announced on October 31, 2006 and, finally, Bill 52 was tabled on March 29, 2007 and includes amendments to the Income Tax Act with respect to the taxation of income trusts, including the requirement that income trusts comply with the guidance in the December 15, 2006 press release. Parliament ratified Bill 52 on June 22, 2007.

The Fund's public offering of trust units and convertible debentures, concurrently with the Summit acquisition exceeds both the $50 million threshold and the safe harbours based on market capitalization. However, the Fund's management believes that the Summit acquisition was sufficiently advanced that the financing arrangement preceded the Department's guidance and that the type of financing to acquire the Summit assets could have been modified had the Fund been aware of the Department's guidance at the time of signing the underwriting agreement with the underwriters. The Fund has initiated steps with the Department of Finance to clarify Colabor's situation. When it prepared the 2007 third-quarter financial statements, the Fund's management decided to wait for the Department of Finance's interpretation before considering whether the Fund is taxable and will keep unitholders apprised of any developments in this matter.

If the Fund is considered taxable, the Fund's management intends to maintain its current distribution policy, which represents an annual distribution to unitholders of $1.076 per unit

because, in the opinion of the Fund's management, the Fund's activities will make it possible to increase distributable cash available for distributions per unit during the first full year of operation following the Summit acquisition, both on an undiluted and fully diluted basis.

Return on Investment

A return on an investment in Colabor Income Fund is not comparable to the return on an investment in a fixed-income security. The return is based on many assumptions. Although the Fund intends to continue distributing its available cash to Unitholders, distributions may be reduced or suspended. The distributed amount depends on numerous factors, in particular, the inherent industry risks described above. Additionally, the market value of the units could drop significantly if the Fund is unable to respect its cash distribution objectives, in particular, non-compliance with the financial ratio requirements under the credit agreement described under the *Cash* section.

Significant Accounting Estimates

Some of the amounts in the financial statements are based on estimates made by management using its knowledge of current or anticipated events. Significant estimates relate exclusively to the allowance for excess or obsolete inventory, accounting for rebates from suppliers, goodwill and intangible assets.

- *Allowance for excess or obsolete inventory*

  Inventory is valued at the lower of net realizable value or cost calculated using the first-in first-out method. The Fund records an allowance for obsolescence that is calculated on the basis of assumptions relating to future demand for its products and conditions in the markets in which its products are sold. The allowance, which reduces inventory to the net realizable value, is then applied against inventory in the balance sheet. Management has to make estimates and exercise judgement when determining these allowances. If actual market conditions are less favourable than management's assumptions, additional allowances may be required.

- *Accounting for rebates from suppliers*

  Colabor negotiates procurement contracts with its suppliers providing for the payment of rebates based on volumes purchased. The procurement contracts with suppliers are reviewed periodically and rebates adjusted according to prevailing market conditions.

- *Goodwill and intangible assets*

  Goodwill is the excess of the cost of an acquired enterprise over the net of the amounts assigned to assets acquired and liabilities assumed. Goodwill is not amortized. Each year, or more often if events or changes in circumstances indicate a decrease in fair value, it is tested for impairment. The impairment test involves comparing the fair value of the Fund's business with its carrying amount. If the carrying amount of the business exceeds its fair value, the Fund compares the fair value of any goodwill relating to the business to

its carrying amount. An impairment loss equal to the amount of the excess is charged to earnings. The fair value of the business is calculated using discounted cash flows.

Intangible assets include customer relationships and trademarks. Customer relationships are amortized on the straight-line basis over their estimated useful lives of 20 years for relationships with affiliated wholesalers and of 15 years for customer relationships with Cara. Trademarks are not amortized.

Controls and Procedures for Financial Information

To ensure that the consolidated financial statements and the MD&A present fairly, in all material respects, the financial position of the Fund and its operating results, it is the responsibility of management to establish and maintain controls and reporting procedures, and internal control of financial information. The Canadian Securities Administrators' adoption of regulations for reinforcing investors' confidence, in particular Multilateral Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, led the Fund to review its processes for filing these documents in 2005.

A policy on the disclosure of information provides a framework for the disclosure of information process presented in the annual and interim documents, and the other reports filed or sent in accordance with securities legislation. The policy identifies important information and validates related reporting. The disclosure committee ensures compliance with this policy. The committee members reviewed the main documents filed with regulatory organizations to ensure that significant information relating to all transactions is reported on a timely basis.

During the 2006 fiscal year, management documented and evaluated the design of internal controls to provide reasonable assurance that the financial information is reliable and that the financial statements were established, for external reporting purposes, in accordance with Canadian generally accepted accounting principles. This work enabled the President and CEO and the Vice-president and CFO to attest to the efficiency of the design of internal control with respect to financial information.

The President and CEO and the Vice-president and CFO of the Fund also concluded that the controls and reporting procedures, as at September 8, 2007, were adequate to provide reasonable assurance as to the completeness and reliability of the financial information to be disclosed. During the quarter ended September 8, 2007, no change in internal control over financial information had a significant impact or is likely to have a significant impact on internal control over financial information.

Outlook

Following the acquisition of Summit, the Fund's management is consolidating its role in food distribution services in Canada for future years.

Firstly, Colabor will continue to benefit from its loyal and entrepreneurial affiliated-wholesalers

network in Quebec and the Atlantic provinces, its customer-driven distribution network, recent investments in information technology and low operating costs.

Secondly, the acquisition of Summit helps to:

- Create a major player in the foodservices industry that has a foothold in Ontario, one of the most important foodservices markets in Canada;

- Significantly increase its purchasing power and ability to generate cost savings;

- Increase its distributable cash per unit through the growth of its operating revenue.

Additional Information

Additional information on Colabor Income Fund may be found on SEDAR at www.sedar.com and on its information site www.colaborincomefund.com.