Interim Consolidated Financial Statements
As at September 7, 2013 and September 8, 2012
(3rd quarter)

(Unaudited)

Consolidated Financial Statements

The interim consolidated financial statements were not reviewed by the Company's auditor.

Colabor Group Inc.
Consolidated Statements of Earnings

(unaudited, in thousands of Canadian dollars, except data per share)

	Notes	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
		$	$	$	$
Sales of goods	5	343,584	350,341	982,981	1,002,568
Operating expenses excluding costs not relating to current operations, depreciation and amortization		333,356	339,319	960,716	975,439
Operating earnings before costs not relating to current operations, depreciation and amortization		10,228	11,022	22,265	27,129
Costs not relating to current operations	6	8,123	1,102	8,370	1,355
Depreciation of property, plant and equipment		1,142	935	3,257	2,883
Amortization of intangible assets		3,306	3,324	9,820	9,924
		12,571	5,361	21,447	14,162
Operating earnings		(2,343)	5,661	818	12,967
Finance costs	7	2,843	2,151	7,312	6,567
Earnings before tax		(5,186)	3,510	(6,494)	6,400
Income taxes					
Current		–	–	–	–
Deferred		(1,303)	463	(1,643)	1,186
		(1,303)	463	(1,643)	1,186
Earnings		(3,883)	3,047	(4,851)	5,214
After-tax cash flows per share	8	$ 0.26	$ 0.33	$ 0.42	$ 0.81
Basic and diluted earnings per share	8	$ (0.14)	$ 0.13	$ (0.19)	$ 0.23

The accompanying notes are an integral part of the interim consolidated financial statements.

Colabor Group Inc.
Consolidated Statements of Comprehensive Income

(unaudited, in thousands of Canadian dollars)

	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Earnings	(3,883)	3,047	(4,851)	5,214
Other comprehensive income that will be subsequently reclassified in earnings				
Available-for-sale financial asset				
Gain (loss) for the period	399	368	(5,101)	(1,120)
Reclassification in earnings			2,342	
Cash flow hedges – gain (loss) for the period	337	482	441	639
Taxes on other comprehensive income that will be subsequently reclassified in earnings	(139)	(171)	245	(20)
	597	679	(2,073)	(501)
Other comprehensive income that will not be reclassified in earnings				
Re-measurement of pension obligation	280	(725)	1,025	(935)
Taxes on other comprehensive income that will not be reclassified in earnings	(73)	188	(267)	243
	207	(537)	758	(692)
Total other comprehensive income	804	142	(1,315)	(1,193)
Total comprehensive income	(3,079)	3,189	(6,166)	4,021

The accompanying notes are an integral part of the interim consolidated financial statements.

Colabor Group Inc.
Consolidated Statements of Changes in Equity

(unaudited, in thousands of Canadian dollars)

	Share capital	Convertible debenture conversion options	Contributed surplus	Shares held under stock-based compensation plans	Available-for-sale financial asset	Cash flow hedge	Deficit	Total equity
	$	$	$	$	$	$	$	$
Balance as at January 1, 2013	**179,652**	**1,742**	**1,136**	**(381)**	**(1,003)**	**(50)**	**(21,639)**	**159,457**
Earnings							(4,851)	(4,851)
Other comprehensive income								
Loss on available-for-sale financial asset					(5,101)			(5,101)
Reclassification in earnings					2,342			2,342
Gain on cash flow hedges						441		441
Re-measurement of pension obligation							1,025	1,025
Taxes on other comprehensive income					359	(114)	(267)	(22)
Total comprehensive income	–	–	–	–	(2,400)	327	(4,093)	(6,166)
Declared dividend							(6,501)	(6,501)
Issuance of shares (Note 3)	28,982							28,982
Stock-based compensation plan expenses			71					71
Transactions with owners	28,982	–	71	–	–	–	(6,501)	22,552
Balance as at September 7, 2013	**208,634**	**1,742**	**1,207**	**(381)**	**(3,403)**	**277**	**(32,233)**	**175,843**
Balance as at January 1, 2012	**179,652**	**1,742**	**1,206**	**(622)**	**1,154**	**(457)**	**(7,403)**	**175,272**
Earnings							5,214	5,214
Other comprehensive income								
Loss on available-for-sale financial asset					(1,120)			(1,120)
Gain on cash flow hedges						639		639
Re-measurement of pension obligation							(935)	(935)
Taxes on other comprehensive income					145	(165)	243	223
Total comprehensive income	–	–	–	–	(975)	474	4,522	4,021
Declared dividend							(8,322)	(8,322)
Stock-based compensation plan expenses			36					36
Shares released for stock-based compensation plans			(241)	241				
Transactions with owners	–	–	(205)	241	–	–	(8,322)	(8,286)
Balance as at September 8, 2012	**179,652**	**1,742**	**1,001**	**(381)**	**179**	**17**	**(11,203)**	**171,007**

The accompanying notes are an integral part of the interim consolidated financial statements.

Colabor Group Inc.
Consolidated Statements of Cash Flows
(unaudited, in thousands of Canadian dollars)

	Notes	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
		$	$	$	$
Operating activities					
Earnings before income taxes		(5,186)	3,510	(6,494)	6,400
Fixed assets write-off following an internal restructuring of operations					253
Depreciation of property, plant and equipment		1,142	935	3,257	2,883
Amortization of intangible assets		3,306	3,324	9,820	9,924
Changes in provisions	10	6,698		6,698	
Finance costs		2,843	2,151	7,312	6,567
Stock-based compensation plan expenses		45	29	71	36
		8,848	9,949	20,664	26,063
Income tax withholdings		269	1,225	105	(785)
Net changes in working capital	9	(10,847)	(9,164)	(26,428)	(16,014)
Cash flows from operating activities		(1,730)	2,010	(5,659)	9,264
Investing activities					
Business acquisitions, net of cash acquired	3			(10,000)	(6,069)
Dividends received from Colabor Investments Inc.				2,342	
Purchase of property, plant and equipment		(99)	(1,049)	(4,167)	(2,176)
Purchase of intangible assets			(416)	(137)	(463)
Cash flows from investing activities		(99)	(1,465)	(11,962)	(8,708)
Financing activities					
Bank borrowings		10,695	9,252	8,010	21,882
Issuance of shares	3			28,627	
Dividends paid		(1,625)	(4,161)	(10,662)	(14,542)
Refund of advance received on dividends to be declared by Colabor Investments Inc.				(1,722)	
Payment of balances of purchase price		(949)	(1,250)	(1,353)	(1,337)
Finance costs paid	7	(2,585)	(1,949)	(6,682)	(6,141)
Cash flows from financing activities		5,536	1,892	16,218	(138)
Net change in bank overdraft		3,707	2,437	(1,403)	418
Bank overdraft, beginning of period		(11,104)	(12,170)	(5,994)	(10,151)
Bank overdraft, end of period		(7,397)	(9,733)	(7,397)	(9,733)

The accompanying notes are an integral part of the interim consolidated financial statements.

Colabor Group Inc.
Consolidated Statements of Financial Position
(unaudited, in thousands of Canadian dollars)

	2013-09-07	2012-12-31
	$	$
ASSETS		
Current		
Trade and other receivables	113,878	113,495
Recoverable tax assets	2,695	2,800
Inventory	81,515	85,167
Prepaid expenses	3,335	3,143
Current assets	201,423	204,605
Non-current		
Equity investment in Colabor Investments Inc.	4,831	9,932
Derivative financial instrument	374	
Property, plant and equipment	17,911	15,930
Intangible assets	134,306	142,358
Goodwill	115,065	115,065
Non-current assets	272,487	283,285
Total assets	473,910	487,890
LIABILITIES AND EQUITY		
LIABILITIES		
Current		
Bank overdraft	7,397	5,994
Trade and other payables	96,862	134,670
Dividends payable		4,161
Rebates payable	7,733	11,738
Balances of purchase price payable	12,316	10,735
Deferred revenue	1,352	477
Provisions	1,359	
Current liabilities	127,019	167,775
Non-current		
Bank borrowings	96,141	88,008
Derivative financial instrument		67
Balances of purchase price payable		404
Long-term debt	14,714	14,665
Convertible debentures	47,161	46,703
Pension obligation	1,176	2,399
Provisions	5,339	
Deferred income tax liabilities	6,517	8,412
Non-current liabilities	171,048	160,658
Total liabilities	298,067	328,433
EQUITY		
Share capital	208,634	179,652
Deficit	(32,233)	(21,639)
Other components of equity	(558)	1,444
Total equity	175,843	159,457
Total liabilities and equity	473,910	487,890

The accompanying notes are an integral part of the interim consolidated financial statements.

The Board of Directors approved and authorized the publication of the interim consolidated financial statements on October 10, 2013.

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

1. *NATURE OF OPERATIONS*

Colabor Group Inc. (hereafter the "Group") and its wholly-owned subsidiaries (hereafter, collectively the "Company") distribute and market food and food-related products in Canada.

Sales of goods and operating profits are proportionately at their lowest in the first quarter and at their highest in the fourth quarter. Additionally, the fourth quarter has 33% more operating days than other quarters. However, costs incurred are distributed more evenly than sales throughout the year given the Company's fixed cost structure. The Company's operating margins generally increase as the year progresses. Accordingly, it would be more meaningful to compare earnings for an entire year or with the prior year's corresponding quarter than to compare two consecutive quarters.

Colabor Group Inc., the group's ultimate parent company, is incorporated under the Canada Business Corporations Act. It is a Canadian company headquartered at 1620 De Montarville Boulevard, Boucherville, Quebec, J4B 8P4. The shares and convertible debentures of Colabor Group Inc. are listed on the Toronto Stock Exchange (TSX: GCL and TSX: GCL.DB.A).

2. *GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS*

These interim consolidated financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS") and prepared in accordance with IAS 34, *Interim Financial Reporting*, taking into account the accounting policies that the Company adopted for its financial statements for the year ended December 31, 2012. The accounting policies have been similarly applied throughout all periods presented in the financial statements.

3. *ISSUANCE OF SHARES AND BUSINESS COMBINATION*

Acquisition of T. Lauzon Ltd. Assets

On March 4, 2013, the Company acquired substantially all of the assets of T. Lauzon Ltd. (hereafter "Lauzon"), a company operating in the Distribution and Wholesale Segments primarily in Quebec. The results of operation are included in the consolidated statement of earnings since the acquisition date. The acquisition of Lauzon reflects Colabor's strategic objective to broaden its product offering.

The preliminary purchase price allocation is determined as follows:

	Value recognized on the acquisition date
	$
Trade and other receivables	4,122
Inventory	8,271
Prepaid expenses	38
Property, plant and equipment	1,071
Intangible assets	1,631
Trade and other payables	(2,522)
Deferred income tax liabilities	(81)
Acquisition cost and fair value of consideration transferred	12,530
Portion paid in balances of purchase price	(2,530)
Net cash flows on acquisition and fair value of portion transferred to cash	10,000

3. *ISSUANCE OF SHARES AND BUSINESS COMBINATION (continued)*

The purchase price allocation is still preliminary because some items used in the purchase price determination have to be determined and management is currently concluding its evaluation of the assets acquired and liabilities assumed.

Business acquisition-related costs amounting to $247,000 are not included as part of acquisition cost and have been recognized as costs not relating to current operations in the consolidated statements of earnings.

Lauzon has contributed a total of $52,592,000 to the Company's sale of goods and $175,000 to operating earnings before depreciation and amortization for the period between the acquisition date and the end of the quarter.

Trade and other receivables

The contractual amount of trade and other receivables amounts to $4,122,000 at the acquisition date. Based on the best estimate of contractual cash flows, all amounts are expected be recovered.

Issuance of shares

To finance the acquisition of Lauzon, the Company issued 3,974,000 common shares at $7.55 a share for a total of $30,004,000. The $176,000 in share issue costs and $1,201,000 in underwriters' compensation are applied against the shares issued while a $355,000 deferred income tax asset was recognized as an increase in the shares issued.

4. *CHANGES TO ACCOUNTING POLICIES*

Consolidation standards

A series of consolidation standards apply to fiscal periods beginning on or after January 1, 2013. Information on these new standards is presented below. There has been no material impact on the Company's consolidated financial statements.

IFRS 10 *Consolidated Financial Statements*

IFRS 10 replaces IAS 27 Consolidated and Separate Financial Statements, and SIC-12 Consolidation – Special Purpose Entities. It modifies the definition of control and the related guidance to identify an interest in a subsidiary. However, consolidation requirements and mechanisms and the recognition of a non-controlling interest and any change in control remain unchanged.

IFRS 12 *Disclosure of Interests in Other Entities*

IFRS 12 incorporates and enhances the consistency of disclosure requirements for various interests, in particular, unconsolidated structured entities. It enhances the disclosure requirements regarding an entity's exposure to risk associated with its interest in a structured entity.

4. *CHANGES TO ACCOUNTING POLICIES (continued)*

Fair Value Measurement

IFRS 13 *Fair Value Measurement*

IFRS 13 does not impact items to be measured at fair value, it clarifies the definition of fair value, provides related guidance and requires enhanced disclosures on fair value measurements. There has been no material impact on the Company's consolidated financial statements.

Presentation of Financial Statements

Amendment to IAS 1 *Presentation of Financial Statements*

The changes to IAS 1 require an entity to present items in other comprehensive income that, based on other IFRS standards, (a) will not be reclassified subsequently to profit or loss and (b) might be reclassified to profit or loss if certain conditions are satisfied. This standard had an impact on the presentation of other comprehensive income, but had no impact on the measurement or recognition of these items

Employee Benefits

Amendments to IAS 19 *Employee Benefits*

The changes include a number of specific changes to the standard, the most significant of which are related to defined benefit plans. These changes:

– eliminate the corridor approach and require recognition of gains and losses arising in defined benefit plans in the period in which they occur;
– simplify the presentation of changes in the plan assets and liabilities; and
– improve disclosure requirements, in particular concerning the characteristics of defined benefit plans and the risks arising from those plans.

The major impacts of the application of this new standard will be a $2,057,000 and $989,000 increase in the pension obligation, a $514,000 and $247,000 decrease in deferred income tax liabilities and a $1,543,000 and $742,000 decrease in equity for balances as at December 31, 2012 and 2011 respectively.

5. *SEGMENT REPORTING*

The Company has two reportable segments: distribution to food service enterprises (Distribution Segment) and distribution to food distributors (Wholesale Segment). These operating segments are monitored and strategic decisions are made on the basis of segment operating results. Management does not take assets and liabilities into account in the analysis of the various segments.

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

5. *SEGMENT REPORTING (continued)*

Segment information can be analyzed as follows:

	2013-09-07 (84 days)		
	Distribution Segment	Wholesale Segment	Total
	$	$	$
Segment sales of goods	236,383	157,162	393,545
Segment operating expenses			
Cost of goods sold	205,630	147,332	352,962
Employee remuneration	16,103	2,511	18,614
Other expenses	8,962	2,260	11,222
	230,695	152,103	382,798
Segment earnings	5,688	5,059	10,747

	2012-09-08 (84 days)		
	Distribution Segment	Wholesale Segment	Total
	$	$	$
Segment sales of goods	253,065	151,570	404,635
Segment operating expenses			
Cost of goods sold	220,971	143,033	364,004
Employee remuneration	16,156	2,326	18,482
Other expenses	9,148	1,054	10,202
	246,275	146,413	392,688
Segment earnings	6,790	5,157	11,947

	2013-09-07 (250 days)		
	Distribution Segment	Wholesale Segment	Total
	$	$	$
Segment sales of goods	678,735	438,520	1,117,255
Segment operating expenses			
Cost of goods sold	592,839	410,977	1,003,816
Employee remuneration	47,963	7,457	55,420
Other expenses	27,939	5,158	33,097
	668,741	423,592	1,092,333
Segment earnings	9,994	14,928	24,922

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

5. *SEGMENT REPORTING (continued)*

	2012-09-08 (252 days)		
	Distribution Segment	Wholesale Segment	Total
	$	$	$
Segment sales of goods	726,666	421,600	1,148,266
Segment operating expenses			
Cost of goods sold	633,448	397,571	1,031,019
Employee remuneration	50,131	6,351	56,482
Other expenses	26,263	3,928	30,191
	709,842	407,850	1,117,692
Segment earnings	16,824	13,750	30,574

The following table presents a reconciliation of the Company's total operating segment earnings and key financial data as presented in its consolidated financial statements:

	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Sales of goods				
Total segment earnings	393,631	403,526	723,710	735,741
Elimination of intersegment earnings	(49,961)	(54,294)	(134,274)	(145,698)
Company sales of goods	343,670	349,232	589,436	590,043
Earnings				
Total segment earnings	10,747	11,947	24,922	30,574
Employee remuneration not allocated	(383)	(386)	(1,423)	(1,272)
Other expenses not allocated	(145)	(451)	(1,388)	(2,246)
Costs not relating to current operations	(8,123)	(1,102)	(8,370)	(1,355)
Depreciation of property, plant and equipment	(1,142)	(935)	(3,257)	(2,883)
Amortization of intangible assets	(3,306)	(3,324)	(9,820)	(9,924)
Elimination of intersegment earnings	9	(88)	154	73
Company operating earnings	(2,343)	5,661	818	12,967
Finance costs	(2,843)	(2,151)	(7,312)	(6,567)
Company earnings before taxes	(5,186)	3,510	(6,494)	6,400

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

6. *COSTS NOT RELATING TO CURRENT OPERATIONS*

	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Internal restructuring of operations			247	
Disbursed costs	1,029	2,757	1,029	2,757
Provisions (Note 10)	7,094		7,094	
Asset impairment				253
Gain realized following an arbitration ruling in connection with the acquisition of Norref		(1,655)		(1,655)
Dividends received from Colabor Investments Inc.			(2,342)	
Writedown in Colabor Investments Inc. investment			2,342	
	8,123	1,102	8,370	1,355

7. *FINANCE COSTS AND FINANCE COSTS PAID*

Credit facility renewal or amendment fees	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Finance costs	2,843	2,151	7,312	6,567
Non-cash portion of effective interest on long-term debt and debentures included in finance costs	(170)	(158)	(507)	(476)
Credit facility renewal or amendment fees	267		333	165
Amortization of prepaid finance costs included in finance costs	(355)	(44)	(456)	(115)
Finance costs paid	2,585	1,949	6,682	6,141

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

8. *DATA PER SHARE*

After-tax cash flows per share	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Cash flows from operating activities before income tax recovery (withholdings) and net changes in working capital	8,848	9,949	20,664	26,063
Costs not relating to current operations	1,029	1,102	1,276	1,355
Finance costs	(2,843)	(2,151)	(7,312)	(6,567)
Non-cash portion of the effective interest on long-term debt and debentures included in finance costs	170	158	507	476
Purchase of property, plant and equipment	(99)	(1,049)	(4,167)	(2,176)
Purchase of intangible assets		(416)	(137)	(463)
	7,105	7,593	10,831	18,688
Weighted average number of shares outstanding	27,062,315	23,088,315	26,076,763	23,075,153
After-tax cash flows per share	0.26 $	0.33 $	0.42 $	0.81 $
Current period portion of the annual dividend declared	0.06 $	0.17 $	0.30 $	0.50 $

The following table presents the basic and diluted earnings per share:

	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Earnings	(3,883)	3,047	(4,851)	5,214
Weighted average number of shares used to calculate basic and diluted earnings per share	27,062,315	23,088,315	26,076,763	23,075,153
Basic and diluted earnings per share	$ (0.14)	$ 0.13	$ (0.19)	$ 0.23

Shares that were hypothetically issued after the conversion of convertible debentures, the exercise of stock options and the release of shares in connection with different stock-based compensation plans were not included in the calculation of diluted net earnings per share because they had an antidilutive effect.

(Amounts in the tables are in thousands of Canadian dollars, except data per share.)

9. *NET CHANGES IN WORKING CAPITAL*

Net changes in working capital between the two year-ends taking into account the working capital items assumed on the business combinations and disposal of a wholly-owned subsidiary:

	2013-09-07 (84 days)	2012-09-08 (84 days)	2013-09-07 (250 days)	2012-09-08 (252 days)
	$	$	$	$
Trade and other receivables	5,500	(6,818)	3,739	(8,375)
Inventory	7,966	2,332	11,923	1,306
Prepaid expenses	1,413	365	(154)	(1,740)
Trade and other payables	(21,028)	(459)	(38,608)	(6,220)
Rebates payable	(5,785)	(5,705)	(4,005)	(2,162)
Deferred revenue	1,154	1,187	875	1,376
Pension obligation	(67)	(66)	(198)	(199)
	(10,847)	(9,164)	(26,428)	(16,014)

10. *PROVISIONS*

	2013-09-07 (84 days)	2013-09-07 (250 days)
	$	$
Provisions for onerous contracts taken during the period	7,094	7,094
Provisions used during the period	(396)	(396)
	6,698	6,698
Current	1,359	1,359
Non-current	5,339	5,339

Onerous contracts

Following an internal restructuring of operations in 2013, the Company recognized provisions for onerous contract using an average weighted discounting rate of 5% in respect of non-cancellable operating leases for the distribution centres whose operations were discontinued. The provisions were estimated on the basis of contractual obligations at the time they were taken and sub-leasing income assumptions using market data. The remaining term of the leases in question ranges from 7 to 10 years.