

# The SKOR Food Group Inc. Announces Sixth Consecutive Quarter of Operating Profit

April 27, 2004

TSX.V – SKF

**The Skor Food Group Inc.** ("Skor" or "Company"), a Toronto based food service distributor, announces Q2 results for the period ending February 29, 2004.

The Company reported revenues of \$8,870,233 for the quarter, a 9% decline from the same period last year. The Company posted a net profit of \$92,401, or \$0.007 per share, compared to a net profit of \$258,684, or \$0.019 per share, in the second fiscal quarter of 2003. The decline was due primarily to the absence this quarter of a one-time, large institutional contract in place in the prior year. In addition, the issuance of 800,000 options to directors based on the fair value method of stock based compensation (a non-cash item) further decreased quarterly earnings.

Sales totaled \$18.4 million for the first six months of fiscal 2004, a decrease of 10% as compared with \$20.5 million for the same period a year ago. Net income for the first two quarters of fiscal 2004 was \$212,945, or \$0.016 per share, compared to \$402,151, or \$0.03 per share, a year ago. A widespread general contraction in the hospitality industry (i.e. SARS) contributed to these lower figures.

"We continued to successfully execute our strategy of becoming a leading food service distributor in the Ontario food service industry," said Vince Capobianco, President & CEO of The Skor Food Group Inc. "Although several factors contributed to a decline in year over year quarterly results, we remain profitable, our core business contracts are expanding and we are encouraged by increasing demand for Skor's specialty food distribution services."

Subsequent to the quarter-end, Skor acquired Gorman Distributing, which will increase the Company's annualized revenue to a projected level of \$78 million in 2005. "Going forward, we anticipate that our business will improve and we expect to capture synergies which will positively impact our bottom line," continued Mr. Capobianco. "The addition of Gorman has broadened Skor's province wide distribution platform and will allow us to capitalize on future opportunities in the higher margin retail food service space."

## **Conference Call:**

You are invited to attend a conference call to discuss Skor's Q2 2004 financial results, Thursday, April 29th at 1:30 p.m. Eastern Standard Time.

The dial-in numbers are: (416) 913-8746 in Toronto, OR, Toll Free 1-800-814-4859

Callers should request the Skor Food Group Inc. conference call with the operator, chaired by Vince Capobianco, President and CEO of The Skor Food Group Inc.

*The Skor Food Group Inc. (formerly AMT Fine Foods Ltd.) –through its operating subsidiaries – Derry Foods Limited and Gorman Distributing is a full service wholesale food distribution company that distributes more than 5,500 private label and name brand, frozen goods, refrigerated products and dry goods from a 65,000 square foot warehouse located in Mississauga, Ontario and a 38,000 square foot warehouse in Newmarket, Ontario. Skor services a wide range of multi location food retailers, restaurants, day care facilities and government institutions throughout Ontario.*

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