

Attention Business/Financial Editors:
Skor Food Group Reports Record Quarterly Earnings

Q1 2006 Net Earnings Increase 25%

TORONTO, Jan. 26 /CNW/ - The Skor Food Group Inc. (TSX.V: SKF) ("Skor"), a rapidly growing, broad line food service distributor announced increased earnings for the three month period ended November 30, 2005. Earnings before relocation costs (\$122,065) and income taxes increased by 42% to \$853,252 while earnings after tax increased 25% to \$473,939.

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	Three months ended Nov. 30	
	2005	2004
Revenue	\$ 20,514,885	\$ 20,645,157
Earnings before tax and relocation costs	\$ 853,252	\$ 599,278
Net earnings	\$ 473,939	\$ 377,043
EPS (basic)	\$ 0.03	\$ 0.03
Shares (basic)	17,938,757	13,443,170

Skor enters the second quarter of fiscal 2006 in a strong financial position with working capital of \$5.9 million, unused operating lines of credit of \$3.5 million and a debt to equity ratio of 0.33:1.

"We are pleased with the quarterly results as stronger margins and well managed expense control resulted in improved profitability," said Vince Capobianco, President and CEO. "In the short term, we will continue to focus our efforts on consolidating and streamlining the operations at our new facility while completing the acquisition of the \$180 million wholesale food business announced earlier this week. We are well positioned to integrate new acquisitions with the warehouse infrastructure in place to support annual revenue of up to \$500 million. Upon the successful completion of the proposed acquisition, annualized revenue will increase to approximately \$260 million, providing a solid foundation to achieve our targeted revenue of \$500 million by 2012. Furthermore, we continue to actively identify and target suitable acquisitions in distribution, manufacturing and retail as we pursue our objective of becoming a full service, vertically integrated food company."

Conference Call: You are invited to attend a conference call on Friday January 27, 2006 at 2 pm Eastern Standard Time to review the Q1 2006 financials and receive a corporate update. The dial-in numbers are 416-644-3431 in Toronto, or Toll Free 1-800-814-4859. Callers should request the Skor Food Group Conference call. The Skor Food Group Inc. distributes more than 7,000 private label and name brand, frozen goods, refrigerated products and dry goods, from a 205,000ft² warehouse, to a wide range of multi location food retailers, Quick Service Restaurant chains (QSR), independent food service operators, day care facilities and government institutions throughout Ontario.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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CO: The Skor Food Group Inc.

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