

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

Q3 NET EARNINGS INCREASE 25%

TORONTO, July 28 /CNW/ - The Skor Food Group Inc. (TSX.V: SKF) ("Skor"), a rapidly growing, broad line food service distributor announced increases in revenue, earnings and profit margins for the three and nine month periods ended February 28, 2005. Third quarter, year over year, revenue increased 5.5% to \$20,701,165 and net earnings increased 25% to \$490,953. Nine month, year over year, revenue increased 55% to \$59,179,144 and net earnings increased 97.5% to \$1,193,629, a function of increased sales and improving gross profit margins.

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	Nine months ended May.31		Three months ended May.31	
	2005	2004	2005	2004
Revenue	\$ 59,179,144	\$ 38,093,486	\$ 20,701,165	\$ 19,623,126
Earnings before tax	\$ 1,876,671	\$ 947,217	\$ 747,906	\$ 570,867
Net Earnings	\$ 1,193,629	\$ 602,807	\$ 490,953	\$ 389,862
EPS (basic)	\$ 0.08	\$ 0.04	\$ 0.03	\$ 0.03

Skor entered the fourth quarter of fiscal 2005 in an increasingly strong financial position with working capital of \$5.9 million, unused operating lines of credit of \$3.5 million and an improving debt to equity ratio of 0.48:1.

"We are pleased with the quarterly results. For the next three months, we will be focused on consolidating the two existing warehouse facilities into a modern, conveniently located warehouse/head office facility. This plant consolidation will allow us to better serve our customers in a more efficient manner, which should translate into improved operating performance going forward," said Vince Capobianco, President. "Furthermore, we continue to actively identify and target suitable acquisitions in distribution, manufacturing and retail to pursue our objective of becoming a full service, vertically integrated food company."

The Skor Food Group Inc. distributes more than 7,000 private label and name brand, frozen goods, refrigerated products and dry goods, from two locations encompassing more than 100,000 ft(2), 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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