

**MTY FOOD GROUP INC.**  
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February 15, 2016

TSX Trading Symbol: "MTY"

**NEWS RELEASE**

**MTY REPORTS EARNINGS FOR ITS 2015 FISCAL PERIOD**

Montreal, February 15, 2016 - MTY Food Group Inc. MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick and casual service restaurants, reports today the results of its operations for the fourth quarter and fiscal year ended November 30, 2015.

Highlights of the fourth quarter and fiscal year:

- Revenues grew 26%, to \$145.2 million during the year.
- EBITDA reached \$50.7 million for the fiscal year and \$13.5 million for the fourth quarter, up 19% and 20% respectively over the same period last year.
- Net income was impacted adversely by a non-recurring impairment charge on the intangible assets related to two of the Company's brands, Extreme Pita and Croissant Plus.
- Despite the \$8.1 million in impairment charges, net income attributable to shareholders for the year progressed by 3%; on a normalized basis, net income attributable to shareholders grew by 18% for the year and by 27% during the fourth quarter
- Cash flows from operations excluding working capital items increased by 22% in 2015.
- Cash net of the line of credit was at \$27.1 million at year end, compared to -5.0 million at the end of 2014.
- System sales have exceeded the \$1 billion mark for the first time in MTY's history, reaching \$1.07 billion, an increase of 20% over 2014.
- Same store sales declined by 1.2% in the fourth quarter; for the year, same store sales decreased by 0.5%, with the impact of intense competition and weakness in Western Canada continuing to impact certain stores adversely.
- Location count at the end of the year was 2,738 outlets; during the year, 120 new restaurants opened, 149 were acquired and 258 were closed.

*(In thousands of \$, except per share information)*

	3-month period ended			12-month period ended		
	November 30, 2015	November 30, 2014*	Variance	November 30, 2015	November 30, 2014*	Variance
Revenues	39,481	29,939	32%	145,203	115,177	26%
Operating expenses	26,006	18,670	39%	94,521	72,518	30%
EBITDA	13,475	11,269	20%	50,682	42,659	19%
Impairment charge (reversal)	7,893	2,356	n/a	8,093	2,356	n/a
Income before taxes	4,146	7,255	-43%	35,903	34,308	5%
Net income attributable to shareholders	3,119	5,299	-41%	26,015	25,204	3%

Normalized net income attributable to shareholders	8,889	7,021	27%	31,931	26,926	19%
Basic and diluted EPS	0.16	0.28		1.36	1.32	
Impact of impairment charge, on a per share basis (net of taxes)	0.30	0.09		0.30	0.09	
Normalized EPS	0.46	0.37		1.66	1.41	

\* 2014 results were restated. See consolidated financial statements for more information.

Note: These are financial highlights only. Management's Discussion and Analysis, the consolidated financial statements and notes thereto for the year ended November 30, 2015 will be available on the SEDAR website at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.mtygroup.com](http://www.mtygroup.com).

Certain information in this News Release may constitute "forward-looking" information that involves known and unknown risks, uncertainties, future expectations and other factors which may cause the actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this News Release, this information may include words such as "anticipate", "estimate", "may", "will", "expect", "believe", "plan" and other terminology. This information reflects current expectations regarding future events and operating performance and speaks only as of the date of this News Release. Except as required by law, we assume no obligation to update or revise forward-looking information to reflect new events or circumstances. Additional information is available in the Company's Management Discussion and Analysis, which can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**On Behalf of the Board of Directors of  
MTY Food Group Inc.**

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Stanley Ma, Chairman, President & CEO

For more information please contact Eric Lefebvre, Chief Financial Officer at 1-514-336-8885 or by email at [ir@mtygroup.com](mailto:ir@mtygroup.com), or visit our website: [www.mtygroup.com](http://www.mtygroup.com) or SEDAR's website at [www.sedar.com](http://www.sedar.com) under the Company's name.