

MTY enters into an agreement to acquire the assets of Café Dépôt, Sushi Man, Muffin Plus and Fabrika

TSX Trading Symbol: "MTY"

MONTREAL, July 8, 2014 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, announced today that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc. has entered into a binding agreement to acquire the assets of a group of companies that owns and operate the Café Dépôt (www.cafedepot.com), Sushi Man (www.lesushiman.com), Muffin Plus (www.muffinplus.ca) and Fabrika concepts. The Company also acquires two buildings in the process. The total consideration for the transaction is expected to be \$14.8M, paid from MTY's cash on hand and available credit facilities.

At the date of closing, it is expected that there will be 102 stores in operations, 90 of which are franchised and 12 corporately-owned. All of the stores except one are in the province of Quebec. During the 2013 calendar year, the 102 stores generated approximately \$42M in system sales.

"We are very proud to acquire this portfolio of brands, each of which enjoys strong brand recognition in the markets they serve" said Stanley Ma, CEO of MTY. "We expect that the 102 stores will be a good fit with MTY's existing network. The combination of those strong brands with MTY's expertise will create exciting synergies."

The two buildings are located in Laval and Montreal, Quebec. The Laval premises are the home of a Café Dépôt restaurant. The Montreal building currently houses the headquarters of the franchisor.

The closing of the transaction is scheduled to happen on or before October 15th, 2014 and remains subject to several closing conditions as well as to standard regulatory approvals. Following the closing of the transaction, the operations of the franchisor will be relocated in MTY's offices in Ville St-Laurent. One of the vendors, Maria Elisii, and key employees will remain with the Company following the transaction.

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.

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

Stanley Ma, Chairman, President & CEO

SOURCE MTY Food Group Inc.

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For further information:

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

CO: MTY Food Group Inc.

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