

MTY enters into an agreement to acquire Koryo Korean BBQ

TSX Trading Symbol: "MTY"

MONTREAL, Aug. 15, 2011 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of 1,736 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 Koryo Korean BBQ Franchise Corporation ("Koryo") for a total consideration of \$1.8 million to be paid in cash.

The closing of the transaction is scheduled to happen on or before September 30, 2011 and remains subject to standard regulatory approvals and closing conditions. The transaction will be funded from MTY's cash on hand.

Koryo has a total of 20 outlets in operation located in Alberta, British Columbia, Ontario, Quebec and Saskatchewan generating annual system wide sales of over \$8 million; 19 stores are franchised or under an operator agreement, and 1 corporately owned store.

Koryo's high quality offering, its trendy designs and the quality of its locations are expected to make it a valuable addition to MTY's portfolio of banners. The addition of 20 Koryo outlets will strengthen the Company Korean food operations by complementing its Kim Chi Korean food banner, and enhance the Company's growth potential in this rapidly emerging segment of the quick service food industry. It will also strengthen MTY's position as a dominant player in mall food courts, where all of Koryo's outlets are located.

After closing of the transaction, Mr. Jin Lee, present owner of Koryo, will join MTY and continue to expand Koryo.

The acquisition of Koryo is in line with our strategy to acquire profitable chains that diversify the Company's range of offering and strengthen the Company's market share in the quick service food industry.

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

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For further information:

For more information please contact Jean-Francois Dube, Investor Relations at 1-450-226-8475 or by email at jfdube@mac.ca or visits our website: www.mtygroup.com or visit SEDAR's website at www.sedar.com under the Company's name.

CO: MTY FOOD GROUP INC.

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