

MTY FOOD GROUP INC.
(the "Company")

August 22, 2008

TSXV Trading Symbol: "MTY"

NEWS RELEASE

PROPOSED ACQUISITION OF TUTTI FRUTTI CHAIN

The Company is pleased to announce that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc. (the "MTY") has entered into a binding agreement to purchase all of the assets and intellectual properties of Tutti Frutti (website: www.tfinc.ca) from 9137-6780 Quebec Inc., Tutti Frutti Dejeuners Inc., 9034-7519 Quebec Inc., and 9176-3557 Quebec Inc. (the "Vendors") herein represented by Mr. Kosta Pentefountas and Mr. John Pentefountas, for an all-cash undisclosed amount. There are presently 28 existing Tutti Frutti outlets in Quebec, plus 2 new Tutti Frutti outlets to be opened this year, in the breakfast casual dining segment restaurant market. Tutti Frutti's system-wide sales for the 12 month period ended June 30, 2008 were approximately \$20 million.

The closing of the acquisition is subject to the completion of certain conditions, and is scheduled to close within the next 30 days.

The proposed acquisition does not represent a reverse take-over or change in business of the Company.

The acquisition of Tutti Frutti represents MTY's twelfth acquisition during the past seven years. This acquisition will bring the number of outlets in operation to over 885 outlets, and rolling 12 month period system wide sales to between \$265 million to \$270 million.

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

Stanley Ma, Chairman of the Board

For more information please contact Jean-Francois Dube, investor relations at 1-450-226-8475 or by e-mail at jfcinc@cgocable.ca or visit our website: www.mtygroup.com This news release was prepared by management who takes full responsibility for its contents. The TSX Venture Exchange neither approves nor disapproves the contents of this news release.