

MTY reports earnings for its 2014 fiscal period

TSX Trading Symbol: "MTY"

MONTREAL, Feb. 12, 2015 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, reports today the results of its operations for the fourth quarter and fiscal year ended November 30, 2014.

Highlights of the fourth quarter and fiscal year:

- Revenues grow 14%, to \$115.2 million during the year
- Net income was impacted adversely by a non-recurring impairment charge on one of the Company's trademarks
- Net income attributable to shareholders for the year declines by 1% before normalization; grows by 6% on a normalized basis
- Cash flows from operations increased 22% during the year, to reach \$32.4 million; during the same period, the Company invested \$25.1 million on new acquisitions.
- Same store sales increase by 0.8% in the fourth quarter; for the year, same store sales are down by 0.9%, with the impact of adverse weather in the first half of the year and intense competition throughout the period putting pressure on sales.
- System-wide sales for the year reached \$887.8 million, up 22% compared to the sales realized in 2013.
- Location count at the end of the year was 2,727 outlets; during the year, 145 new restaurants opened, 167 were acquired and 175 were closed.

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

| | 3-month period ended | | | 12-month period ended | | |
|--|----------------------|-------------------|----------|-----------------------|-------------------|----------|
| | November 30, 2014 | November 30, 2013 | Variance | November 30, 2014 | November 30, 2013 | Variance |
| Revenues | 29,939 | 28,260 | 6% | 115,177 | 101,360 | 14% |
| Operating expenses | 18,620 | 17,900 | 4% | 72,518 | 62,125 | 17% |
| EBITDA | 11,319 | 10,360 | 9% | 42,659 | 39,235 | 9% |
| Impairment charge (reversal) | 2,356 | (64) | n/a | 2,356 | (64) | n/a |
| Income before taxes | 7,478 | 9,263 | -19% | 34,530 | 34,610 | 0% |
| Net income attributable to shareholders | 5,521 | 7,145 | -23% | 25,426 | 25,712 | -1% |
| Basic and diluted EPS | 0.29 | 0.37 | | 1.33 | 1.34 | |
| Impact of impairment charge, on a per share basis (net of taxes) | 0.09 | n/a | | 0.09 | n/a | |
| Normalized EPS | 0.38 | 0.37 | | 1.42 | 1.34 | |

Note: These are financial highlights only. Management's Discussion and Analysis, the consolidated financial statements and notes thereto for the year ended November 30, 2014 will be available on the SEDAR website at www.sedar.com and on the Company's website at 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.

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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