

## MTY FOOD GROUP INC.

(the "Company")

July 14, 2008

TSXV Trading Symbol: "MTY"

### Q2 - 2008 RESULTS

MTY Food Group Inc. (MTY), franchisor and operator of over 848 quick service restaurants, under the banners of: Tiki Ming, Sukiyaki, La Crèmiere, Cultures, Thai Express, Mrs. Vanellis, Veggirama, Caferama, Au Vieux Duluth Express, Yogen Früz, Carrefour Oriental, Panini Pizza Pasta, Chick 'N' Chick, Franx Supreme, Croissant + Plus, Villa Madina, Kim Chi, TCBY, Sushi Shop and Koya Japan reported its operating results for the second quarter ended May 31, 2008.

MTY reported a net income of \$4.40 million or \$0.23 per share (\$0.23 per fully diluted share) for the six month period ending May 31, 2008 compared to a net income of \$3.82 million or \$0.20 per share (\$0.20 per fully diluted share) for the same period of 2007, representing a net income increase of 15%. The increase is mainly attributed to organic growth.

Total revenue increased by 17%, to \$16.19 million from \$13.81 million for the same six month period last year. Revenue from franchise locations increased by 4% to \$10.93 million from \$10.52 million and revenue from corporate owned locations increased to \$5.26 million from \$3.29 million, representing an increase of 60%.

EBITDA increased from \$6.64 million to \$7.65 million for the six month period ended May 31, 2008 representing an increase of 15%. EBITDA from franchise locations increased from \$6.19 million in 2007 to \$6.95 million and EBITDA as a percentage of revenue increased slightly from 57% to 60%. EBITDA from corporate owned locations increased from \$0.45 million to \$0.70 million and EBITDA as a percentage of revenue decreased slightly from 14% to 13%.

Total system wide sales for the six months ended May 31, 2008 amounted to \$115.3 million compared to \$104 million for 2007 representing an increase of 10.9%. Same store sales for the same period increased by 1.5%.

For the quarter ended May 31, 2008, MTY reported a net income of \$2.35 million or \$0.12 per share (\$0.12 per fully diluted share) compared to a net income of \$1.99 million or \$0.11 per share (\$0.10 per fully diluted share) for the same quarter last year, representing a net income increase of 18%.

Total revenue for the quarter ended May 31, 2008 increased by 10%, to \$8.61 million from \$7.82 million for the same quarter last year. Revenue from franchise locations decreased by 5% to \$5.84 million from \$6.13 million. The decrease is explained by a fewer number of turn key projects realized in the second quarter of 2008 compared to 2007. Revenue from corporate owned locations increased to \$2.78 million from \$1.69 million for the same quarter last year, representing an increase of 64%.

EBITDA increased from \$3.44 million to \$4.04 million for the quarter ended May 31, 2008 representing an increase of 18%. EBITDA from franchise locations increased from \$3.16 million in 2007 to \$3.62 million in 2008 and EBITDA as a percentage of revenue increased from 50% in 2007 to 60% in 2008 due to a fewer number of sales of turnkeys, which have lower profit margins. EBITDA from corporate owned locations increased from \$0.27 million to \$0.42 million and EBITDA as a percentage of revenue from corporate owned locations decreased slightly from 16% in 2007 to 15% for the second quarter ended May 31, 2008.

MTY has at May 31, 2008 a total of \$21.93 million in net cash and temporary investments compared to \$19.55 million as at November 30, 2007.

MTY's total system wide sales amounted to \$59.7 million during the second quarter ended May 31, 2008 compared to \$54.4 million for the same period last year, representing an increase of 9.7%. Same store sales in the second quarter of 2008 grew by 0.4%.

In June 2008, MTY inaugurated its Vie & Nam concept which specializes in Vietnamese cuisine. MTY is also currently developing a new banner called Tandori Indian Cuisine, which will specialize in Indian style cuisine. The first location is planned for the fall of 2008.

MTY continues to grow through the expansion of its existing concepts. Approximately 50 to 60 new locations have been planned for the 2008 fiscal year of which 33 locations have already been opened since December 1, 2007.

In June of 2008, MTY signed a Letter of Intent with a company from Morocco for an exclusive franchise right for up to 10 of the Company's brands in Morocco. The Letter of Intent is subject to signing of a Final Master Franchise Agreement which is scheduled to take place in early October of 2008.

Management remains committed to expanding its existing concepts and to seek out potential acquisitions to further strengthen its market position.

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

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Stanley Ma, Chairman, President & CEO

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