

MTY completes the acquisition of Madisons New York Grill & Bar

TSX Trading Symbol: "MTY"

MONTREAL, July 21, 2014 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, today announced that pursuant to the announcement made on April 10, 2014, it has completed the acquisition of the Canadian assets of Madisons New York Grill & Bar ("Madisons") www.madisonsnyc.com for a total consideration of \$12.9M.

The acquisition was made via a newly created subsidiary, which is 90% owned by MTY's wholly-owned subsidiary, MTY Tiki Ming Enterprises Inc. The purchase price will mostly be financed by a new banking facility provided by Bank of Montreal, which will be guaranteed by MTY. The transaction is effective July 18, 2014.

At closing, the chain operates 14 franchised stores in the province of Quebec. Sales for the Madisons system were \$40M for the 2013 calendar year. Following the transaction, the operations of the franchisor will be relocated in MTY's existing offices in Ville St-Laurent, Quebec. Gilles Pepin was named vice-president of the brand and will be in charge of its operations and development. Mr. Pepin will own 10% of the shares of the newly created company.

The operations of Madisons in the United States are excluded from 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:

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CO: MTY Food Group Inc.

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