

## MTY enters into an agreement to acquire the assets of Mr. Souvlaki Ltd. - First European store to open this week

TSX Trading Symbol: "MTY"

MONTREAL, July 26, 2012 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, announced today that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc. has entered into a binding agreement to acquire most of the assets of Mr. Souvlaki Limited ("Mr. Souvlaki") [www.mrsouvlaki.ca](http://www.mrsouvlaki.ca) for a total consideration of \$1.0 million to be paid in cash.

The closing of the transaction is scheduled to happen on or before September 25, 2012 and remains subject to standard regulatory approvals and closing conditions. The transaction will be funded from MTY's cash on hand.

The transaction includes the fourteen Mr. Souvlaki outlets in operations in Canada, all of which are franchised. During its last fiscal period, the Mr. Souvlaki network generated system sales of approximately \$4.4 million in Canada. Thirteen of the Canadian stores are located in Ontario and one in British Columbia.

The acquisition of Mr. Souvlaki enables the Company to strengthen its presence in a segment of the quick service food industry in which it was not yet present outside of the province of Quebec. It, as a result, represents a natural extension to its concept portfolio.

The transaction is in line with the Company 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.

The Company also wishes to announce that its first store in United Kingdom, a Thai Express outlet located at The Friary Shopping Centre in Guildford, Surrey, is scheduled to open on Sunday, July 29, 2012.

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](http://www.sedar.com).

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

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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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