

MTY FOOD GROUP INC.
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Trading Symbol: TSX Venture - MTY

MRS. VANELLIS ACQUISITION CLOSED

Further to the Company's news release dated April 21, 2004 concerning the proposed acquisition of Mrs. Vanelli's Restaurants Ltd. from Donato Food Corporation ("DFC") of Toronto, Ontario, the Company is pleased to announce that the transaction has now closed.

Royalties and other related franchise revenues of Mrs. Vanelli's for year 2003 were over \$2.4 million with over \$34 million of system-wide annual sales.

As part of the closing, the Company has entered into a licensing agreement with a subsidiary of DFC called Innovative Food Brands Inc. ("IFB"), which manufactures private label branded products. The Company has licensed IFB to manufacture, package, label and distribute worldwide "Mrs. Vanelli's" food products. IFB will pay the Company a royalty of 2% of all gross sales of such products, subject to a minimum annual fee of \$10,000 in the first year, \$20,000 in the second year, and increasing by at least 10% per annum thereafter, during the proposed 10 year term of the licensing agreement.

The Company has also granted to DFC an incentive stock option for the purchase of up to 250,000 shares for three years at an exercise price of \$1.27 per share. DFC, an established food manufacturer and distributor, has been retained as a consultant by the Company to further expand and develop the Company's food franchising business.

The Acquisition of Mrs. Vanelli's represents the Company's fourth acquisition during the past two and a half years. This acquisition will complement and expand the Company's existing quick service franchise operations, and bring the Company's restaurant system-wide annual sales to over \$100 million, with over 410 outlets in operations.

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

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.