

MTY enters into an agreement to acquire the assets of Extreme Pita, PurBlendz and Mucho Burrito

TSX Trading Symbol: "MTY"

MONTREAL, May 28, 2013 /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 a group of companies from the 3 co-founders, Mr. Alex Rechichi, Mr. Mark Rechichi, and Mr. Sean Black, who own and operate the Extreme Pita, PurBlendz and Mucho Burrito concepts ("Extreme Brandz") www.extremebrandz.com, for a total consideration of \$45 million, making it the biggest acquisition in MTY's history. It will be paid from MTY's cash on hand and available line of credit.

At the date of closing, Extreme Brandz is expected to have over 235 Extreme Pita and over 70 Mucho Burrito restaurants in operations in Canada and in the United States, of which two are corporately-owned for each brand. The PurBlendz concept, which is operated as an add-on to the Extreme Pita restaurants, is expected to be present in approximately 70 Extreme Pita restaurants at closing. System wide sales in Extreme Brandz' most recent completed fiscal period were over \$103 million.

Extreme Brandz currently has Canadian offices in Toronto and Calgary. In addition, it has offices in Scottsdale Arizona, which currently support approximately 40 stores and oversee the operations and the development of the brands in the United States. Employees in Toronto are expected to be relocated to MTY's existing office in Richmond Hill, while the Calgary and Scottsdale offices are expected to remain as is.

"We are very excited to have the opportunity to acquire two brands that enjoy such strong brand equity and that have a significant growth potential in Canada and outside of our borders. This will complement MTY's current portfolio not only in terms of offering to its customers, but also in terms of geographical location; the 40 stores in the United States will be MTY's first stores on American territory. The ice is now broken." said Stanley Ma, CEO of MTY.

The closing of the transaction is scheduled to happen on or before September 17, 2013 and remains subject to several closing conditions as well as to standard regulatory approvals. Following the transaction, Mr. Sean Black, co-founder of Extreme Brandz, will remain with the Company as Chief Development Officer.

"This is an exciting time for MTY and I am honored to have the opportunity to join the team and help develop the incredible potential of the Company. I believe this strategic acquisition by MTY will be very good for the Extreme Brandz franchisees as well as the MTY shareholders." said Mr. Black.

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.

CNW 08:20e 28-MAY-13