

**MTY FOOD GROUP INC.**  
(the "Company")

October 18, 2006

TSXV Trading Symbol: "MTY"

**THIRD QUARTER RESULTS**

MTY Food Group Inc. (MTY), franchisor and operator of over 697 quick service restaurants, under the banners of: Tiki Ming, Sukiyaki, La Crèmiere, Cultures, Thai Express, Mrs. Vanellis, Veggirama, Caferama, Au Vieux Duluth Express, Yogen Fruz, Carrefour Oriental, Panini Pizza Pasta, Chick 'N' Chick, Franx Supreme, Croissant + Plus, Villa Madina, Kim Chi, and TCBY, reported its operating results for the nine-month period ended August 31, 2006.

MTY is pleased to announce a net income for the nine-month period ended August 31, 2006 of \$3.93 million or \$0.23 per share compared to a net income of \$2.98 million or \$0.19 per share for the same period last year, representing an outstanding increase of 32%.

For the quarter ended August 31, 2006, net income was \$1.64 million or \$0.09 per share, compared to \$1.32 million or \$0.08 per share for the same period last year, representing an increase of 24%.

Total revenues increased by 14% to \$14.83 million for the nine-month period ended August 31, 2006 compared to \$12.96 million for the same period last year.

Revenue from franchise locations increased by 20% to \$12.29 million for the nine-month period ended August 31, 2006 from \$10.21 million for the same period last year.

EBITDA increased to \$6.56 million from \$5.01 million, representing an increase of 31% for the nine-month period ended August 31, 2006 compared to the same period last year.

As at August 31, 2006, MTY had cash, term deposits and short-term notes totaling \$14.54 million compared to \$10.55 million as at November 30, 2005. MTY will continue to have a strong cash position after paying its most recent acquisitions.

On September 6, 2006, MTY completed the acquisition of the business assets of the 48 units chain of Sushi Shop and Sushi Shop Express for a cash consideration of \$6.6 million and \$1,000,000 in common stock represented by 176,056 shares of MTY at \$5.68 per share.

On September 7, 2006, MTY announced the \$3,250,000 acquisition of a 24 unit Japanese chain operating under the trade name of "Koya Japan". The deal is expected to close within the next 2 weeks.

Management remains committed and focused on expanding through internal growth and will continue seeking potential acquisitions in the restaurant and franchising operations.

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

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Stanley Ma, Chairman, President & CEO

For more information please contact Jean-Francois Dube, Investor Relations at 1-450-226-8475 or by email at [jfcinc@cgocable.ca](mailto:jfcinc@cgocable.ca) or visits our website: [www.mtygroup.com](http://www.mtygroup.com) The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.