

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

Koya Japan ACQUISITION CLOSED

Further to MTY Food Group Inc.'s (MTY) news release dated September 7, 2006 concerning the proposed acquisition of the 25-unit Koya Japan chain from Steve Sabbagh and The Sabbagh Family Trust of Winnipeg, for an all cash consideration of \$3,250,000, the Company is pleased to announce that the transaction has now closed.

Royalties and other related franchise revenues from Koya Japan for the 12-month period ended August 31, 2006 were over \$735,000 with over \$10 million of system-wide annual sales.

The Acquisition of Koya Japan represents MTY's tenth acquisition in the past five years. This acquisition will complement and expand the Company's existing quick service franchise operations, and bring MTY's restaurant system-wide annual sales to over \$200 million. MTY will be one of the largest Japanese style restaurant franchisors in Canada, with over 105 Japanese style quick service and sushi outlets in operation.

With the completion of the acquisition of Koya Japan, the geographical break down of MTY's stores is as follow: 45% in Quebec, 31% in Ontario, 11% in the Prairies, 6% in BC, 4% in Maritimes, and 3% outside of Canada.

Management remains committed and focused and will continue looking for future growth opportunities for expansion in the restaurant and franchising field.

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 -email 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.