

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

TCBY ACQUISITION CLOSED

Further to the Company's news releases dated May 3, 2005 concerning the proposed acquisition of all of the assets and of the undertaking of a 20 years exclusive licensing agreement of the Canadian franchising business known as The Country's Best Yogurt® (TCBY), the Company is pleased to announce that the transaction has now closed.

This is a great acquisition for the Company as it provides an international & national brand with a great history and a potential opportunity for further development.

The final purchase price has been reduced from \$1.5 million to \$1.3 million. There are presently 91 existing TCBY's outlets in operation in Canada, for the retail sale of frozen yogurt and other food and beverage items for carryout and on-premise consumption. Of the 91 TCBY outlets presently in operation, 80% are located in cinemas and 20% are either in shopping malls or on street locations. Three new units are scheduled to open within the next few months. Royalty revenues for the fiscal year ended February 28, 2005 were \$500,000.

The Acquisition of TCBY represents the Company's fourth acquisition during the past 30 months. This acquisition will complement and expand the Company's existing quick service franchise operations, and bring the number of quick service franchise outlets in operation to over 520.

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 or www.tcbycanada.com
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