



TIM HORTONS AND KAHALA CORP
EXTEND COLD STONE CREAMERY CO-BRANDING TEST TO SIX
TIM HORTONS LOCATIONS IN CANADA

OAKVILLE, ONTARIO, June 11, 2009: Tim Hortons Inc. (NYSE: THI, TSX: THI) and Kahala Corp – parent company of Cold Stone Creamery – today announced an extension of the companies’ successful co-branding test to six Tim Hortons restaurants in Canada.

The two organizations announced a co-branding test initiative in March 2009 involving up to 50 locations in the United States for each chain following a successful test in two Rhode Island Tim Hortons locations. Currently, a total of 38 restaurants have been fully rebranded to the new combined Cold Stone Creamery and Tim Hortons concept.

“Our customers have responded enthusiastically to our co-branded test locations in the U.S. and the signature Cold Stone product offerings available at our restaurants,” said Roland Walton, chief operations officer, Canada, Tim Hortons Inc. “We will test the co-branded platform in six Canadian restaurants to determine the potential in Canada and our ability to maintain the same high standard of quality and service our customers expect.”

“The combination of these two strong complementary brands has created a positive consumer response in U.S. test locations,” said Dan Beem, president, Cold Stone Creamery. “We look forward to introducing our premium ice cream indulgences to the Canadian market and leveraging Tim Hortons’ tremendous market share and reputation for quality and freshness.”

All six co-branded locations are targeted to be opened by the end of June. The six locations will be in Mississauga, Hamilton, Toronto, Oakville and Pickering.

About Tim Hortons Inc.

Tim Hortons is the fourth largest publicly-traded quick service restaurant chain in North America based on market capitalization, and the largest in Canada. Tim Hortons appeals to a broad range of consumer tastes, with a menu that includes coffee and donuts, premium coffees, flavored cappuccinos, specialty teas, home-style soups, fresh sandwiches and fresh baked goods. As of March 29, 2009, Tim Hortons had 3,457 systemwide restaurants, including 2,930 in Canada and 527 in the United States. More information about the Company is available at www.timhortons.com.

About Cold Stone Creamery

Cold Stone Creamery delivers *The Ultimate Ice Cream Experience*[®] through a community of franchisees who are passionate about ice cream. The secret recipe for smooth and creamy ice cream is handcrafted fresh daily in each store, and then customized by combining a variety of mix-ins on a frozen granite stone. Headquartered in Scottsdale, Ariz., Cold Stone Creamery is subsidiary of Kahala Corp, one of the fastest growing franchising companies in the world, with a portfolio of 12 quick service restaurant brands. Cold Stone Creamery operates more than 1,450 locations in 12 countries worldwide.

For more information about Cold Stone Creamery, visit the brand's Web site at www.coldstonecreamery.com. For more information about Kahala, visit the company's Web site at www.kahalacorp.com.

Tim Hortons Safe Harbor Statement

Certain information in this news release, particularly information regarding future economic performance, finances, and plans, expectations and objectives of management, is forward-looking as contemplated under the Private Securities Litigation Reform Act of 1995. Various factors including those described as "risk factors" in the Company's 2008 Annual Report on Form 10-K, filed February 26, 2009, and those risk factors set forth in our Safe Harbor Statement available on our website, as well as other possible factors not listed or described in the foregoing, could affect the Company's actual results and cause such results to differ materially from those expressed in forward-looking statements. As such, readers are cautioned not to place undue reliance on forward-looking statements contained in this news release, which speak only as of the date and time made.

Except as required by federal or provincial securities laws, the Company undertakes no obligation to publicly release any revisions to the forward looking statements contained in this release, or to update them to reflect events or circumstances occurring after the date of this release, or to reflect the occurrence of unanticipated events, even if new information, future events or other circumstances have made the forward-looking statements incorrect or misleading. Please review the Company's Safe Harbor Statement at timhortons.com/en/about/safeharbor.html.

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