February 13, 2008

# Denny's Corporation Reports Results for the Fourth Quarter and Year End 2007

SPARTANBURG, S.C.--(BUSINESS WIRE)--Feb. 13, 2008--Denny's Corporation (NASDAQ: DENN) today reported results for its fourth quarter and year ended December 26, 2007.

Fourth Quarter Summary

- Same-store sales decreased 1.2% at company units and increased 0.3% at franchised units
- Net income increased $14.4 million to $16.7 million
- Adjusted income before taxes decreased $3.9 million to $3.4 million
- Sold 74 company restaurants to 19 franchisees under Franchise Growth Initiative (FGI)
- Signed franchise restaurant development commitments for 49 new units
- Generated $44.7 million in net asset sale proceeds
- Reduced outstanding debt by $55.1 million, or 14%

Full Year Summary

- Same-store sales increased 0.3% at company units and 1.7% at franchised units
- Net income increased $4.4 million to $34.7 million
- Adjusted income before taxes of $10.5 million exceeded guidance
- Sold 130 company restaurants to 30 franchisees under FGI
- Net positive unit growth for Denny's system
- Shifted system mix to 75% franchised units and 25% company units
- Signed franchise restaurant development commitments for 120 new units
- Generated $80.7 million in net asset sales proceeds
- Reduced outstanding debt by $100.3 million, or 22%

Nelson Marchioli, President and Chief Executive Officer, stated, "Despite a challenging operating environment which got progressively more difficult throughout the year, we were able to deliver positive same store sales growth in 2007 and generate earnings above our expectations. As importantly, we made significant progress on our Franchise Growth Initiative (FGI). The early success of FGI is moving us more quickly towards our optimal business model with franchise restaurants now comprising 75% of the Denny's system and contributing to a 34% increase in franchise income in the fourth quarter. We achieved positive net unit growth for the first time in seven years and began to build a robust franchise development pipeline. Our growth in cash flow from operations combined with the proceeds from our asset sales enabled Denny's to pay down over $100 million in debt

for the second consecutive year."

Mr. Marchioli concluded, "Given the current economic conditions and weak consumer spending environment, it is difficult to make projections for 2008, but we will continue to execute on our strategic initiatives which we believe will improve our long-term financial performance and enhance shareholder value. We are excited about the launch of our new 'Real Breakfast 24/7' campaign and the opportunity to reinforce Denny's real breakfast dominance. We expect to expand our development pipeline to facilitate consistent growth in our franchise system. We will also continue to focus on increasing operating cash flow, rationalizing our operating assets and strengthening our balance sheet."

Fourth Quarter Results

For the fourth quarter of 2007, Denny's reported total operating revenue, including company restaurant sales and franchise revenue, of $220.3 million compared with $244.4 million in the prior year quarter. The company restaurant sales component of total revenue decreased $29.9 million due primarily to the sale of company restaurants to franchisees under the Franchise Growth Initiative. During the fourth quarter, Denny's opened two new company restaurants, closed two and sold 74 to franchisee operators. A 1.2% decrease in same-store sales at company restaurants added to the impact of 74 fewer equivalent company restaurants in the fourth quarter.

Franchise revenue in the fourth quarter increased $5.8 million, or 28%, to $26.6 million primarily as a result of the Franchise Growth Initiative. During the quarter, Denny's franchisees opened eleven new restaurants, closed four and purchased 74 company restaurants for a net 63-unit increase in equivalent franchise restaurants. The fourth quarter franchise revenue increase included a $3.1 million increase in franchise fees, a $1.6 million increase in franchise rental income, and a $1.1 million increase in royalties. A $1.0 million increase in franchise costs, primarily franchise rental expense, partially offset the $5.8 million increase in franchise revenue resulting in a $4.8 million, or 34%, increase in franchise operating margin in the fourth quarter.

Company restaurant operating margin (as a percentage of company restaurant sales) for the fourth quarter was 12.0%, a decrease of 3.5 percentage points compared with the same period last year. The margin decrease is partially attributable to the impact on fixed costs from lower same-store sales as well as continued cost pressures. Product costs for the fourth quarter increased 0.2 percentage points to 25.3% of sales due primarily to increasing commodity costs. Payroll and benefit costs increased 2.0 percentage points to 42.6% of sales due primarily to investment in customer experience through improved staffing levels for both restaurant crew and management. Legal settlement expense of $0.5 million in the fourth quarter was $1.2 million, or 0.6 percentage points, higher due to an atypical benefit of $0.7 million in the prior year.

General and administrative expenses for the fourth quarter increased $1.1 million from the same period last year due primarily to a $1.5 million increase in core G&A expenses attributable to higher incentive compensation along with investments in staffing for growth initiatives, partially offset by a $0.4 million reduction in share-based compensation.

Depreciation and amortization expense for the fourth quarter decreased by $1.4 million compared with the prior year period due primarily to the sale of restaurant and real estate assets over the past year. Operating gains, losses and other charges, net, which reflect restructuring charges, exit costs, impairment charges and gains or losses on the sale of assets, increased $14.0 million in the quarter due primarily to an $11.3 million increase in gains on the sale of restaurants and real estate from the prior year quarter.

Operating income for the fourth quarter increased $7.5 million to $30.2 million due primarily to the increase in operating gains. Excluding operating gains in both periods, operating income for the fourth quarter decreased $6.6 million on $24.1 million less total operating revenue.

Interest expense for the fourth quarter decreased $3.1 million, or approximately 23%, to $10.2 million due primarily to reduced debt balances and improved borrowing costs.

Net income for the fourth quarter was $16.7 million, or $0.17 per diluted common share, an increase of $14.4 million compared with prior year net income of $2.3 million, or $0.02 per diluted common share. Adjusted income before taxes for the fourth quarter was $3.4 million, a decrease of $3.9 million compared with prior year adjusted income of $7.3 million. This measure, which is used as an internal profitability metric, excludes restructuring charges, exit costs, impairment charges, asset sale gains, share-based compensation, other nonoperating expenses and income taxes.

Franchise Growth Initiative (FGI)

During the fourth quarter, Denny's made considerable progress on its strategic initiative to increase franchise restaurant development through the sale of certain company restaurants. The company sold 74 restaurant operations and certain related real estate to 19 franchisees for net asset sale proceeds of $42.6 million. This brings the total number of company restaurants sold in 2007 to 130 and the total net asset sale proceeds to $73.2 million.

Fulfilling the unit growth expectations of this program, the franchisees that purchased company restaurants during the quarter signed development agreements to build an additional 32 new franchise restaurants. This brings the total number of franchise restaurant development agreements signed in 2007 under FGI to 67.

In addition to franchise development agreements signed under FGI, Denny's has been negotiating development agreements outside of the FGI program under its Market Growth Incentive Plan (MGIP). During the fourth quarter, franchisees signed MGIP agreements to build an additional 17 franchise restaurants. This brings the total for MGIP development agreements signed in 2007 to 53 restaurants.

The Company also divested three other real estate assets during the fourth quarter for net proceeds of $2.1 million, bringing the full year total for other real estate proceeds to $7.5 million.

During the fourth quarter, net cash proceeds from asset sales along with cash flow from operations were used to reduce outstanding debt by $55.1 million. For 2007, total outstanding debt was reduced by $100.3 million, or approximately 22%.

Business Outlook

Certain key considerations for understanding the Company's outlook for fiscal 2008 compared with its 2007 results include:

- 2008 will include 53 operating weeks (14 in the fourth quarter) compared with 52 operating weeks in 2007
- The expectation of approximately 150 fewer equivalent company restaurants in 2008 compared with 2007 due to the impact of FGI across both years
- The expectation that guest traffic may remain negative for much of 2008
- Improved product cost margins due to proactive menu mix efforts which are expected to help offset higher commodity costs
- Higher payroll costs as a result of higher minimum wage rates and improved staffing levels
- Flat general and administrative expenses excluding incentive and share-based compensation
- Lower interest expense due to significantly lower average debt balances in 2008 compared with 2007

The following financial guidance for 2008 is based on 2007 results and management's expectations at this time.

- Company same-store sales of (2.0%) to 0.0% compared with 0.3% in 2007
- Franchise same-store sales of (1.0%) to 1.0% compared with 1.7% in 2007
- 4 to 6 company unit openings compared with 6 in 2007
- 30 to 34 franchise unit openings compared with 18 in 2007
- 75 to 100 units sold under FGI compared with 130 in 2007
- A total revenue decline of $155 to $177 million from 2007
- Company restaurant sales of $650 to $670 million, compared with $845 million in 2007
- Franchise and license revenue of $112 to $114 million, compared with $95 million in 2007
- Adjusted EBITDA* of $83 to $89 million compared with $93 million in 2007
- Adjusted income before taxes* of $8 to $14 million compared with $11 million in 2007
- Cash interest expense of $32 million compared with $39 million in 2007
- Cash capital expenditures of $35 million compared with $33 million in 2007

* Please refer to the historical reconciliation of net income to adjusted income before taxes and adjusted EBITDA included in the tables below.

Further Information

Denny's will provide further commentary on its results for the fourth quarter of 2007 and its outlook for 2008 on its quarterly investor conference call today, Wednesday, February 13, 2007 at 5:00 p.m. EST. Interested parties are invited to listen to a live broadcast of the conference call accessible through Denny's website at www.dennys.com. On the front page of the website, follow the link to "Investor Relations." Then select the "Webcast" icon under "Upcoming Events." A replay of the call may be accessed at the same location later in the day and will remain available for 30 days.

The Board of Directors of Denny's has set Wednesday, May 21, 2008, as the date for the 2008 Annual Meeting of Denny's Shareholders to be held in Spartanburg, South Carolina.

Denny's is America's largest full-service family restaurant chain, consisting of 394 company-owned units and 1,152 franchised and licensed units, with operations in the United States, Canada, Costa Rica, Guam, Mexico, New Zealand and Puerto Rico. For further information on Denny's, including news releases, links to SEC filings and other financial information, please visit the Denny's website.

The Company urges caution in considering its current trends and any outlook on earnings disclosed in this press release. In addition, certain matters discussed in this release may constitute forward-looking statements. These forward-looking statements involve risks, uncertainties, and other factors that may cause the actual performance of Denny's Corporation, its subsidiaries and underlying restaurants to be materially different from the performance indicated or implied by such statements. Words such as "expects", "anticipates", "believes", "intends", "plans", "hopes", and variations of such words and similar expressions are intended to identify such forward-looking statements. Except as may be required by law, the Company expressly disclaims any obligation to update these forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events. Factors that could cause actual performance to differ materially from the performance indicated by these forward-looking statements include, among others: the competitive pressures from within the restaurant industry; the level of success of the Company's operating initiatives, advertising and promotional efforts; adverse publicity; changes in business strategy or development plans; terms and availability of capital; regional weather conditions; overall changes in the general economy, particularly at the retail level; political environment (including acts of war and terrorism); and other factors from time to time set forth in the Company's SEC reports, including but not limited to the discussion in Management's Discussion and Analysis and the risks identified in Item 1A. Risk Factors contained in the Company's Annual Report on Form 10-K for the year ended December 27, 2006 (and in the Company's subsequent quarterly reports on Form 10-Q).

DENNY'S CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited)

| (In thousands, except per share amounts) | Quarter Ended 12/26/07 | Quarter Ended 12/27/06 |
|---|---|---|
| Revenue: | | |
| Company restaurant sales | $ 193,712 | $ 223,639 |
| Franchise and license revenue | 26,554 | 20,733 |
| Total operating revenue | 220,266 | 244,372 |
| Costs of company restaurant sales | 170,548 | 188,866 |
| Costs of franchise and license revenue | 7,739 | 6,690 |
| General and administrative expenses | 18,307 | 17,167 |
| Depreciation and amortization | 11,872 | 13,293 |
| Operating gains, losses and other charges, net | (18,401) | (4,391) |
| Total operating costs and expenses | 190,065 | 221,625 |
| Operating income | 30,201 | 22,747 |
| Other expenses: | | |
| Interest expense, net | 10,174 | 13,271 |
| Other nonoperating expense, net | 1,059 | 6,554 |
| Total other expenses, net | 11,233 | 19,825 |

| | | |
|---|---|---|
| Income before income taxes | 18,968 | 2,922 |
| Provision for income taxes | 2,255 | 653 |
| Net income | $ 16,713 | $ 2,269 |
| Net income per share: | | |
| Basic | $ 0.18 | $ 0.02 |
| Diluted | $ 0.17 | $ 0.02 |
| Weighted average shares outstanding: | | |
| Basic | 94,398 | 92,820 |
| Diluted | 99,031 | 97,979 |

DENNY'S CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited)

| (In thousands, except per share amounts) | Year Ended 12/26/07 | Year Ended 12/27/06 |
|---|---|---|
| Revenue: | | |
| Company restaurant sales | $ 844,621 | $ 904,374 |
| Franchise and license revenue | 94,747 | 89,670 |
| Total operating revenue | 939,368 | 994,044 |
| Costs of company restaurant sales | 745,940 | 781,777 |
| Costs of franchise and license revenue | 28,005 | 27,910 |
| General and administrative expenses | 67,374 | 66,426 |
| Depreciation and amortization | 49,347 | 55,290 |
| Operating gains, losses and other charges, net | (34,828) | (47,882) |
| Total operating costs and expenses | 855,838 | 883,521 |
| Operating income | 83,530 | 110,523 |
| Other expenses: | | |
| Interest expense, net | 42,957 | 57,720 |
| Other nonoperating expense, net | 668 | 8,029 |
| Total other expenses, net | 43,625 | 65,749 |
| Income before income taxes and cumulative effect of change in accounting principle | 39,905 | 44,774 |
| Provision for income taxes | 5,192 | 14,668 |
| Net income before cumulative effect of change in accounting principle | 34,713 | 30,106 |
| Cumulative effect of change in accounting principle, net of tax | - | 232 |

| | | |
|---|---|---|
| Net income | $ 34,713 | $ 30,338 |
| Net income per share: | | |
| Basic | $ 0.37 | $ 0.33 |
| Diluted | $ 0.35 | $ 0.31 |
| Weighted average shares outstanding: | | |
| Basic | 93,855 | 92,250 |
| Diluted | 98,844 | 97,364 |

DENNY'S CORPORATION
Condensed Consolidated Balance Sheets
(Unaudited)

| (In thousands) | 12/26/07 | 12/27/06 |
|---|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | $ 21,565 | $ 26,226 |
| Assets held for sale | 6,712 | 4,735 |
| Other | 29,596 | 32,276 |
| | 57,873 | 63,237 |
| Property, net | 184,610 | 236,264 |
| Goodwill | 46,185 | 50,064 |
| Intangible assets, net | 62,657 | 66,882 |
| Other assets | 29,777 | 27,906 |
| Total Assets | $ 381,102 | $ 444,353 |
| LIABILITIES AND SHAREHOLDERS' DEFICIT | | |
| Current Liabilities | | |
| Current maturities of notes and debentures | $ 2,085 | $ 5,532 |
| Current maturities of capital lease obligations | 4,051 | 6,979 |
| Accounts payable and other accrued liabilities | 125,331 | 123,291 |
| | 131,467 | 135,802 |
| Long-Term Liabilities | | |
| Notes and debentures, less current maturities | 325,971 | 415,801 |
| Capital lease obligations, less current maturities | 20,845 | 24,948 |
| Other | 81,689 | 91,379 |
| | 428,505 | 532,128 |
| Total Liabilities | 559,972 | 667,930 |
| Total Shareholders' Deficit | (178,870) | (223,577) |
| Total Liabilities and Shareholders' Deficit | $ 381,102 | $ 444,353 |

Debt Balances

| (In thousands) | 12/26/07 | 12/27/06 |
|---|---|---|
| Credit facility revolver loans | $ - | $ - |
| Credit facility term loans | 152,523 | 245,596 |
| Capital leases and other debt | 25,429 | 32,664 |
| Senior notes due 2012 | 175,000 | 175,000 |
| Total Debt | $ 352,952 | $ 453,260 |

DENNY'S CORPORATION
Income, EBITDA and G&A Reconciliations
(Unaudited)

| Income and EBITDA Reconciliation (In millions) | Quarter Ended 12/26/07 | Quarter Ended 12/27/06 | Year Ended 12/26/07 | Year Ended 12/27/06 |
|---|---|---|---|---|
| Net income | $ 16.7 | $ 2.3 | $ 34.7 | $ 30.3 |
| Cumulative effect of change in accounting principle, net of tax | - | - | - | (0.2) |
| Provision for income taxes | 2.3 | 0.7 | 5.2 | 14.7 |
| Operating gains, losses and other charges, net | (18.4) | (4.4) | (34.8) | (47.9) |
| Other nonoperating expense, net | 1.1 | 6.6 | 0.7 | 8.0 |
| Share-based compensation | 1.8 | 2.2 | 4.8 | 7.6 |
| Adjusted income before taxes (1) | $ 3.4 | $ 7.3 | $ 10.5 | $ 12.5 |
| Interest expense, net | 10.2 | 13.3 | 43.0 | 57.7 |
| Depreciation and amortization | 11.9 | 13.3 | 49.3 | 55.3 |
| Cash payments for restructuring charges and exit costs | (2.8) | (1.7) | (9.1) | (5.1) |
| Cash payments for share-based compensation | - | - | (0.9) | (0.9) |
| Adjusted EBITDA (1) | $ 22.6 | $ 32.2 | $ 92.9 | $ 119.5 |

| General and Administrative Expenses Reconciliation (In millions) | Quarter Ended 12/26/07 | Quarter Ended 12/27/06 | Year Ended 12/26/07 | Year Ended 12/27/06 |
|---|---|---|---|---|
| Share-based compensation | $ 1.8 | $ 2.2 | $ 4.8 | $ 7.6 |
| Other general and | | | | |

| | | | | |
|---|---|---|---|---|
| administrative expenses | 16.5 | $ 15.0 | 62.6 | 58.8 |
| Total general and administrative expenses | $ 18.3 | $ 17.2 | $ 67.4 | $ 66.4 |

(1) We believe that, in addition to other financial measures, Adjusted Income Before Taxes and Adjusted EBITDA are appropriate indicators to assist in the evaluation of our operating performance on a period-to-period basis. We also use Adjusted Income and Adjusted EBITDA internally as performance measures for planning purposes, including the preparation of annual operating budgets, and for compensation purposes, including bonuses for certain employees. Adjusted EBITDA is also used to evaluate our ability to service debt because the excluded charges do not have an impact on our prospective debt servicing capability and these adjustments are contemplated in our senior credit facility for the computation of our debt covenant ratios. However, Adjusted Income and Adjusted EBITDA should be considered as a supplement to, not a substitute for, operating income, net income or other financial performance measures prepared in accordance with U.S. generally accepted accounting principles.

DENNY'S CORPORATION
Quarterly Operating Margins
(Unaudited)

| (In millions) | Quarter Ended 12/26/07 | | Quarter Ended 12/27/06 | |
|---|---|---|---|---|
| Total operating revenue (1) | $220.3 | 100.0% | $244.4 | 100.0% |
| Company restaurant operations: (2) | | | | |
| Company restaurant sales | 193.7 | 100.0% | 223.6 | 100.0% |
| Costs of company restaurant sales: | | | | |
| Product costs | 49.0 | 25.3% | 56.2 | 25.1% |
| Payroll and benefits | 82.6 | 42.6% | 90.8 | 40.6% |
| Occupancy | 11.6 | 6.0% | 13.1 | 5.8% |
| Other operating costs: | | | | |
| Utilities | 9.1 | 4.7% | 9.8 | 4.4% |
| Repairs and maintenance | 4.1 | 2.1% | 4.2 | 1.9% |
| Marketing | 5.6 | 2.9% | 7.1 | 3.2% |
| Legal settlements | 0.5 | 0.3% | (0.7) | (0.3%) |
| Other | 7.9 | 4.1% | 8.4 | 3.8% |
| Total costs of company restaurant sales | $170.5 | 88.0% | $188.9 | 84.5% |
| Company restaurant operating margin (3) | $ 23.2 | 12.0% | $ 34.8 | 15.5% |
| Franchise operations: (4) | | | | |
| Franchise and license revenue | $ 26.6 | 100.0% | $ 20.7 | 100.0% |
| Costs of franchise and license revenue | 7.7 | 29.1% | 6.7 | 32.3% |
| Franchise operating margin (3) | $ 18.8 | 70.9% | $ 14.0 | 67.7% |

| | | | | |
|---|---|---|---|---|
| Total operating margin (1)(3) | $ 42.0 | 19.1% | $ 48.8 | 20.0% |
| Other operating expenses: (1)(3) | | | | |
| General and administrative expenses | 18.3 | 8.3% | 17.2 | 7.0% |
| Depreciation and amortization | 11.9 | 5.4% | 13.3 | 5.4% |
| Operating gains, losses and other charges, net | (18.4) | (8.4%) | (4.4) | (1.8%) |
| Total other operating expenses | $ 11.8 | 5.3% | $ 26.1 | 10.7% |
| Operating income (1) | $ 30.2 | 13.7% | $ 22.7 | 9.3% |

(1) As a percentage of total operating revenue
(2) As a percentage of company restaurant sales
(3) Other operating expenses such as general and administrative expenses and depreciation and amortization relate to both company and franchise operations and are not allocated to costs of company restaurant sales and costs of franchise and license revenue. As such, operating margin is considered a non-GAAP financial measure. Operating margins should be considered as a supplement to, not as a substitute for, operating income, net income or other financial measures prepared in accordance with U.S. generally accepted accounting principles.
(4) As a percentage of franchise and license revenue

DENNY'S CORPORATION
Annual Operating Margins
(Unaudited)

| (In millions) | Year Ended 12/26/07 | | Year Ended 12/27/06 | |
|---|---|---|---|---|
| Total operating revenue (1) | $939.4 | 100.0% | $994.0 | 100.0% |
| Company restaurant operations: (2) | | | | |
| Company restaurant sales | 844.6 | 100.0% | 904.4 | 100.0% |
| Costs of company restaurant sales: | | | | |
| Product costs | 215.9 | 25.6% | 226.4 | 25.0% |
| Payroll and benefits | 355.7 | 42.1% | 372.3 | 41.2% |
| Occupancy | 51.0 | 6.0% | 51.7 | 5.7% |
| Other operating costs: | | | | |
| Utilities | 40.9 | 4.8% | 44.3 | 4.9% |
| Repairs and maintenance | 18.3 | 2.2% | 18.3 | 2.0% |
| Marketing | 27.5 | 3.3% | 29.9 | 3.3% |
| Legal settlements | 3.6 | 0.4% | 1.7 | 0.2% |
| Other | 33.0 | 3.9% | 37.2 | 4.1% |
| Total costs of company restaurant sales | $745.9 | 88.3% | $781.8 | 86.4% |
| Company restaurant operating margin (3) | $ 98.7 | 11.7% | $122.6 | 13.6% |
| Franchise operations: (4) | | | | |
| Franchise and license revenue | $ 94.7 | 100.0% | $ 89.7 | 100.0% |
| Costs of franchise and license revenue | 28.0 | 29.6% | 27.9 | 31.1% |

| | | | | |
|---|---|---|---|---|
| Franchise operating margin (3) | $ 66.7 | 70.4% | $ 61.8 | 68.9% |
| Total operating margin (1)(3) | $165.4 | 17.6% | $184.4 | 18.5% |
| Other operating expenses: (1)(3) | | | | |
| General and administrative expenses | 67.4 | 7.2% | 66.4 | 6.7% |
| Depreciation and amortization | 49.3 | 5.3% | 55.3 | 5.6% |
| Operating gains, losses and other charges, net | (34.8) | (3.7%) | (47.9) | (4.8%) |
| Total other operating expenses | $ 81.9 | 8.7% | $ 73.8 | 7.4% |
| Operating income (1) | $ 83.5 | 8.9% | $110.5 | 11.1% |

(1) As a percentage of total operating revenue
(2) As a percentage of company restaurant sales
(3) Other operating expenses such as general and administrative expenses and depreciation and amortization relate to both company and franchise operations and are not allocated to costs of company restaurant sales and costs of franchise and license revenue. As such, operating margin is considered a non-GAAP financial measure. Operating margins should be considered as a supplement to, not as a substitute for, operating income, net income or other financial measures prepared in accordance with U.S. generally accepted accounting principles.
(4) As a percentage of franchise and license revenue

DENNY'S CORPORATION
Statistical Data
(Unaudited)

| Same-Store Sales (increase/(decrease) vs. prior year) | Quarter Ended 12/26/07 | Quarter Ended 12/27/06 | Year Ended 12/26/07 | Year Ended 12/27/06 |
|---|---|---|---|---|
| Company-Owned Same-Store Sales | (1.2%) | 1.6% | 0.3% | 2.5% |
| Guest Check Average | 6.3% | 1.9% | 4.6% | 4.4% |
| Guest Counts | (7.1%) | (0.3%) | (4.1%) | (1.8%) |
| Franchised Same-Store Sales | 0.3% | 2.3% | 1.7% | 3.6% |

| Average Unit Sales ($ in thousands) | Quarter Ended 12/26/07 | Quarter Ended 12/27/06 | Year Ended 12/26/07 | Year Ended 12/27/06 |
|---|---|---|---|---|
| Company-Owned Units | $ 426.8 | $ 423.4 | $ 1,716.4 | $ 1,693.5 |
| Franchised Units | $ 374.0 | $ 367.6 | $ 1,522.6 | $ 1,481.1 |

| Restaurant Unit | Company | Franchised & Licensed | Total |
|---|---|---|---|

| Activity | | | |
|---|---|---|---|
| Ending Units 9/26/07 | 468 | 1,071 | 1,539 |
| Units Opened | 2 | 11 | 13 |
| Units Acquired | 0 | 0 | 0 |
| Units Refranchised | (74) | 74 | 0 |
| Units Closed | (2) | (4) | (6) |
| Net Change | (74) | 81 | 7 |
| Ending Units 12/26/07 | 394 | 1,152 | 1,546 |
| Equivalent Units | | | |
| Fourth Quarter 2006 | 528 | 1,023 | 1,551 |
| Fourth Quarter 2007 | 454 | 1,086 | 1,540 |
| | (74) | 63 | (11) |

| Restaurant Unit Activity | Company | Franchised & Licensed | Total |
|---|---|---|---|
| Ending Units 12/27/06 | 521 | 1,024 | 1,545 |
| Units Opened | 5 | 18 | 23 |
| Units Acquired | 1 | (1) | 0 |
| Units Refranchised | (130) | 130 | 0 |
| Units Closed | (3) | (19) | (22) |
| Net Change | (127) | 128 | 1 |
| Ending Units 12/26/07 | 394 | 1,152 | 1,546 |
| Equivalent Units | | | |
| Year 2006 | 534 | 1,027 | 1,561 |
| Year 2007 | 492 | 1,049 | 1,541 |
| | (42) | 22 | (20) |

CONTACT: Denny's Corporation
Investor Contact:
Alex Lewis, 877-784-7167 or
Media Contact:
Debbie Atkins, 864-597-8361

SOURCE: Denny's Corporation