DENNY'S CORPORATION

INVESTOR PRESENTATION

FEBRUARY THROUGH APRIL 2023





FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

The Company urges caution in considering its current trends and any outlook on earnings disclosed either in this presentation or in its press releases. In addition, certain matters discussed in either this presentation or related press releases may constitute forward-looking statements. These forward-looking statements, which reflect management's best judgment based on factors currently known, are intended to speak only as of the date such statements are made and 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 "expect", "anticipate", "believe", "intend", "plan", "hope", "will", 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 this presentation was published 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 evolving COVID-19 pandemic and related containment measures, including the potential for further operational disruption from government mandates affecting restaurants; economic, public health and political conditions that impact consumer confidence and spending, including COVID-19; commodity and labor inflation; the ability to effectively staff restaurants; the Company's ability to maintain adequate levels of liquidity for its cash needs, including debt obligations, payment of dividends, planned share repurchases and capital expenditures as well as the ability of its customers, suppliers, franchisees and lenders to access sources of liquidity to provide for their own cash needs; competitive pressures from within the restaurant industry; the Company's ability to integrate and derive the expected benefits from its acquisition of Keke's Breakfast Cafe; the level of success of the Company's operating initiatives and advertising and promotional efforts; adverse publicity; health concerns arising from food-related pandemics, outbreaks of flu viruses or other diseases; changes in business strategy or development plans; terms and availability of capital; regional weather conditions; overall changes in the general economy (including with regard to energy costs), particularly at the retail level; political environment and geopolitical events (including acts of war and terrorism); and other factors from time to time set forth in the Company's SEC reports and other filings, 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 29, 2021 (and in the Company's subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K).

The presentation includes references to the Company's non-GAAP financials measures. All such measures are designated by an asterisk (*). The Company believes that, in addition to U.S. generally accepted accounting principles (GAAP) measures, certain non-GAAP financial measures are appropriate indicators to assist in the evaluation of operating performance and liquidity on a period-to-period basis. The Company uses Adjusted EBITDA, Adjusted Free Cash Flow, Adjusted Net Income and Adjusted Net Income Per Share internally as performance measures for planning purposes, including the preparation of annual operating budgets, and for compensation purposes, including incentive compensation for certain employees. Adjusted EBITDA is also used in the calculation of financial covenant ratios in accordance with the Company's credit facility. Adjusted Free Cash Flow is also used as a non-GAAP liquidity measure by Management to assess the Company's ability to generate cash and plan for future operating and capital actions. Management believes that the presentation of Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income Per Share and Adjusted Free Cash Flow provide useful information to investors and analysts about the Company's operating results, financial condition or cash flows. However, each of these non-GAAP financial measures should be considered as a supplement to, not a substitute for, operating income, net income, net income per share, net cash provided by (used in) operating activities, or other financial performance and liquidity measures prepared in accordance with U.S. generally accepted accounting principles. See Appendix for non-GAAP reconciliations to the following GAAP measures:

$ Millions *(except per share amounts)*	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Income	$51.0	$56.4	$47.5	$57.3	$53.2	$47.0	$70.7	$73.6	$165.0	$6.7	$104.1	$60.6
Net Income (Loss)	$112.3	$22.3	$24.6	$32.7	$36.0	$19.4	$39.6	$43.7	$117.4	($5.1)	$78.1	$74.7
Net Income (Loss) per Share	$1.15	$0.23	$0.26	$0.37	$0.42	$0.25	$0.56	$0.67	$1.90	($0.08)	$1.19	$1.23
Cash Provided By (Used In):												
Operating Activities	$59.5	$59.2	$57.0	$74.6	$83.3	$71.2	$78.3	$73.7	$43.3	($3.1)	$76.2	$39.5
Investing Activities	($7.7)	($3.5)	($16.5)	($21.3)	($32.7)	($32.7)	($27.1)	($32.0)	$105.0	$4.7	$29.0	($86.6)
Financing Activities	($67.1)	($55.9)	($51.2)	($53.2)	($52.0)	($37.6)	($48.7)	($41.6)	($150.0)	($1.0)	($78.5)	$20.0

Q4 HISTORICAL HIGHLIGHTS

Total Operating Revenue

$120.8M

12.3% Increase vs Prior Year Quarter

Denny's Domestic System-Wide Same-Restaurant Sales [1]

2.0% vs 2021

3.3% vs 2019

% of Denny's Domestic Units Operating at Least 18 Hours Per Day

86%

At End of Quarter

Portfolio

Denny's	keke's
12 New Openings 7 Remodels	1 New Opening

Adjusted EBITDA*

$23.4M

Adjusted Free Cash Flow*

$14.6M

Share Repurchases

$7.8M

Total Debt to Adjusted EBITDA* Leverage Ratio

3.4x

[1] Same-restaurant sales include sales at company restaurants and non-consolidated franchised and licensed restaurants that were open during the comparable periods noted. Total operating revenue is limited to company restaurant sales and royalties, advertising revenue, fees and occupancy revenue from non-consolidated franchised and licensed restaurants. Accordingly, domestic franchise same-restaurant sales and domestic system-wide same-restaurant sales should be considered as a supplement to, not a substitute for, the Company's results as reported under GAAP.

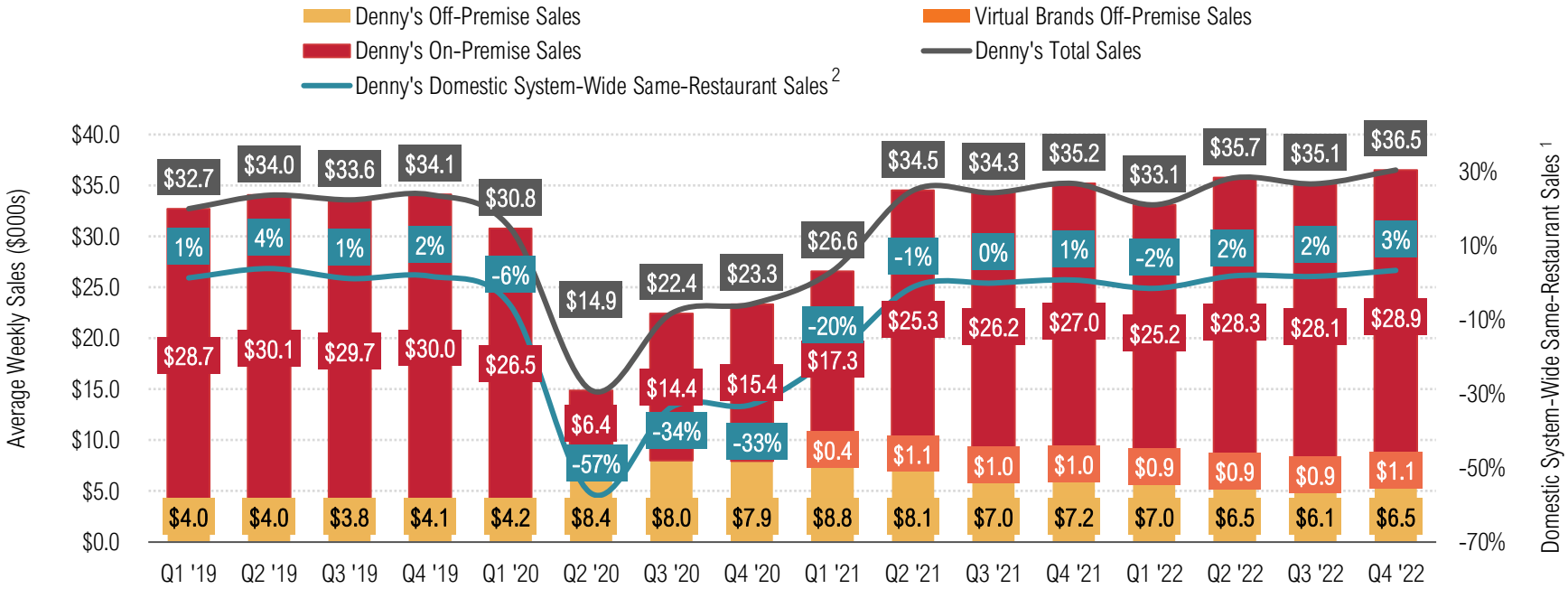
* See Appendix for reconciliation of Net Income (Loss) and Net Cash Provided by Operating Activities to Non-GAAP Financial Measures, as well as the reconciliation of Operating Income (Loss) to Non-GAAP Financial Measures.

DENNY'S INC.



DENNY'S DOMESTIC AVERAGE WEEKLY SALES & SAME-RESTAURANT SALES[1]

Denny's Q4 '22 Domestic Average Weekly Sales Outperformed Q4 '21 by 3.8% and Q4 '19 by 7.1%



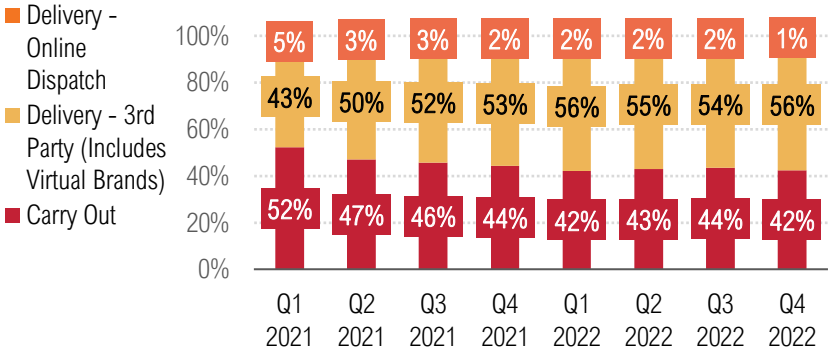
[1] Same-restaurant sales include sales at company restaurants and non-consolidated franchised and licensed restaurants that were open during the comparable periods noted. Total operating revenue is limited to company restaurant sales and royalties, advertising revenue, fees and occupancy revenue from non-consolidated franchised and licensed restaurants. Accordingly, domestic franchise same-restaurant sales and domestic system-wide same-restaurant sales should be considered as a supplement to, not a substitute for, the Company's results as reported under GAAP.

[2] 2021 and 2022 Denny's domestic system-wide same-restaurant sales [1] are versus 2019.

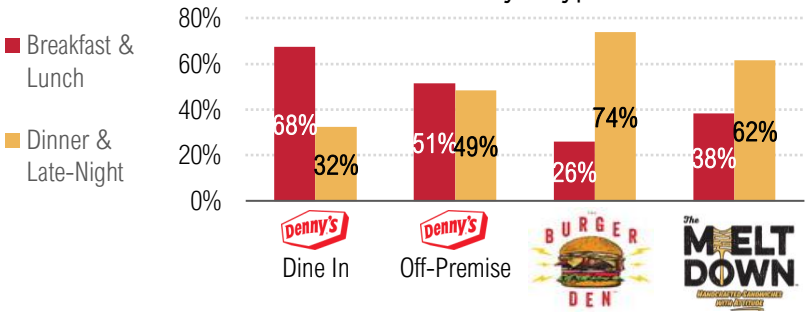
DENNY'S OFF-PREMISE SALES

Off-Premise Sales Over-Index At the Dinner & Late-Night Dayparts, Which Are More Popular With Younger Generations and More Diverse Guests.

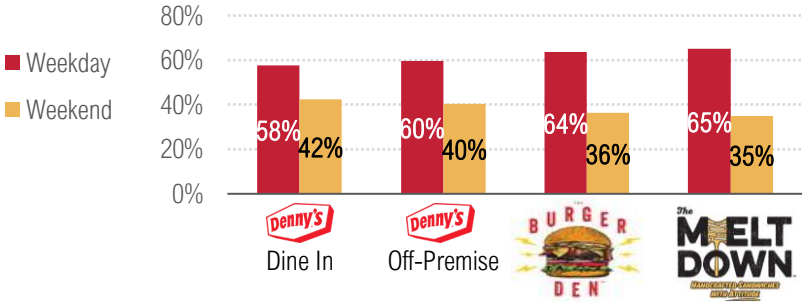
Domestic Off-Premise Sales By Channel



Sales Mix by Daypart[1]



Sales Mix Weekday vs. Weekend[1]



The Burger Den is currently active in over 1,150 domestic locations.

The Meltdown is currently active in over 930 domestic locations. Formerly a DoorDash exclusive, The Meltdown expanded to multiple delivery partners in Q3 of 2022.

[1] Data for the Fiscal Fourth Quarter 2022.

BARBELL MENU STRATEGY

Continue to Balance our All Day Diner Deals Value Platform With Premium LTO and Core Menu Products







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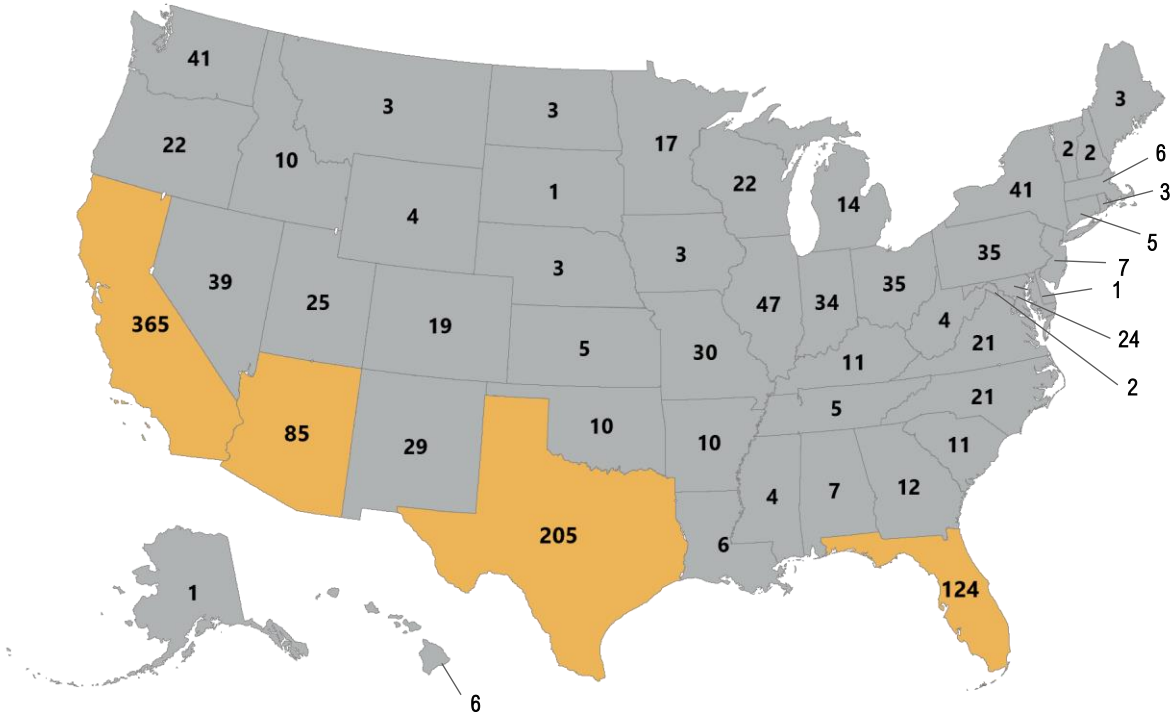
DENNY'S DOMESTIC FOOTPRINT

Total of 1,445 Restaurants in the U.S. with Strongest Presence in California, Texas, Florida, and Arizona[1]

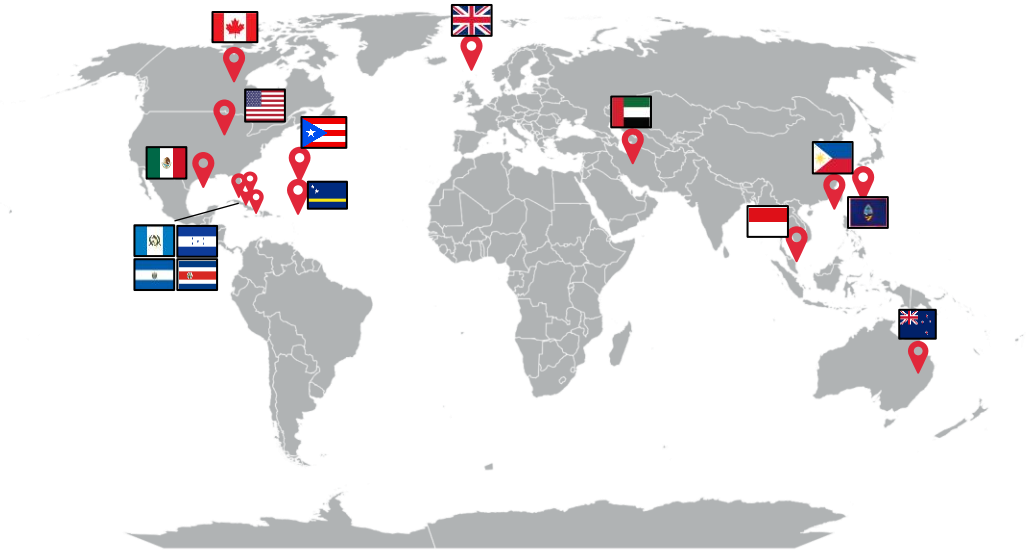


Top 10 U.S. Markets[1]	
DMA	Number of Restaurants
Los Angeles	170
Phoenix	66
Houston	66
Dallas/Ft. Worth	53
Sacramento/Stockton	46
Orlando/Daytona	40
San Francisco/Oakland	40
San Diego	38
Miami/Ft. Lauderdale	34
Las Vegas	33
% of Domestic System	41%

[1] Data through Fiscal December ended December 28, 2022.

DENNY'S INTERNATIONAL FOOTPRINT

International Presence of 157 Restaurants in 14 Countries and U.S. Territories
Grown by ~80% Since Year End 2010[1]



International Footprint[1]

Country	Number of Restaurants
United States	1,445
Canada	84
Puerto Rico	15
Mexico	15
Philippines	10
New Zealand	7
Honduras	6
United Arab Emirates	5
Guatemala	4
Costa Rica	3
El Salvador	2
Guam	2
Indonesia	2
Curaçao	1
United Kingdom	1
Total System	1,602

[1] Data through Fiscal December ended December 28, 2022.

DENNY'S STRONG PARTNERSHIP WITH FRANCHISEES

Well Diversified, Experienced, and Energetic Group of 219 Franchisees[1]

- 35 franchisees with more than 10 restaurants each collectively comprise approximately 66% of the franchise system.
- Approximately 20% of our franchisees operate multiple concepts[1] providing a well-rounded perspective within the industry.

Denny's Franchisee Association

Entrepreneur FRANCHISE 500 RANKED #1 IN CATEGORY 2022

Ownership of 1,536 Franchisee Restaurants[1]

Number of Franchised Units	Number of Franchisees	Franchisees as % of Total	Total Franchised Units	Franchised Units as % of Total
1	84	38%	84	5%
2–5	73	33%	225	15%
6–10	27	12%	219	14%
11–15	14	6%	172	11%
16–30	10	5%	234	15%
>30	11	5%	602	39%
Total	219	100%	1,536	100%

[1] Data through Fiscal December ended December 28, 2022.

NEAR TERM INITIATIVES: THE BIG 3

Staffing

- Staffing levels at Denny's company restaurants are comparable to pre-pandemic levels with significant reductions in turnover.
- As of Q4 2022, Denny's rolling 12-month management turnover was better than the Family Dining Index by approximately 750 basis points.

24/7 Operations

~ 67%

of Denny's domestic restaurants were operating 24 hours per day[1]

- 14 percentage point improvement since mid-year 2022

Value

> 14%

Total value product mix including the new All Day Diner Deals and Super Slam for Q4[2].

- 400-basis point improvement since the launch of All Day Diner Deals.

[1] Data as of the February 10, 2023.

[2] Data as of the end of the Fourth Fiscal Quarter 2022.

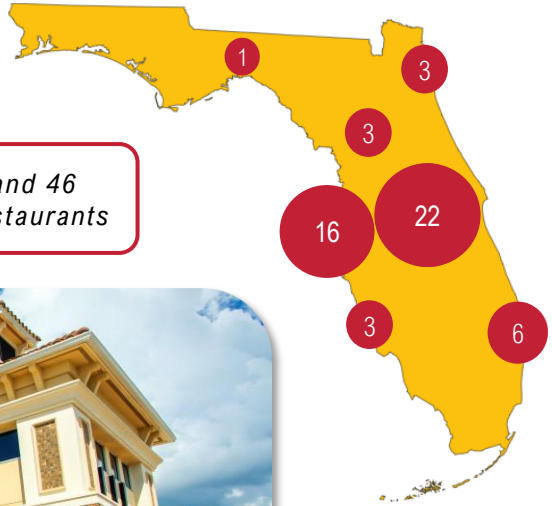
KEKE'S



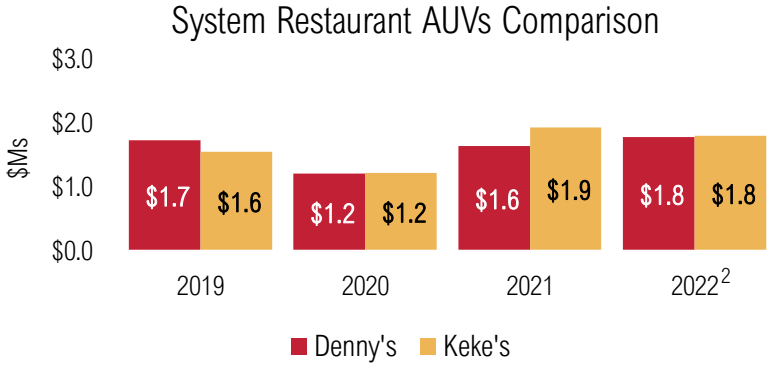
KEKE'S FOOTPRINT AND PERFORMANCE

Total of 54 Restaurants Across Florida with Heavy Concentrations in the Orlando and Tampa Areas[1]

8 Company and 46 Franchised Restaurants







Ownership of 46 Franchisee Restaurants[1]

Number of Franchised Units	Number of Franchisees	Franchisees as % of Total	Total Franchised Units	Franchised Units as % of Total
1	8	44%	8	17%
2–5	8	44%	25	54%
6–10	2	11%	13	28%
Total	18	100%	46	100%

[1] Data through Fiscal December ended December 28, 2022.

[2] Keke's data is annualized based on the reported Average Unit Volumes following acquisition.



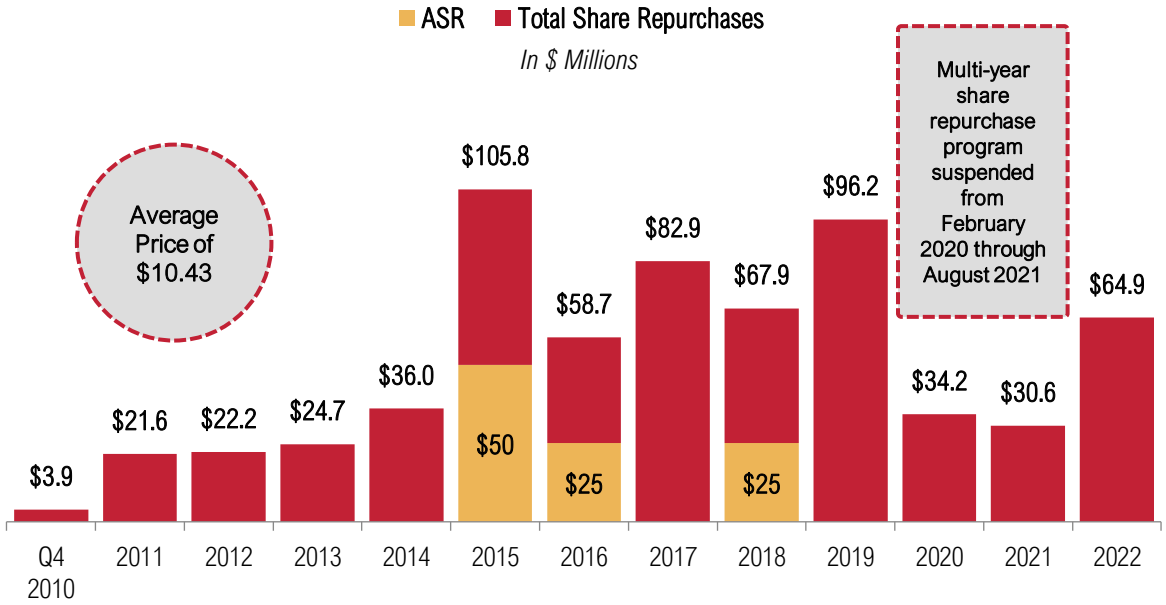


DENNY'S CORPORATION

HISTORY OF CONSISTENTLY RETURNING CAPITAL TO SHAREHOLDERS

Nearly $650 Million Allocated Towards Share Repurchases Since We Started Returning Capital to Shareholders in late 2010[1]

- During Q4 2022, we allocated over $7.8 million to share repurchases.
- Since late 2010[1], we have repurchased over 62 million shares at an average of $10.43 per share resulting in a 43% net reduction in our share count.
- Approximately $153 million remaining under existing repurchase authorization[2].

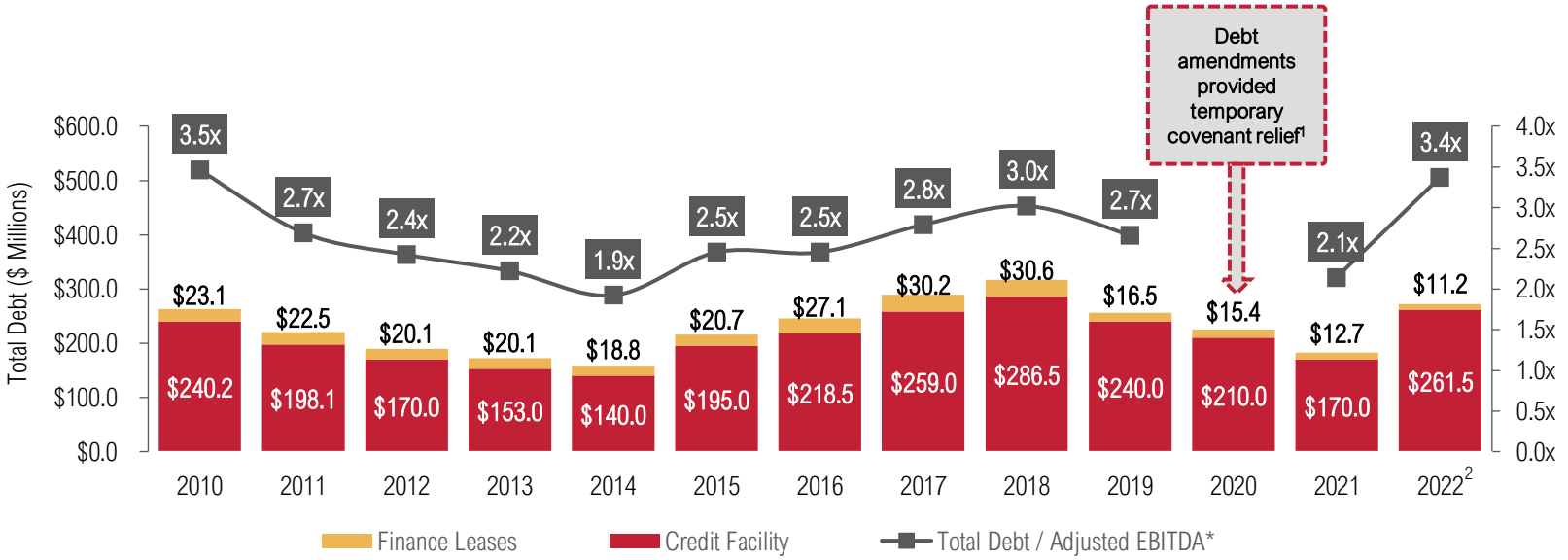


[1] Data from November 2010 through Fiscal December ended December 28, 2022.
[2] Data through Fiscal December ended December 28, 2022.

SOLID BALANCE SHEET WITH FLEXIBILITY

Disciplined Focus on Debt Leverage with Financial Flexibility to Make Brand Investments & Return Capital to Shareholders

Target Total Debt / Adjusted EBITDA* Leverage Ratio Range of 2.5x to 3.5x



[1] Total Debt / Adjusted EBITDA* leverage ratio was waived starting in Q2 '20 through Q1 '21.

[2] Increased borrowings under the credit facility in 2022 are primarily due to the Keke's acquisition.

* See Appendix for reconciliation of Net Income (Loss) and Net Cash Provided by Operating Activities to Non-GAAP Financial Measures, as well as the reconciliation of Operating Income (Loss) to Non-GAAP Financial Measures

STRATEGIC PRIORITES

Continuing to Develop Our Teams and Elevate The Overall Guest Experience To Drive Enhanced Profitability and Growth



Develop Best-In-Class People and Teams Through Culture, Tools and Systems



Drive Profitable Traffic Through a Relevant and Outstanding Guest Experience



Optimize the Business Model to Maximize Restaurant Margins



Lead With Technology and Innovation



Grow New Restaurants as a Franchisor of Choice

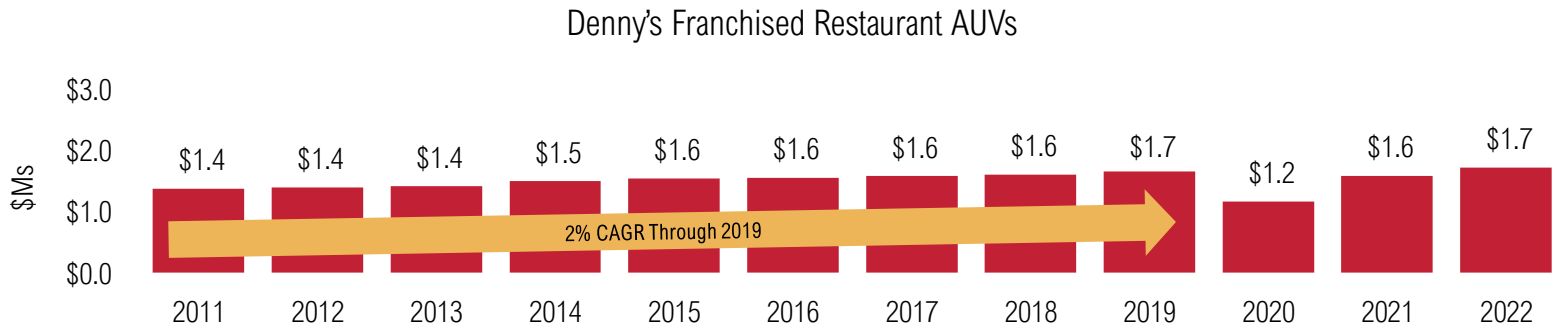


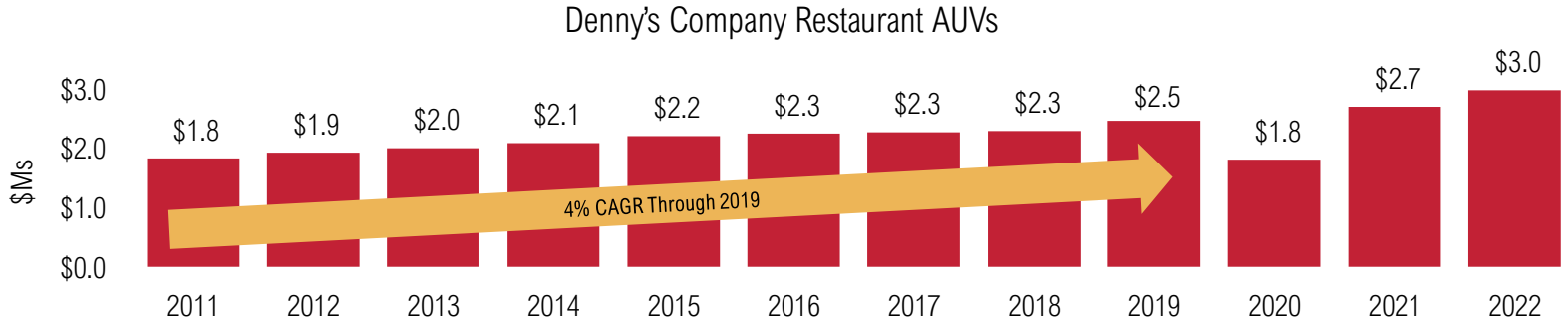


APPENDIX

DENNY'S FRANCHISED AND COMPANY RESTAURANT SALES

History of Steady Growth in Franchised and Company Average Unit Volumes
Refranchising Strategy Benefited AUVs at Both Franchised and Company Restaurants in 2019

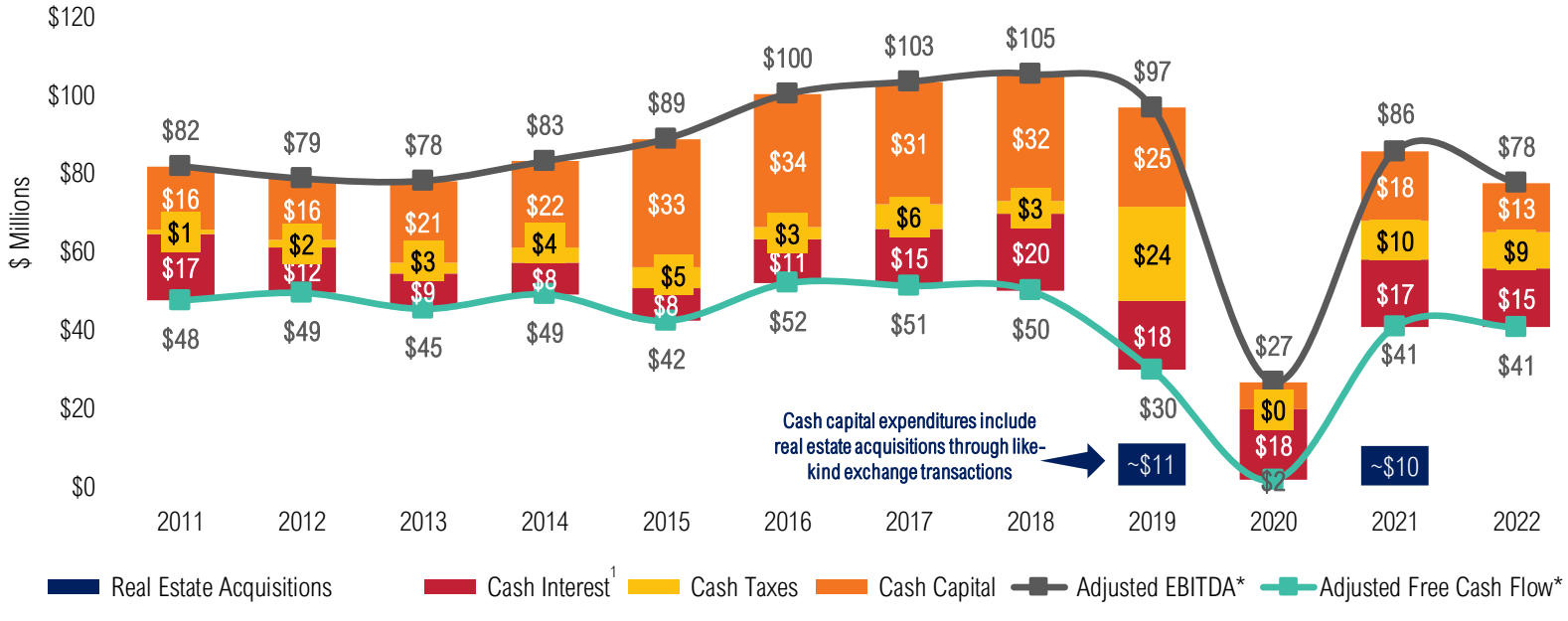




ADJUSTED FREE CASH FLOW*

Approximately $500 Million in Adjusted Free Cash Flow* Generated Over Last 12 Fiscal Years

Adjusted Free Cash Flow* Impacted by ~$21 Million of Real Estate Acquisitions Between 2019 and 2021



[1] Includes cash interest expense, net and cash payments of approximately $1.9 million, $3.3 million, and $1.8 million for dedesignated interest rate swap derivatives for full year 2020, 2021, and 2022, respectively.

* See Appendix for reconciliation of Net Income (Loss) and Net Cash Provided by Operating Activities to Non-GAAP Financial Measures, as well as the reconciliation of Operating Income (Loss) to Non-GAAP Financial Measures.

EXPERIENCED AND COMMITTED LEADERSHIP TEAM



Kelli A. Valade, Chief Executive Officer. Prior to joining Denny's in June 2022, served as CEO of Red Lobster, CEO of Black Box Intelligence, and held various management positions at Chili's including Brand President, Chief Operating Officer and Senior Vice President of Human Resources.

John W. Dillon, President of Denny's. Prior to joining Denny's in 2007, held multiple marketing leadership positions with various organizations, including 10 years with YUM! Brands/Pizza Hut and was Vice President of Marketing for the National Basketball Association's Houston Rockets.





Stephen C. Dunn, Executive Vice President, Chief Global Development Officer. Prior to joining Denny's in 2004, held executive-level positions with Church's Chicken, El Pollo Loco, Mr. Gatti's, and TCBY. Earned the distinction of Certified Franchise Executive by the International Franchise Association Educational Foundation. Served as an Infantry Officer in the United States Army.

Michael L. Furlow, Executive Vice President, Chief Information Officer. Prior to joining Denny's in 2017, served as Chief Information Officer and Senior Vice President of IT at Red Robin Gourmet Burgers and CEC Entertainment, Inc. (an operator and franchisor of Chuck E. Cheese's and Peter Piper Pizza).





Jay C. Gilmore, Senior Vice President, Chief Accounting Officer and Corporate Controller. Joined Denny's in 1999 as Director of Accounting and Assistant Corporate Controller and was named Senior Vice President, Chief Accounting Officer and Corporate Controller in 2021. Prior experience includes serving as a Senior Manager with KPMG LLP.

Gail S. Myers, Executive Vice President, Chief Legal Officer, Chief People Officer and Secretary. Prior to joining Denny's in 2020, served as Executive Vice President, General Counsel, Secretary and Chief Compliance Officer for American Tire Distributors, Inc., Senior Vice President, Deputy General Counsel and Chief Compliance Counsel at U.S. Foods and Senior Vice President, General Counsel and Secretary at Snyder's-Lance, Inc.





David P. Schmidt, President of Keke's Breakfast Café. Prior to joining Keke's in September 2022, served as CFO of Red Lobster and worked for Bloomin' Brands where he held various leadership roles throughout his tenure including Group Vice President and CFO of Bloomin' Brand's Casual Dining.

Robert P. Verostek, Executive Vice President, Chief Financial Officer. Joined Denny's in 1999 and served in numerous leadership positions across the Finance and Accounting teams. Named Vice President of Financial Planning and Analysis in 2012 and Chief Financial Officer is 2020. Prior experience includes various accounting roles for Insignia Financial Group.



RECONCILIATION OF NET INCOME (LOSS) TO NON-GAAP FINANCIAL MEASURES

$ Millions	2011	2012	2013	2014[1]	2015	2016	2017	2018	2019	2020[1]	2021	2022
Net Income (Loss)	$112.3	$22.3	$24.6	$32.7	$36.0	$19.4	$39.6	$43.7	$117.4	($5.1)	$78.1	$74.7
Provision for (Benefit from) Income Taxes[2]	(84.0)	12.8	11.5	16.0	17.8	16.5	17.2	8.6	31.8	(2.0)	26.0	24.7
Operating (Gains) Losses and Other Charges, Net	2.1	0.5	7.1	1.3	2.4	26.9	4.3	2.6	(91.2)	1.8	(46.1)	(1.0)
Other Nonoperating Expense (Income), Net	2.6	7.9	1.1	(0.6)	0.1	(1.1)	(1.7)	0.6	(2.8)	(4.2)	(15.2)	(52.6)
Share-Based Compensation Expense	4.2	3.5	4.9	5.8	6.6	7.6	8.5	6.0	6.7	7.9	13.6	11.4
Deferred Compensation Plan Valuation Adjustments[3]	(0.1)	0.7	1.1	0.5	0.0	0.9	1.6	(1.0)	2.6	1.6	2.1	(2.2)
Interest Expense, Net	20.0	13.4	10.3	9.2	9.3	12.2	15.6	20.7	18.5	18.0	15.1	13.8
Depreciation and Amortization	28.0	22.3	21.5	21.2	21.5	22.2	23.7	27.0	19.8	16.2	15.4	14.9
Cash Payments for Restructuring Charges and Exit Costs	(2.7)	(3.8)	(2.8)	(2.0)	(1.5)	(1.8)	(1.7)	(1.1)	(2.6)	(3.0)	(1.8)	(1.1)
Cash Payments for Share-Based Compensation	(0.8)	(1.0)	(1.2)	(1.1)	(3.4)	(2.5)	(3.9)	(1.9)	(3.6)	(4.6)	(1.8)	(5.1)
Adjusted EBITDA[3]	$81.7	$78.6	$78.0	$83.1	$88.8	$100.2	$103.3	$105.3	$96.8	$26.6	$85.6	$77.5
Adjusted EBITDA Margin %	15.2%	16.1%	16.9%	17.6%	18.1%	19.8%	19.5%	16.7%	17.9%	9.2%	21.5%	17.0%

[1] Includes 53 operating weeks.

[2] In 2011, we recorded an $89 million net deferred tax benefit from the release of a substantial portion of the valuation allowance on certain deferred tax assets. This release was primarily based on our improved historical and projected pre-tax income.

[3] Beginning in 2018, historical presentations of Adjusted EBITDA and Adjusted Free Cash Flow have been restated to exclude the impact of market valuation changes in the Company's non-qualified deferred compensation plan liabilities.

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO NON-GAAP FINANCIAL MEASURES

$ Millions	2011	2012	2013	2014[1]	2015	2016	2017	2018	2019	2020[1]	2021	2022
Net Cash Provided By (Used In) Operating Activities	$59.5	$59.2	$57.0	$74.6	$83.2	$71.2	$78.3	$73.7	$43.3	($3.1)	$76.2	$39.5
Capital Expenditures	(16.1)	(14.2)	(16.8)	(22.1)	(27.0)	(19.7)	(18.8)	(22.0)	(14.0)	(7.0)	(7.4)	(11.8)
Acquisition of Restaurants and Real Estate[2]	-	(1.4)	(4.0)	-	(5.8)	(14.3)	(12.4)	(10.4)	(11.3)	-	(10.4)	(0.8)
Cash Payments for Restructuring Charges and Exit Costs	(2.7)	(3.8)	(2.8)	(2.0)	(1.5)	(1.8)	(1.7)	(1.1)	(2.6)	(3.0)	(1.8)	(1.1)
Cash Payments for Share-Based Compensation	(0.8)	(1.0)	(1.2)	(1.1)	(3.4)	(2.5)	(3.9)	(1.9)	(3.6)	(4.6)	(1.8)	(5.1)
Deferred Compensation Plan Valuation Adjustments[3]	(0.1)	0.7	1.1	0.5	0.0	0.9	1.6	(1.0)	2.6	1.6	2.1	(2.2)
Other Nonoperating Expense (Income), Net	2.6	7.9	1.1	(0.6)	0.1	(1.1)	(1.7)	0.6	(2.8)	(4.2)	(15.2)	(52.6)
Gains (Losses) on Investments	-	-	-	-	-	-	-	0.0	0.2	0.1	(0.0)	(0.3)
Gains (Losses) on Change in the Fair Value of Interest Rate Caps	-	(0.1)	(0.0)	0.0	-	-	-	-	-	-	-	-
Gains (Losses) on Early Termination of Debt and Leases	(2.6)	(8.3)	(2.2)	0.0	(0.2)	0.0	(0.1)	0.2	0.0	(0.2)	0.5	0.0
Amortization of Deferred Financing Costs	(1.4)	(0.8)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.9)	(1.1)	(0.6)
Amortization of Debt Discount	(0.5)	(0.1)	-	-	-	-	-	-	-	-	-	-
Gains (Losses) and Amortization on Interest Rate Swap Derivatives, Net	-	-	-	-	-	-	-	-	-	2.2	12.6	55.0
Interest Expense, Net	20.0	13.4	10.3	9.2	9.3	12.2	15.6	20.7	18.5	18.0	15.1	13.8
Cash Interest Expense, Net[4]	(17.0)	(11.6)	(9.1)	(8.1)	(8.3)	(11.2)	(14.6)	(19.6)	(17.6)	(18.0)	(17.2)	(14.9)
Deferred Income Tax Expense	(3.2)	(11.4)	(9.1)	(13.2)	(14.0)	(8.8)	(10.3)	(6.2)	(16.0)	(4.0)	(14.1)	(14.7)
Decrease (Increase) in Tax Valuation Allowance[5]	89.1	0.7	0.4	0.3	0.1	(0.1)	(0.2)	(0.1)	2.9	3.0	5.0	(0.5)
Provision for (Benefit from) Income Taxes[5]	(84.0)	12.8	11.5	16.0	17.8	16.5	17.2	8.6	31.8	(2.0)	26.0	24.7
Income Taxes Paid, Net	(1.1)	(2.0)	(2.8)	(3.8)	(5.4)	(3.0)	(6.4)	(3.3)	(24.1)	(0.0)	(9.9)	(9.3)
Changes in Operating Assets and Liabilities												
Receivables	(2.2)	1.7	(0.1)	1.5	(1.4)	2.9	0.8	4.7	2.0	(6.4)	(1.4)	5.9
Inventories	(0.6)	(0.5)	(0.0)	0.1	0.2	(0.1)	0.2	(0.1)	(1.7)	(0.1)	3.9	0.5
Other Current assets	1.1	(2.8)	(1.0)	0.3	3.8	(4.6)	2.4	(0.9)	4.1	3.9	(7.5)	1.1
Other Noncurrent Assets	(0.4)	3.2	2.1	2.1	0.1	3.6	6.3	(0.0)	4.6	1.8	1.9	2.1
Operating Lease Assets and Liabilities	-	-	-	-	-	-	-	-	0.6	(0.8)	1.5	0.7
Accounts Payable	(2.0)	1.2	5.5	(1.6)	(2.3)	(4.8)	(10.0)	5.1	5.2	10.7	(6.6)	(3.9)
Accrued Payroll	(0.9)	(2.3)	2.5	(2.6)	(4.1)	7.4	6.4	(2.2)	3.8	2.8	(3.1)	2.9
Accrued Taxes	0.6	0.7	(0.1)	(0.9)	(0.2)	(0.1)	0.0	(0.3)	2.0	0.8	0.3	0.1
Other Accrued Liabilities	4.7	4.4	0.7	(0.1)	(9.5)	10.2	(0.1)	1.7	4.1	5.5	(12.7)	5.9
Other Noncurrent Liabilities	5.5	3.8	2.7	1.2	11.2	(0.0)	3.1	4.4	(1.9)	5.5	5.5	6.5
Adjusted Free Cash Flow[2]	$47.5	$49.4	$45.3	$49.1	$42.3	$51.9	$51.2	$50.0	$29.8	$1.6	$40.8	$40.7

[1] Includes 53 operating weeks.

[2] For 2022, amount includes cash paid for the acquisition of a Denny's franchise restaurant and excludes capital paid for the acquisition of Keke's.

[3] Beginning in 2018, historical presentations of Adjusted EBITDA and Adjusted Free Cash Flow have been restated to exclude the impact of market valuation changes in the Company's non-qualified deferred compensation plan liabilities.

[4] Includes cash interest expense (income), net and cash payments of approximately $1.9 million, $3.3 million, and $1.8 million for dedesignated interest rate swap derivatives for full year 2020, 2021 and 2022, respectively.

[5] In 2011, we recorded an $89 million net deferred tax benefit from the release of a substantial portion of the valuation allowance on certain deferred tax assets. This release was primarily based on our improved historical and projected pre-tax income.

RECONCILIATION OF NET INCOME (LOSS) AND NET CASH PROVIDED BY OPERATING ACTIVITIES TO NON-GAAP FINANCIAL MEASURES

$ Millions (except per share amounts)	2011	2012	2013	2014[1]	2015	2016	2017	2018	2019	2020[1]	2021	2022
Adjusted EBITDA[2]	$81.7	$78.6	$78.0	$83.1	$88.8	$100.2	$103.3	$105.3	$96.8	$26.6	$85.6	$77.5
Adjusted EBITDA Margin %	15.2%	16.1%	16.9%	17.6%	18.1%	19.8%	19.5%	16.7%	17.9%	9.2%	21.5%	17.0%
Cash Interest Expense, Net[3]	(17.0)	(11.6)	(9.1)	(8.1)	(8.3)	(11.2)	(14.6)	(19.6)	(17.6)	(18.0)	(17.2)	(14.9)
Cash Paid for Income Taxes, Net	(1.1)	(2.0)	(2.8)	(3.8)	(5.4)	(3.0)	(6.4)	(3.3)	(24.1)	(0.0)	(9.9)	(9.3)
Cash Paid for Capital Expenditures and Acquisition of Restaurants and Real Estate[4]	(16.1)	(15.6)	(20.8)	(22.1)	(32.8)	(34.0)	(31.2)	(32.4)	(25.3)	(7.0)	(17.7)	(12.6)
Adjusted Free Cash Flow[2]	$47.5	$49.4	$45.3	$49.1	$42.3	$51.9	$51.2	$50.0	$29.8	$1.6	$40.8	$40.7
Net Income (Loss)	$112.3	$22.3	$24.6	$32.7	$36.0	$19.4	$39.6	$43.7	$117.4	($5.1)	$78.1	$74.7
Pension Settlement Loss	-	-	-	-	-	24.3	-	-	-	-	-	-
(Gains) Losses and Amort. on Interest Rate Swap Derivatives, Net	-	-	-	-	-	-	-	-	-	(2.2)	(12.6)	(55.0)
(Gains) Losses on Sales of Assets and Other, Net	(3.2)	(7.1)	(0.1)	(0.1)	(0.1)	0.0	3.5	(0.5)	(93.6)	(4.7)	(47.8)	(3.4)
Impairment Charges	4.1	3.7	5.7	0.4	0.9	1.1	0.3	1.6	-	4.1	0.4	1.0
Loss on Early Extinguishment of Debt and Debt Refinancing	1.4	7.9	1.2	-	0.3	-	-	-	-	-	-	-
Tax Reform	-	-	-	-	-	-	(1.6)	-	-	-	-	-
Tax Effect[5]	(0.8)	(1.6)	(2.2)	(0.1)	(0.4)	(2.5)	(1.2)	(0.2)	24.1	0.7	15.0	14.3
Adjusted Provision for Income Taxes[6]	(94.3)	-	-	-	-	-	-	-	-	-	-	-
Adjusted Net Income (Loss)	$19.5	$25.2	$29.3	$32.9	$36.7	$42.3	$40.7	$44.6	$47.9	($7.2)	$33.1	$31.6
Diluted Net Income (Loss) Per Share	$1.15	$0.23	$0.26	$0.37	$0.42	$0.25	$0.56	$0.67	$1.90	($0.08)	$1.19	$1.23
Adjustments Per Share	($0.95)	$0.03	$0.05	$0.00	$0.01	$0.30	$0.02	$0.01	($1.13)	($0.04)	($0.69)	($0.71)
Adjusted Net Income (Loss) Per Share	$0.20	$0.26	$0.31	$0.37	$0.43	$0.55	$0.58	$0.68	$0.77	($0.12)	$0.50	$0.52
Diluted Weighted Average Shares Outstanding (000's)	99,588	96,754	92,903	88,355	84,729	77,206	70,403	65,562	61,833	60,812	65,573	60,879

[1] Includes 53 operating weeks.

[2] Beginning in 2018, historical presentations of Adjusted EBITDA and Adjusted Free Cash Flow have been restated to exclude the impact of market valuation changes in the Company's non-qualified deferred compensation plan liabilities.

[3] Includes cash interest expense (income), net and cash payments of approximately $1.9 million, $3.3 million, and $1.8 million for dedesignated interest rate swap derivatives for full year 2020, 2021 and 2022, respectively.

[4] For 2022, amount includes cash paid for capital expenditures and the acquisition of a Denny's franchise restaurant, and excludes capital paid for the acquisition of Keke's.

[5] Tax adjustments for full year 2013, 2014, 2015, 2017 and 2018 use full year effective tax rates of 31.9%, 32.9%, 33.0%, 30.3% and 16.4%, respectively. Tax adjustments for full year 2011 and 2012 are calculated using the full year 2012 effective rate of 36.4%. The tax adjustment for the loss on pension termination in 2016 is calculated using an effective tax rate of 8.8%., with all remaining adjustments calculated using an effective tax rate of 30.9%. Tax adjustments for the gains on sales of assets and other, net in 2019 are calculated using an effective rate of 25.7%. Tax adjustments for full year 2020, 2021, and 2022 reflect an effective tax rate of 25.6%, 25.0%, and 24.9%, respectively.

[6] The adjusted provision for income taxes based on effective income tax rate of 36.4% for full year ended Dec. 27, 2012 and excludes impact of net deferred tax benefit.

RECONCILIATION OF OPERATING INCOME TO NON-GAAP FINANCIAL MEASURES

The Company believes that, in addition to GAAP measures, certain other non-GAAP financial measures are appropriate indicators to assist in the evaluation of restaurant-level operating efficiency and performance of ongoing restaurant-level operations. The Company uses Restaurant-level Operating Margin, Company Restaurant Operating Margin and Franchise Operating Margin internally as performance measures for planning purposes, including the preparation of annual operating budgets, and these three non-GAAP measures are used to evaluate operating effectiveness.

The Company defines Restaurant-level Operating Margin as operating income excluding the following three items: general and administrative expenses, depreciation and amortization, and operating (gains), losses and other charges, net. Restaurant-level Operating Margin is presented as a percent of total operating revenue. The Company excludes general and administrative expenses, which include primarily non-restaurant-level costs associated with support of company and franchised restaurants and other activities at their corporate office. The Company excludes depreciation and amortization expense, substantially all of which is related to company restaurant-level assets, because such expenses represent historical sunk costs which do not reflect current cash outlays for the restaurants. The Company excludes special items, included within operating (gains), losses and other charges, net, to provide investors with a clearer perspective of its ongoing operating performance and a more relevant comparison to prior period results.

Restaurant-level Operating Margin is the total of Company Restaurant Operating Margin and Franchise Operating Margin. The Company defines Company Restaurant Operating Margin as company restaurant sales less costs of company restaurant sales (which include product costs, company restaurant level payroll and benefits, occupancy costs, and other operating costs including utilities, repairs and maintenance, marketing and other expenses) and presents it as a percent of company restaurant sales. The Company defines Franchise Operating Margin as franchise and license revenue (which includes franchise royalties and other non-food and beverage revenue streams such as initial franchise and other fees, advertising revenue and occupancy revenue) less costs of franchise and license revenue and presents it as a percent of franchise and license revenue.

These non-GAAP financial measures provide a meaningful comparison between periods and enable investors to focus on the performance of restaurant-level operations by excluding revenues and costs unrelated to food and beverage sales in addition to corporate general and administrative expense, depreciation and amortization, and operating (gains), losses and other charges, net. However, each of these non-GAAP financial measures 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. Restaurant-level Operating Margin, Company Restaurant Operating Margin and Franchise Operating Margin do not accrue directly to the benefit of shareholders because of the aforementioned excluded items and are not indicative of the overall results for the Company.

$ Millions	2011	2012	2013	2014[1]	2015	2016	2017	2018	2019	2020[1]	2021	2022
Operating Income	$51.0	$56.4	$47.5	$57.3	$63.2	$47.0	$70.7	$73.6	$165.0	$6.7	$104.1	$60.6
General and Administrative Expenses	55.4	60.3	56.8	58.9	66.6	68.0	66.4	63.8	69.0	55.0	68.7	67.2
Depreciation and Amortization	28.0	22.3	21.5	21.2	21.5	22.2	23.7	27.0	19.8	16.2	15.4	14.9
Operating (Gains) Losses and Other Charges, Net	2.1	0.5	7.1	1.3	2.4	26.9	4.3	2.6	(91.2)	1.8	(46.1)	(1.0)
Restaurant-Level Operating Margin	$136.4	$139.5	$132.9	$138.7	$153.6	$164.0	$165.2	$167.1	$162.7	$79.7	$142.1	$141.6
Restaurant-Level Operating Margin Consists Of:												
Company Restaurant Operating Margin	53.8	51.5	44.8	45.9	58.7	65.2	65.6	63.2	48.0	3.6	28.1	20.3
Franchise Operating Margin	82.6	88.0	88.2	92.9	94.9	98.8	99.5	104.0	114.7	76.1	114.0	121.3
Restaurant-Level Operating Margin	$136.4	$139.5	$132.9	$138.7	$153.6	$164.0	$165.2	$167.1	$162.7	$79.7	$142.1	$141.6

[1] Includes 53 operating weeks.