

Press Release

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FOR IMMEDIATE RELEASE

PERKINS & MARIE CALLENDER'S INC. FILES PLAN OF REORGANIZATION AND DISCLOSURE STATEMENT

Memphis, Tennessee (July 15, 2011) – Perkins & Marie Callender's Inc. (the "Company"), a leading operator of family-dining and casual-dining restaurants, has announced that the Company and its subsidiaries currently acting as debtors in possession under chapter 11 of the United States Bankruptcy Code have filed a joint plan of reorganization (the "Plan") and an accompanying disclosure statement (the "Disclosure Statement") with the United States Bankruptcy Court for the District of Delaware. The filing of the Plan and the Disclosure Statement fulfills a significant milestone under the restructuring support agreement (the "Restructuring Support Agreement") that the Company entered into prior to the commencement of its chapter 11 cases with the holders of 100 percent of the Company's 14% Senior Secured Notes due 2013 and more than 80 percent of the Company's 10% Senior Notes due 2013. With this filing, the Company intends to exit bankruptcy in Fall 2011.

J. Trungale, President and Chief Executive Officer of Perkins & Marie Callender's Inc., said, "The filing of the Plan and the Disclosure Statement marks a significant step in our restructuring process and fulfills an important commitment under our Restructuring Support Agreement. We look forward to continuing to progress our restructuring process with the support of our secured and unsecured noteholders. As always, our employees, customers, suppliers and other supporters have been instrumental in our ability to achieve this important milestone, and we deeply appreciate their support."

The Company expects to emerge from its financial restructuring in a significantly strengthened financial position. Pursuant to the proposed Plan, the Company's secured noteholders will receive new secured term loans. The proposed Plan also contemplates that the Company's unsecured noteholders will receive equity in the reorganized Company, and the Company's general unsecured creditors will be entitled to elect to receive either cash or equity in the reorganized Company. In addition, the Plan provides that the Company will obtain exit

financing in an amount of up to \$35 million to finance its operations after the Company exits chapter 11, which will replace the Company's current \$21 million Debtor-in-Possession credit facility. During its restructuring, the Company will continue the process of reviewing its leases and business contracts and identifying underperforming restaurant locations through store level analyses of historical performance, local market conditions and cost structure.

As part of this process, the Company anticipates holding a hearing on the adequacy of the Disclosure Statement in August 2011. After receiving approval of its Disclosure Statement, the Company expects to solicit approval of the Plan by the necessary classes of creditors and hold a confirmation hearing on the Plan.

Franchisees, vendors and other stakeholders can obtain additional information about the Company's reorganization by visiting www.PRKMCRestructuring.com.

This press release contains "forward-looking statements." These statements may be identified by the use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "should," or "will," or the negative thereof or other variations thereon or comparable terminology.

The company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond its control. Some of the key factors that could cause its actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements include the following:

- competitive pressures and trends in the restaurant industry;*
- prevailing prices and availability of food, supplies and labor;*
- relationships with franchisees and financial health of franchisees;*
- general economic conditions and demographic patterns;*
- development and expansion plans; and*
- statements covering business strategy.*

Undue reliance should not be placed on such forward-looking statements. The forward-looking statements included in this press release are made only as of the date hereof. The company does not undertake and specifically decline any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments.