**America's #1 Family Restaurant
Is Now Expanding Around The Globe!**

Established in 1957, We Are The <u>Worldwide Leader In Family Dining</u> With Over 2,150 Restaurants Operating In 8 Countries, including Japan

We Are #1 in Brand Awareness in the USA

We Are #1 In System Wide Sales

We are ranked #1 in Family Dining by 'Entrepreneur' magazine

We are ranked as one of the 2011 Top 10 Global franchises by 'Entrepreneur' magazine

#1 FAMILY DINING BRAND WORLDWIDE

- Over 97% brand awareness in U.S.

- **American icon est. 1953**

- Publicly traded: NASDAQ – DENN

- More than US$2.25 billion in sales[1]

- Over 600 international restaurants

- Opened 130+ new US restaurants in 2010

- We serve 26 million customers a month

- Denny's system is nearly 90% franchised & 100% focused on long-term, strategic franchise development

- **Menu changes are made for local tastes**

OUR MISSION STATEMENT

To provide our customers great food, service and hospitality in a clean and inviting restaurant 24 hours a day.

OUR BRAND POSITIONING

Denny's is a family restaurant

serving everyday affordable

quality food, with outstanding
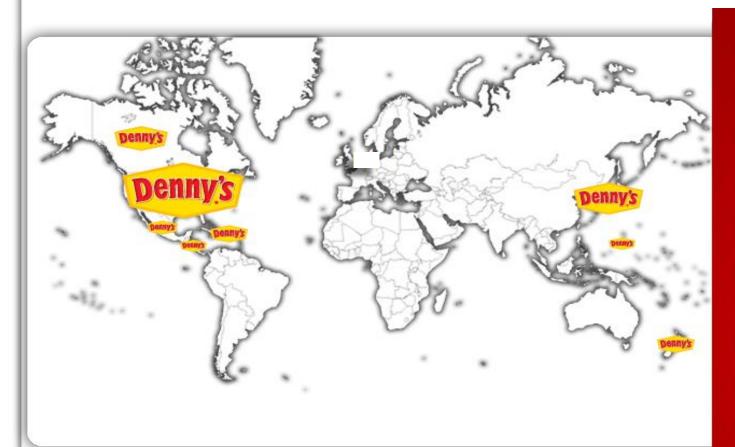
hospitality all the time.

OUR TARGET AUDIENCE

- Broad demographic appeal across age, gender, race and income

- Young families, seniors, business people, late night demographic

- Families and friends that have time to sit down and enjoy an affordable meal together

- Breakfast, Lunch, Dinner and Late Night Dining served at all hours

OUR CURRENT GEOGRAPHIC REACH

Canada - 49

Costa Rica - 2

Guam - 2

Japan - 578*

Mexico - 5

Netherlands, Antilles - 1

New Zealand - 7

Puerto Rico - 11

United States - 1482

Plus: 1st Honduras unit opened in 2010!!!

*Independent license

2010-2011 INTERNATIONAL DEVELOPMENT

Americas
> Dominican Republic
> Honduras
> Monterrey
> Mexico City

U. Kingdom

Middle East
> UAE
> S. Arabia

India

Asia   China
          Indonesia

The Denny's Difference

Special Brand Features	Denny's	Applebee's	IHOP	KFC	Papa John's	Chili's
24/7 - Breakfast/Lunch/Dinner/Late Night menus	Yes	No	Yes	No	No	No
Full Service / Table Service	Yes	Yes	Yes	No	No	Yes
57 years of operating experience	Yes	No	No	Yes	No	No
More than 2,100 restaurants worldwide	Yes	No	No	Yes	No	No
Operations in 8+ countries	Yes	Yes	No	Yes	Yes	Yes
Multiple, scalable Unit Restaurant Types	Yes	No	Yes	Yes	No	No
Average annual single restaurant revenue US$1.7MM	Yes	No	No	Yes	No	No
Serving more than 26 million customers monthly	Yes	No	No	Yes	No	No
Hotel locations	Yes	No	No	No	No	No
Mall, University and Airport models	Yes	No	No	Yes	Yes	Yes
Americana Diner Model	Yes	No	No	No	No	No
Highway Travel Plaza locations	Yes	No	Yes	Yes	No	No
Trademarked menu items (Grand Slam)	Yes	No	No	No	No	No
High value priced menu focus	Yes	Yes	Yes	Yes	No	No

Denny's Is A Scalable Brand To Fit The International Market

- **Denny's Fresh Express** and **AllNighter** —100-250 square meters – food courts, universities, airports, malls, medical centers and hotels

- **Denny's Full Size** – 300-800 square meters – Mall anchors, stand alone, casinos (Las Vegas) and resorts (Disney Land and Disney World)

- **Denny's Classic American Café** – 250-400 square meters – 1960s retro style café

- **Denny's Travel Centres** – 250-500 square meters – Highway travel oasis

Denny's Fresh Express

- **20-100 square meters**

- **Mall food court and airports**

- **20%+ of the standard food menu**

- **Scalable to fit the available space**

- **Grab and Go concept**

Denny's AllNighter

- **100-150 square meters**
- **Universities and airports**
- **20%+ of the standard food menu – focused on customers**
- **Specialty coffee selection**

Denny's Americana Model

1960s retro exterior and interior

Aluminum exterior and walls

Stand alone and mall anchor models

Great for malls and vacation locations

250-400 square meter size

What Our Area Licensees Receive

1) Use of the Denny's® name, marks, Brand Standards for operating the franchise and other intellectual property

2) Start-up senior management training program

3) Start-up in-country staff training at the first 2 restaurants and access to the Denny's Train The Trainer program

4) On-going in-country support visits

5) Denny's® supply chain and vendor quality assurance program

6) Denny's® POS system for management of the restaurants

7) Site selection program

8) Denny's® Marketing Package with seasonal campaigns

9) Access to the Denny's® proprietary Intranet Site with online training, support, manuals, marketing resources and Best Practices

10) Denny's® local unit websites

11) Denny's Business Plan template and support

Our Area Licensee Requirements

- **Strong, marketing oriented company, involved in food related businesses**

- **Strong, marketing oriented company, already involved in food related businesses**

- **Access to appropriate real estate**

- **Access to a minimum of US$5,000,000 capital for this project**

- **Experience as a major brand restaurant developer or western level hospitality developments**

- **Experience with western level food safety and quality assurance systems**

- **Access to supply chain resources (local/National)**

THE STEPS TO ACQUIRING A DENNY'S INTERNATIONAL AREA LICENSE

1) **Initial Information**

   1) **Complete Confidentiality Agreement & Candidate Information Form**

   2) **Receive detailed information about the Denny's Area License opportunity**

2) **Exchange of questions and business plan development**

3) **Attend Discovery Day meetings in the U.S. to meet with Executive Leadership Team**

4) **Sign Area License Paperwork**

5) **Complete Business Planning Process**

6) **Start training, choose and build out the first location**

The Denny's International Area License

- Denny's grants multi-unit Area Licenses to qualified companies in a country or region

- The minimum commitment is 10 restaurants, Denny's prefer 25-50

- The initial term of the Denny's® Area License is 20 years, it is renewable

- The initial area license fee is US$40,000 for each unit or US$400,000 for a minimum 10 unit area license

- Denny's charges a royalty of 5% of the unit gross turnover and a 0.25% marketing fee

- Denny's area licensees build, own and operate all units themselves

- Qualified companies will receive the full Denny's® information package