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DENNY'S CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

FOR MEMBERS OF THE BOARD OF DIRECTORS*

I. Purpose; Applicability

A. The Corporate Governance and Nominating Committee of the Board of Directors of Denny's Corporation ("Denny's") has adopted this Code of Business Conduct and Ethics for its board members (the "Code"). This Code is intended to provide guidance to Denny's directors in the area of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help to foster a culture of honesty and accountability.

B. This Code applies to all members of the Board of Directors of Denny's (the "Board").

II. Conflicts of Interest

A. Each Denny's director shall avoid all conflicts, as well as the appearance or perception of conflicts, between the interests of Denny's and the interests of the director. To that end, directors are required periodically to complete questionnaires which require prompt disclosure of any actual or potential conflicts of interest so that Denny's may take appropriate action to avoid any damage to its interests.

B. A conflict of interest may be considered to exist in those instances where the actions or activities of an individual or individuals on behalf of Denny's involve (a) the obtaining of an improper personal gain or advantage, (b) an adverse effect on Denny's interests, or (c) the obtaining by a third party of an improper gain or advantage. Conflicts of interest can arise in other instances. While it is impossible to list every circumstance giving rise to a possible conflict of interest, it is the policy of the Board that members of the Board should be particularly scrupulous in avoiding the appearance of conflict or impropriety and should adhere to the highest standards and principles of corporate governance. For purposes of this Code, holding a significant financial interest (which shall explicitly exclude any interest held through a publicly available mutual fund) in any material supplier or competitor of Denny's may potentially be considered a conflict of interest. The term "*Competitor*" for this purpose refers to any restaurant chain in the family dining segment, including but not limited to, IHOP, Bob Evans, Friendly's, Cracker Barrel, Perkins, FRISCH's Restaurants, Village Inn, Coco's, Carrows, and Shoney's. The term "*Material Supplier*" for this purpose refers to any entity that supplies goods and/or services to the Company in an amount that equals or exceeds 25% of the total annual amount of that particular good or service utilized by Denny's. The term "significant interest" shall for this purpose be any form or amount of ownership that equals the lesser of (i) one (1) percent or more of the total ownership of the entity in question, or (ii) a fair market value amount of \$1 million.

C. In the event a director concludes that there is a conflict of interest or the possible appearance of a conflict, then the matter should promptly be fully disclosed to the Chairman of the Board or, if appropriate, the Chairman of the Corporate Governance and Nominating Committee if the matter involves the Chairman of the Board so that the matter may be fully and completely discussed by the directors as soon as possible, with the affected director recusing himself or herself from the discussion.

III. Corporate Opportunities

A. Board members may not (i) take for himself or herself personally any opportunity that he or she discovers through the use of Denny's property or information or his or her position with Denny's, (ii) use Denny's property or information or his or her position with Denny's for his or her own personal gain, or (iii) compete with Denny's; provided, however, that if Denny's disinterested directors determine that Denny's will not pursue an opportunity that relates to Denny's business, a director may do so.

B. Board members owe a duty to Denny's to advance the legitimate interests of Denny's when the opportunity to do so arises.

IV. Confidentiality

Board members must maintain the confidentiality of information entrusted to them by Denny's except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might be of use to Denny's competitors, or harmful to Denny's or its customers, if disclosed.

V. Fair Dealing

Board members should endeavor to deal fairly with Denny's customers, suppliers, competitors and employees. No director should take unfair advantage of any of Denny's customers, suppliers, competitors and employees through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

VI. Protection and Proper Use of Denny's Assets

A. Board members must protect Denny's assets and ensure their efficient use.

B. Board members may use Denny's assets only for legitimate business purposes.

VII. Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

Board members shall comply with all laws, rules and regulations applicable to them as directors of Denny's including but not limited to, insider trading laws.

VIII. Waivers; Reporting Violations

A. Any waiver of this Code may be made only by the Board or a committee of the Board and must be promptly disclosed as required by any applicable laws, rules or regulations.

B. Board members should promote ethical behavior and take steps to ensure that Denny's (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation, (b) encourages employees to report violations of laws, rules, regulations or Denny's Standards of Business Conduct, and (c) informs employees that Denny's will not allow retaliation for such reports made in good faith.

C. Board members should communicate any actual or suspected violations of this Code promptly to the Chairman of the Board or to the Chair of the Corporate Governance and Nominating Committee of the Board. Violations will be investigated by the Board or by a person or persons designated by the Board and appropriate action will be taken in the event of any violation of this Code.

D. Any person may report actual or suspected violations of this Code by contacting Denny's General Counsel at (864) 597-8000. It is the policy of Denny's not to retaliate against any Denny's employee for good faith reporting of an actual or suspected violation of this Code or any other irregularity. Reports to the General Counsel may be anonymous.