



For Immediate Release

Contacts: Josh Kern
VICORP Restaurants Inc.
Office: 303.672.2225

VICORP Restaurants completes new funding with current senior lenders

DENVER (October 13, 2008) – VICORP Restaurants Inc., which operates Village Inn and Bakers Square restaurants, announced that it reached an agreement with its current debtor-in-possession lenders, Wells Fargo Foothill Inc., and Ableco Finance LLC to raise additional funding to support its operation.

The new facility provides an additional \$7,000,000 to meet VICORP’s short term working capital requirement needs. As a condition of the new loan agreement, VICORP agreed to expedite the sale of the company. The sale process is to be completed by January 31, 2009. Piper Jaffrey & Co., VICORP’s current financial advisor, is leading the sale process.

Chief Financial Officer Tony Carroll stated, “Additional funding was necessary to ramp up pie manufacturing operations for VICOM, the pie manufacturing division of VICORP. The additional capital will allow VICOM to meet its increased product demand during the all important Thanksgiving, Christmas and New Year’s holiday season.”

Carroll continued, “I feel confident that we have a strong and sustainable group of Village Inn and Bakers Square restaurants and a management team that can live up to the challenges that lie ahead of us. We are particularly pleased to complete this financing despite the extremely tight credit markets.”

The motion was submitted and approved on October 10, 2008 by Judge Kevin Gross of the U.S Bankruptcy Court in Wilmington, Delaware.

About VICORP Restaurants Inc.

Headquartered in Denver, VICORP Restaurants Inc. operates two restaurant concepts under proven and well-recognized brands, Village Inn and Bakers Square. Founded in 1958, VICORP has 309 restaurants in 25 states, consisting of 217 company-operated restaurants and 92 franchised restaurants. Both Village Inn and Bakers Square are synonymous with award-winning pies and also offers distinct, high-quality menu items for breakfast, lunch and dinner.

Piper Jaffrey & Co.

All sale inquiries should be directed to John T. Twichell with Piper Jaffrey & Co. who can be reached at 415-277-1533.

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