

Morgan's FOODS, INC.

24200 Chagrin Boulevard • Suite 126 • Beachwood, Ohio 44122 • (216) 360-7500 • Fax (216) 360-0299

FOR IMMEDIATE RELEASE

Contact: Kenneth L. Hignett
Senior Vice President, Chief Financial Officer & Secretary
(216) 359-9000

MORGAN'S FOODS ANNOUNCES EXTENSION OF ITS SHAREHOLDER RIGHTS PLAN

Cleveland, Ohio (October 9, 2007) -- Morgan's Foods, Inc. (OTC:MRFD) (www.morgansfoods.com) announces extension of Shareholder Rights Plan.

At its meeting on October 2, 2007, Morgans Foods, Inc Board of Directors voted to extend the term of its Shareholder Rights Plan to April 7, 2014 and to make several technical amendments to the Plan. Previously the Plan had an expiration date of April 7, 2009.

Leonard R. Stein-Sapir, Chairman and Chief Executive Officer of the Company, said: "After an extensive review of the plan and consideration of developments relating to our shareholder constituency and in the area of rights plans in general, our Board of Directors decided that it was in the best interest of our shareholders to extend the plan and to amend it in certain technical respects to bring it in line with other plans in general."

A complete copy of the plan with a summary of the changes will be filed promptly with the Securities and Exchange Commission as an amendment to the Company's Form 8-A.

Morgan's Foods, Inc. operates a total of 97 restaurants in six states, being comprised of 73 KFC restaurants, 6 Taco Bell restaurants, 13 KFC/Taco Bell "2n1" restaurants, 3 Taco Bell/Pizza Hut Express "2n1's", 1 KFC/Pizza Hut Express "2n1" and 1 KFC/A&W "2n1".

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