

**FOR IMMEDIATE RELEASE**

Contact: Kenneth L. Hignett  
Senior Vice President, Chief Financial Officer & Secretary  
(216) 360-7500

**MORGAN'S FOODS ANNOUNCES AGREEMENT TO SELL  
RESTAURANT PROPERTY**

Beachwood, Ohio (March 23, 1999) -- Morgan's Foods, Inc. (AMEX:MR) announced that it entered into an agreement on Monday, March 22, 1999 to sell its leasehold interest in the East Side Mario's restaurant property located at Mayfield Heights, Ohio. This restaurant was unprofitable and had ceased operations on October 2, 1998. The transaction covered by this agreement is expected to close in May.

Morgan's Foods, Inc., which recently was recognized as a 35 year KFC franchisee, currently operates 47 KFC restaurants, three of which are KFC-Taco Bell "2n1" units, in six states and five East Side Mario's restaurants in Cleveland/Akron and Columbus, Ohio.

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