

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)		)	Chapter 11
FRIENDLY ICE CREAM CORPORATION, <i>et al.</i> , <sup>1</sup>	)	)	)	Case No. 11-13167 (KG)
Debtors.	)	)	)	Jointly Administered
	)	)	)	

**NOTICE OF CANCELLATION OF  
AUCTION AND SUCCESSFUL BIDDER**

**PLEASE TAKE NOTICE** that pursuant to the *Order (A) Approving Bidding Procedures; (B) Approving Form and Manner of Notices; (C) Approving Form of Asset Purchase Agreement, Including Expense Reimbursement; (D) Scheduling Dates to Conduct Auction and Hearing to Consider Final Approval of Sales, Including Treatment of Executory Contracts and Unexpired Leases; and (E) Granting Related Relief* [Docket No. 289] (the “Bidding Procedures Order”), the deadline for submitting competing bids for the Acquired Assets<sup>2</sup> was December 20, 2011, at 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”).

**PLEASE TAKE FURTHER NOTICE** that pursuant to the Bidding Procedures Order, an auction for the assets was scheduled for December 22, 2011, at 9:00 a.m. (the “Auction”).

**PLEASE TAKE FURTHER NOTICE** that no competing Qualified Bids were received for the Acquired Assets prior to the Bid Deadline. The Debtors, in consultation with the

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Friendly Ice Cream Corporation (3130); Friendly’s Restaurants Franchise, LLC (3693); Friendly’s Realty I, LLC (2580); Friendly’s Realty II, LLC (2581); and Friendly’s Realty III, LLC (2583). The location of the Debtors’ corporate headquarters and the Debtors’ service address is: 1855 Boston Road, Wilbraham, Massachusetts 01095.

<sup>2</sup> All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Bidding Procedures Order.

Committee, have determined not to conduct the Auction and hereby give notice of the cancellation of the Auction.

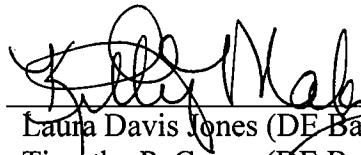
**PLEASE TAKE FURTHER NOTICE** that pursuant to the Bidding Procedures Order, the Stalking Horse Purchaser has been selected as the Successful Bidder.

**PLEASE TAKE FURTHER NOTICE** that a hearing will be held before the Honorable Kevin Gross of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, on December 29, 2011, at 10:00 a.m. (prevailing Eastern Time) at which the Debtors will seek approval of the Successful Bid (the "Hearing").

**PLEASE TAKE FURTHER NOTICE** that the Hearing may be adjourned from time to time in accordance with the Bidding Procedures Order without further notice other than by announcement of such adjournment at the Hearing.

Dated: December 21, 2011  
Wilmington, Delaware

**PACHULSKI STANG ZIEHL & JONES LLP**



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