

MEXICAN RESTAURANTS, INC.

**12000 Aerospace Ave, Suite 400
Houston, Texas 77034**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 26, 2012

Dear Shareholder:

You are cordially invited to attend the 2012 Annual Meeting of Shareholders of Mexican Restaurants, Inc., a Texas corporation (the "Company"), at the Company's corporate office located at 12000 Aerospace Ave., Suite 400, Houston, Texas 77034 on Tuesday, June 26, 2012 at 9:30 a.m., Houston, Texas time, for the following purposes:

1. The election of directors, each to serve for a term of one year, or until their respective successors shall have been duly elected and shall have qualified; and
2. To transact such other business as may properly come before the meeting.

The Board of Directors has chosen the close of business on May 25, 2012 as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting or any adjournment thereof. Each outstanding share of the Company's common stock entitles the holder to one vote.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in the affairs of the Company.

By Order of the Board of Directors,

Michael D. Domec
Chairman of the Board

June 7, 2012

This communication is not a solicitation of a proxy from any shareholder of the Company.