



IHOP Corp. Enters Into Sale-Leaseback Agreement for 187 Parcels of Applebee's Company-Owned Restaurant Real Estate

May 20, 2008

Transaction to Generate Expected Proceeds of Approximately \$347 Million Before Taxes

GLENDALE, CA, May 20, 2008 (MARKET WIRE via COMTEX News Network) -- IHOP Corp. (NYSE: IHP) today announced that its Applebee's business unit has entered into a purchase and sale agreement with a newly formed entity affiliated with Drawbridge Special Opportunities Fund LP; Drawbridge Real Assets Fund LP; and various affiliates, for the sale-leaseback of 187 company-owned restaurant real estate parcels. The sale of the real estate is currently expected to generate gross proceeds of approximately \$347 million before taxes. Drawbridge funds are an affiliate of Fortress Investment Group, a publicly traded alternative asset manager.

The transaction is expected to close no later than June 16, 2008. After-tax cash proceeds from the sale-leaseback of these properties are expected to be dedicated toward the pay down of the Company's funded debt.

The estimated gross purchase price for the properties before taxes is subject to further adjustment based on restaurant sales for the 12-month trailing period ending April 30, 2008, the final results of which are not yet available. The final sales figures for April 2008 are expected to be available and the purchase price finalized no later than June 1, 2008. The buyer also possesses a limited right not to purchase up to a maximum of 15% of the total number of restaurant sites and to adjust the purchase price accordingly, but only if such properties are determined to have material defects relating to property condition, title, survey, zoning or access.

As previously announced, IHOP Corp. intends to franchise the large majority of Applebee's company-operated restaurants. The transaction has been structured so that Applebee's will have the ability to assign and transfer lease obligations related to this sale-leaseback to franchisees upon the sale of company-operated Applebee's restaurants. For additional information about the transaction, please refer to the Form 8-K that IHOP Corp. intends to file with the Securities and Exchange Commission in conjunction with this news release.

About IHOP Corp.

Based in Glendale, California, IHOP Corp. franchises and operates restaurants under the International House of Pancakes, or IHOP, and the Applebee's Neighborhood Grill & Bar brands. With more than 3,300 restaurants combined, IHOP Corp. is the largest full-service restaurant company in the world. IHOP Corp.'s common stock is listed on the NYSE under the symbol "IHP." For more information on IHOP Corp., visit the Investor Relations section of the Company's Web site located at www.ihop.com.

Forward-Looking Statements

There are forward-looking statements contained in this news release. They use such words as "may," "will," "expect," "believe," "plan," or other similar terminology, and include statements regarding the strategic and financial benefits of the acquisition of Applebee's International, Inc., expectations regarding integration and cost savings, and other financial guidance. These statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results to be materially different than those expressed or implied in such statements. These factors include, but are not limited to: the implementation of the Company's strategic growth plan; the availability of suitable locations and terms for the sites designated for development; the ability of franchise developers to fulfill their commitments to build new restaurants in the numbers and time frames covered by their development agreements; legislation and government regulation including the ability to obtain satisfactory regulatory approvals; risks associated with executing the Company's strategic plan for Applebee's; risks associated with the Company's incurrence of significant indebtedness to finance the acquisition of Applebee's; the failure to realize the synergies and other perceived advantages resulting from the acquisition; costs and potential litigation associated with the acquisition; the ability to retain key personnel after the acquisition; conditions beyond the Company's control such as weather, natural disasters, disease outbreaks, epidemics or pandemics impacting the Company's customers or food supplies; or acts of war or terrorism; availability and cost of materials and labor; cost and availability of capital; competition; continuing acceptance of the IHOP, International House of Pancakes and Applebee's brands and concepts by guests and franchisees; the Company's overall marketing, operational and financial performance; economic and political conditions; adoption of new, or changes in, accounting policies and practices; and other factors discussed from time to time in the Company's news releases, public statements and/or filings with the Securities and Exchange Commission, especially the "Risk Factors" sections of Annual and Quarterly Reports on Forms 10-K and 10-Q. Forward-looking information is provided by IHOP Corp. pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. In addition, the Company disclaims any intent or obligation to update these forward-looking statements.

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