



DineEquity, Inc. Announces the Sale of 30 Company-Operated Applebee's Restaurants in Washington D.C.

December 6, 2010

GLENDALE, CA, Dec 06, 2010 (MARKETWIRE via COMTEX) --

DineEquity, Inc. (NYSE: DIN), parent company of Applebee's Neighborhood Grill & Bar and IHOP Restaurants, today announced that it has entered into an asset purchase agreement with Potomac Family Dining Group for the sale of 30 company-operated Applebee's restaurants located in Washington D.C. and surrounding areas. The purchase agreement does not contain a financing contingency, but closing is subject to regulatory processes related to liquor license transfers and other customary closing conditions. The transaction is expected to close in the first quarter 2011.

The transaction is expected to result in after-tax proceeds of approximately \$27 million and is expected to reduce sale-leaseback related financing obligations associated with 10 properties by approximately \$20 million. Additionally, as part of a separate transaction, the Company intends to sell one restaurant fee property that will be leased to the buyer.

Julia A. Stewart, DineEquity's chairman and chief executive officer, said, "We are pleased to announce the sale of 30 additional company-operated Applebee's restaurants as we continue to execute our strategic goal of transitioning Applebee's into a more highly franchised restaurant system over time. With Potomac Family Dining Group, we have selected an excellent franchise partner who is new to the Applebee's system and possesses significant operating, development and financial capabilities."

Timothy M. George, the principal investor in Potomac Family Dining Group, said, "The acquisition of Applebee's restaurants is a unique opportunity for this company. With strong brand revitalizing strategies in place, Applebee's is well positioned to become even more relevant to its guests and extend its market share leadership position in the grill and bar category. Potomac Family Dining Group is excited about the brand's future and looks forward to representing Applebee's in the Washington D.C. area."

The transaction is expected to produce gross cash proceeds of approximately \$32 million including inventory and is expected to result in an approximate \$5 million tax liability. The Company also expects to pay approximately \$4 million related to the settlement of net working capital liabilities and deal costs. Additionally, the sale of these company-operated Applebee's restaurants is expected to result in more than \$1 million of annualized consolidated General & Administrative savings.

To date, DineEquity has sold a total of 193 Applebee's company-operated restaurants since its acquisition of Applebee's International in November 2007. This includes previously announced transactions already completed in the fourth quarter 2010 for the sale of 63 company-operated Applebee's restaurants in Minnesota and parts of Wisconsin, as well as the sale of 20 company-operated Applebee's restaurants located in the Roanoke and Lynchburg markets in Virginia. Additionally, DineEquity expects to complete the previously announced sale of 36 company-operated Applebee's restaurants located in St. Louis, Missouri and parts of Illinois in the first quarter 2011.

With nearly 3,500 Applebee's and IHOP restaurants combined, DineEquity is the largest full-service restaurant company in the world with brands that are leaders in their respective categories of casual dining and family dining. As of September 30, 2010, more than 88% of DineEquity's Applebee's and IHOP restaurants were franchised. Upon consummation of the pending sales of 66 additional company-operated Applebee's restaurants and the 83 restaurants already sold during the fourth quarter 2010, as detailed in this news release, 93% of DineEquity's restaurants will be franchised. The Company believes that its increasingly franchised business model is less capital intensive and experiences less volatility in cash flow performance compared to the operation of company-operated restaurants.

Potomac Family Dining Group ("PFDG") was established by investment banking veteran Timothy M. George in 2010 to facilitate the acquisition of 30 Applebee's Neighborhood Bar & Grill restaurants located in Washington D.C. and surrounding areas. Mr. George was a financial advisor to DineEquity on its 2007 acquisition of Applebee's International. Additionally, Nicolas P. Barquin acted as financial advisor to PFDG and will be a consultant to the organization on an ongoing basis. Through the leadership of its experienced management team, Potomac Family Dining Group is positioned to deliver operational excellence and support future franchise restaurant growth throughout the Washington D.C. area.

About DineEquity, Inc.

Based in Glendale, California, DineEquity, Inc., through its subsidiaries, franchises and operates restaurants under the Applebee's Neighborhood Grill & Bar and IHOP brands. With nearly 3,500 restaurants combined, DineEquity is the largest full-service restaurant company in the world. For more information on DineEquity, visit the Company's Web site located at www.dineequity.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. 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 DineEquity, Inc.'s (the "Company") strategic growth plan; the availability of suitable locations and terms for 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 the Company's indebtedness; 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; potential litigation and associated costs; continuing acceptance of the International House of Pancakes ("IHOP") 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 the Company 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.

SOURCE: DineEquity, Inc.