



DineEquity Announces Expansion of IHOP Franchises Into the Middle East

June 20, 2011

Development Deal to Bring Iconic Restaurant Chain to Nine Countries Across the Region

GLENDALE, CA, Jun 20, 2011 (MARKETWIRE via COMTEX) --

DineEquity, Inc. (NYSE: DIN), the world's largest full-service restaurant company, announced today that its wholly owned subsidiary, IHOP Franchise Company, LLC, has signed a multi-restaurant franchise agreement with an affiliated entity of Kuwait-based M.H. Alshaya Co., WLL, for the development of 40 new IHOP Restaurants in Kuwait, Saudi Arabia, Jordan, Lebanon, Qatar, the United Arab Emirates, Oman, Bahrain and Egypt. The agreement marks the first major expansion of the IHOP chain outside of North America and represents the largest international development deal in the brand's history. DineEquity is the parent company of IHOP and Applebee's Neighborhood Grill and Bar Restaurants, which comprise over 3,500 restaurants combined.

"This agreement illustrates our commitment to grow our business by leveraging DineEquity's valuable brands and expanding beyond the markets we have traditionally served," said Julia Stewart, DineEquity's Chairman & CEO. "We look forward to working with Alshaya to make IHOP, with its unmistakable offerings and excellent service, a destination of choice for guests throughout the Middle East."

IHOP will be one of the most recognized American family dining brands to enter the Middle East when its restaurants begin to open in the area over the next 12 months. Alshaya has a successful history of operating leading international brands in the region and plans to open the 40 IHOP restaurants there during the next five years.

"Consumers in the Middle East consistently tell us that they want the great quality and value that IHOP represents and we are pleased to introduce this leading American dining brand here," said Mohammed Alshaya, Executive Chairman, Alshaya. "The popularity and international appeal of the IHOP brand, combined with our proven track record of operating and delivering exceptional service customized to the local market promises to create a powerful partnership."

IHOP's development program has historically focused exclusively on North America, with restaurants located throughout the U.S., Canada and Mexico. Recent international development has taken the brand to Puerto Rico, the U.S. Virgin Islands and Guatemala. IHOP plans to open between 55-65 new restaurants in 2011, the majority of which are expected to open in the U.S.

Jean Birch, IHOP President, said: "The Alshaya agreement marks a major milestone in IHOP's international development strategy and reflects our commitment to make the brand accessible to more guests. IHOP is an icon in the industry, and we are proud to partner with one of the premier franchisees of international brands in the Middle East to deliver our delicious food and warm service to an entirely new set of guests and their families."

The opening of traditional IHOP restaurants, both domestically and abroad, is one of the key tactics in fulfilling the ongoing strategy to expand the brand's accessibility to new and current guests. IHOP opened its milestone 1,500th restaurant last year, and currently has a franchise development pipeline of more than 300 restaurants. In addition to traditional restaurant development, IHOP has also embarked on other growth opportunities, including the development of express concepts for non-traditional venues such as college and university campuses, military bases and airports, as well as licensing its name for select retail products. In May, IHOP launched "IHOP at Home," a line of premium frozen breakfast foods. The items, which are available at almost 3,000 Walmart stores in the U.S., include French Toast Stuffed Pastries, Omelet Crispers and Griddle 'n Sausage Wraps.

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 more than 3,500 restaurants combined, DineEquity is the largest full-service restaurant company in the world. For more information on DineEquity, visit the company's website at www.dineequity.com

ABOUT IHOP For 52 years, the IHOP family restaurant chain has served its world famous pancakes and a wide variety of breakfast, lunch and dinner items that are loved by people of all ages. IHOP offers its guests an affordable, everyday dining experience with warm and friendly service. As of March 31, 2011, there were 1,513 IHOP restaurants in 50 states and the District of Columbia, as well as in Canada, Guatemala, Mexico, Puerto Rico and the U.S. Virgin Islands. Under the licensed name IHOP at HOME(TM) consumers can also enjoy a line of premium breakfast products available at Wal*Mart stores. IHOP restaurants are franchised and operated by Glendale, Calif.-based International House of Pancakes, LLC and its affiliates. International House of Pancakes, LLC is a wholly-owned subsidiary of DineEquity, Inc.

ABOUT ALSHAYA M.H. Alshaya Co. is a leading international franchise operator for over 55 of the world's most recognised retail brands, including Starbucks, H&M, Mothercare, Debenhams, American Eagle, Pottery Barn, Pottery Barn Kids, P.F. Chang's, Office Depot and Boots. The company operates over 2000 stores across 7 divisions: Fashion & Footwear, Health & Beauty, Food Service, Optics, Pharmacy, Office Supplies and Home Furnishings. Alshaya's stores can currently be found in 15 markets across the Middle East, North Africa, Turkey, Cyprus, Russia, Poland, Slovakia and the Czech Republic and the company employs more than 20,000 people from over 80 nationalities.

Alshaya has established itself as the industry leader across these territories through a combination of local market understanding and a comprehensive commitment to customer service. Growth in each of its operating divisions and brands is supported by continuous investment in talent and infrastructure. It applies best practices in retail operations, merchandising, marketing, information technology, logistics, real estate, human resources and financial controls. M.H. Alshaya Co. is the retail business of the Alshaya group of companies, which was founded in Kuwait in 1890 and today represents one of the most dynamic businesses in the Middle East. In addition to its retail operations, Alshaya is active in a number of other sectors including real estate, automotive, hotels, trading and investments. Learn more about the company at www.alshaya.com.

Forward-Looking Statements Statements contained in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by words such as "may," "will," "should," "expect," "anticipate," "believe," "estimate," "intend," "plan" and other similar expressions. These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to be materially different from those expressed or implied in such statements. These factors include, but are not limited to: the effect of general economic conditions; the Company's substantial indebtedness; risk of future impairment charges; the Company's results in any given period differing from guidance provided to the public; the highly competitive nature of the restaurant business; the Company's business strategy failing to achieve anticipated results; risks associated with the restaurant industry; shortages or interruptions in the supply or delivery of food; changing health or dietary preferences; harm to our brands' reputation; litigation; environmental liability; liability relating to employees; failure to comply with applicable laws and regulations; failure to effectively implement restaurant development plans; concentration of Applebee's franchised restaurants in a limited number of franchisees; credit risk from IHOP franchisees operating under our previous business model; termination or non-renewal of franchise agreements; franchisees breaching their franchise agreements; changes in the number and quality of franchisees; inability of franchisees to fund capital expenditures; third-party claims with respect to intellectual property assets; heavy dependence on information technology; failure to protect the integrity and security of individually identifiable information; and other factors discussed from time to time in the Company's Annual and Quarterly Reports on Forms 10-K and 10-Q and in the Company's other filings with the Securities and Exchange Commission. The forward-looking statements contained in this release are made as of the date hereof and the Company assumes no obligation to update or supplement any forward-looking statements.

SOURCE: DineEquity, Inc.