DineEquity, Inc. Announces the Sale of 33 Applebee's Company-Operated Restaurants in Missouri and Indiana to American Franchise Capital, LLC

May 29, 2012

GLENDALE, Calif.--(BUSINESS WIRE)--May. 29, 2012-- DineEquity, Inc. (NYSE:DIN), the parent company of Applebee's Neighborhood Grill & Bar and IHOP Restaurants, today announced that it has entered into an asset purchase agreement with American Franchise Capital, LLC for the sale of 33 Applebee's company-operated restaurants located primarily in Missouri and Indiana. The agreement does not contain financing contingencies, but closing is subject to regulatory processes related to liquor license transfers and other customary closing conditions.

The transaction is expected to result in net proceeds after taxes of approximately $26 million and reduce DineEquity's sale-leaseback related financing obligations by approximately $22 million. The Company expects to pay approximately $5 million related to the settlement of net working capital liabilities and deal costs. Additionally, the sale of these Applebee's company-operated restaurants will result in approximately $1.3 million in annualized general and administrative savings. The Company anticipates closing the transaction in the third quarter of 2012.

“We are pleased to announce the sale of 33 Applebee’s company-operated restaurants, reflecting yet another significant step in our strategy to transition to a 99% franchised restaurant system,” said Julia A. Stewart, Chairman and Chief Executive Officer of DineEquity, Inc. “American Franchise Capital is a great franchise partner with deep operating experience.”

William J. Georgas, a Managing Partner with American Franchise Capital and a previous Applebee’s franchisee with The Georgas Group, said, “We are excited about this iconic brand’s future and look forward to participating in the revitalization of Applebee's in a meaningful way. This transaction represents the long-term continued confidence we have in the brand and the establishment of a solid partnership.” Mr. Georgas was previously the co-managing owner of The Georgas Group, a restaurant franchise company which included 47 Applebee’s restaurants.

To date, DineEquity has sold a total of 342 Applebee's company-operated restaurants since its acquisition of Applebee's International in November 2007. DineEquity currently has two transactions, which it anticipates will close in the third quarter of 2012. Upon consummation of the pending sales of 33 additional Applebee's company-operated restaurants, as detailed in this news release, and the 39 Applebee's company-operated restaurants in Virginia detailed in DineEquity’s May 1st news release, 97% 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.

American Franchise Capital, LLC was formed by William Georgas and Trevor Ganshaw for the purpose of acquiring high-end restaurant franchises in the U.S. and Canada. Mr. Georgas is an industry veteran with over 20 years of operating experience in the restaurant franchise business. Mr. Ganshaw has over 20 years of experience in the banking and investment management industries. This is American Franchise Capital’s first acquisition of Applebee's company-operated restaurants. American Franchise Capital’s offices are located in Greenwich, Connecticut.

The Company will update its 2012 financial performance guidance upon closing of this transaction.

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 in 18 countries, over 400 franchisees and approximately 200,000 team members (including franchisee- and company-operated restaurant employees), we believe DineEquity is one of the largest full-service restaurant companies in the world. For more information on DineEquity, visit the Company's Web site located at www.dineequity.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; our dependence upon our franchisees; our engagement in business in foreign markets; 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; insolvency proceedings involving franchisees; 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; failure to execute on a business continuity plan; inability to attract and retain talented employees; risks associated with retail brand initiatives; failure of our internal controls; 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.



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