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Applebee's Benchmarking Analysis

Parent Company
DineEquity, Inc.

Market Cap
\$870MM

LTM Stock Performance
DIN -13% vs. DJ Rest Index -2.7%

Debt Rating
Not rated

1. Marketing & Menu Strategy

Target market
Menu strategy
Ad strategy
Promotion strategy

Casual

Chain	Total Items	Appetizers	Dinner Entrees ⁽¹⁾	Lunch Menu ⁽²⁾	Value Menu	Desserts	Average Check	Lunch	Dinner	Alcohol	Take-out

(1) Entrees include entrée salads and any additional diet/healthy items. Combo appetizers and entrees are counted as 1 item.
 (2) Lunch menu items are excluded from total to avoid double counting.

Recent Promotions

Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09

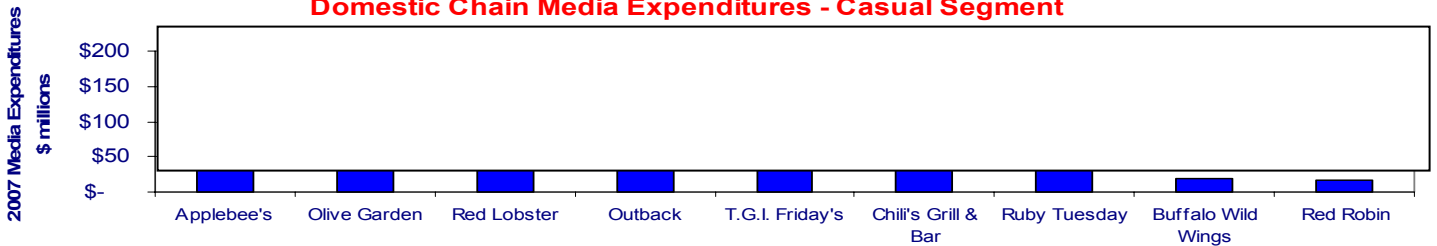
Bold products represent new items.

Source: RR

Ad Spending

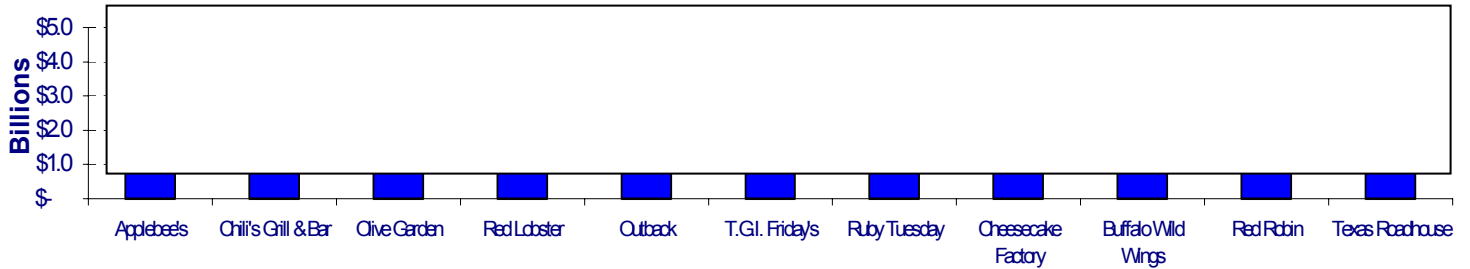
Media Ad Spending		Media Focus	Franchisee Mandated Ad Contribution	
Total 2008	% of System Sales		% of Unit Sales	National/Local

Domestic Chain Media Expenditures - Casual Segment



2. Applebee's System Statistics Summary

Casual Segment Competitors by 2008 Domestic Systemwide Sales

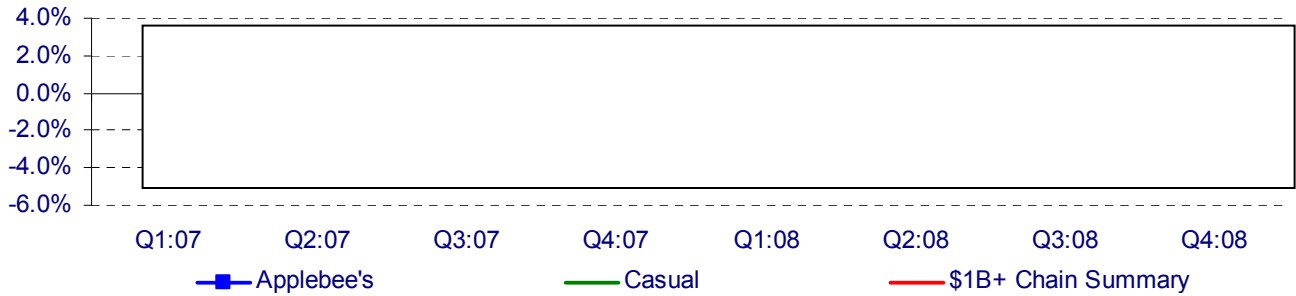


Applebee's						
Domestic System Statistics						
FYE December	2004	2005	2006	2007	2008	<i>5 yr. ('04-'08) Average</i>
System-wide Sales ('000)						
YOY Growth in System-wide Sales						
Segment Sales ('000)						
YOY Growth in Segment Sales						
Concept's Segment Market Share						
YOY Change in Concept Market Share						
Franchised Company Total System Segment						
Franchised Company Total Segment						
% Growth Rate/Existing Units Segment						
Franchised Company Total Segment						
% Growth Rate/Existing Units Segment						
Franchised Transfers						
Franchised Closings						
Company Closings						
System Closings						
Segment Closings						

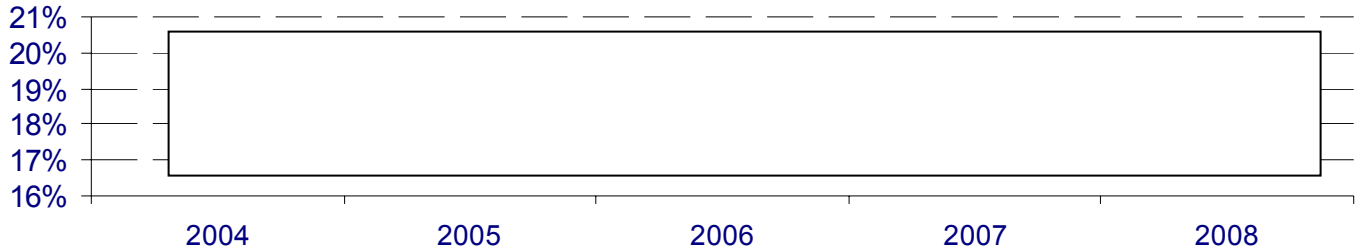
3. Sales Performance

Comp Sales Performance	➤
Sales Outlook and Drivers	➤
Market Share	➤

Applebee's Comp Performance vs. Casual Segment

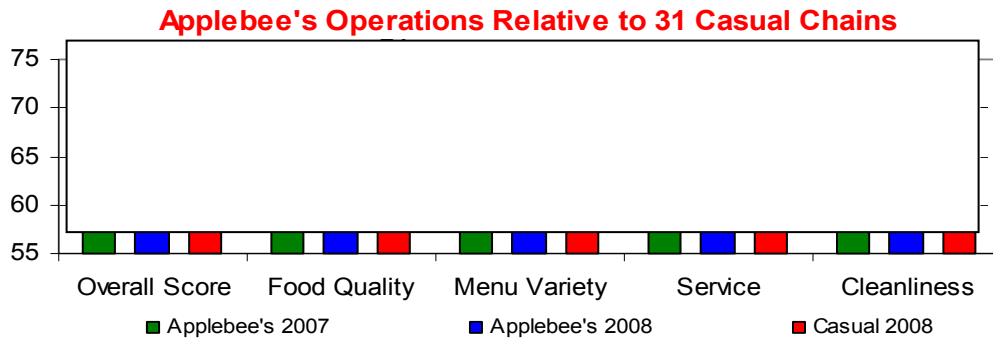


Applebee's Share of \$1B+ Casual Chains



Source: RR

4. Operational Performance



Customer Operational Ratings & Improvement Initiatives



Quality Control



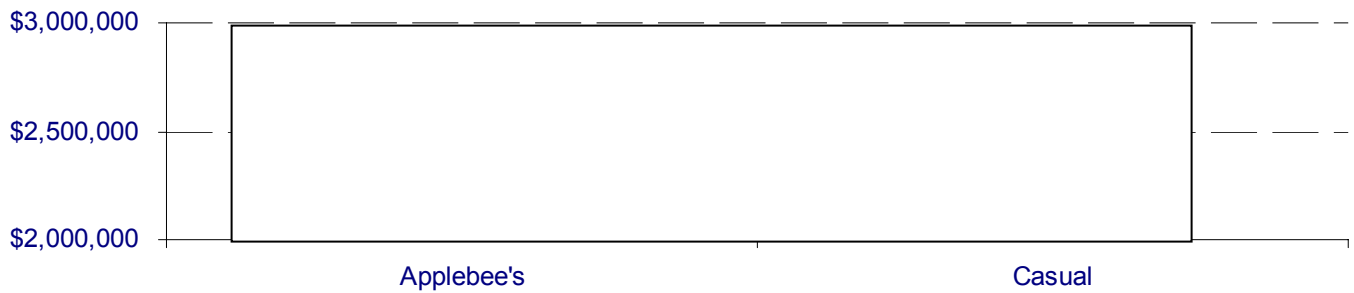
5. Unit Level Data

Peer Operational Comparison		
	Applebee's	Segment Average Casual
Typical Requirements		
Land (sq. ft.)	[Empty Box]	
Building size (sq. ft.)		
# seats		
Franchisee Unit Level Economics		
Period Ended	[Empty Box]	
AUV		
Food & Paper		
Labor		
Royalty		
Advertising		
EBITDAR (pre G&A)		
New Build Costs		
New build AUV	[Empty Box]	
Building & Sitework		
Furniture, Equipment & Signage		
Small Wares & Inventory		
Initial Franchise Fee		
Soft Costs (*)		
Total		
Operating Statistics		
Sales/sq. ft.	[Empty Box]	
Investment costs/sq. ft.		
Sales/investment (excluding land)		

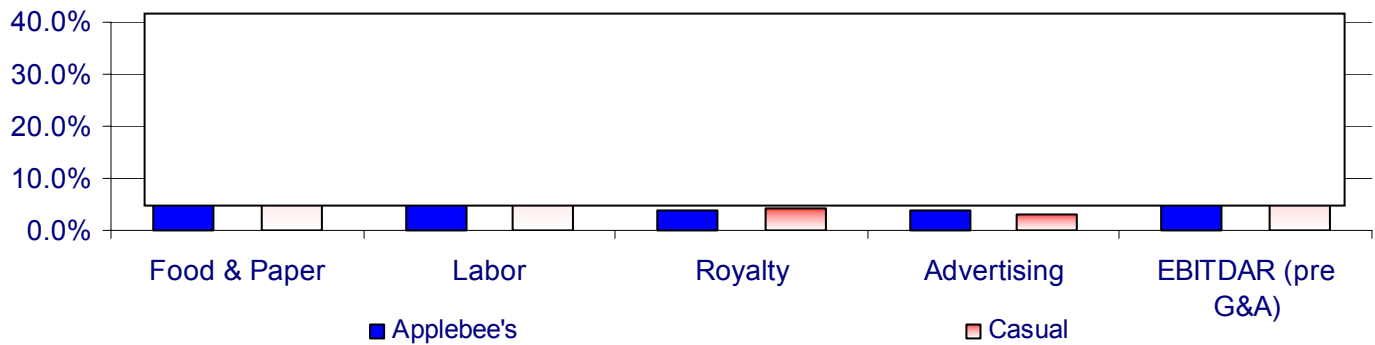
(*) Soft costs include pre-construction costs such as the initial franchise fee, architectural and engineering fees, permits, opening advertising, training expenses and utility deposits, but excludes liquor license (if applicable) due to the extreme range in costs.

➤ **Unit economics –**

2008 Applebee's Franchisee AUV vs. \$1B+ Casual Chain Average



2008 Applebee's Franchisee Economics vs. \$1B+ Casual Chain Average



Source: RR

Estimated Concept Business Valuations (EBITDA Multiple)						
Concept	Average Estimated Multiple			YOY % Change	1/09 Absolute Range	
	7/07	7/08	1/09	'09/'08	Low	High
Applebee's						
Casual Average						

Source: January 2009 RR Valuation Survey.

New Unit Development

**Growth
Plans**



**Target
Markets**

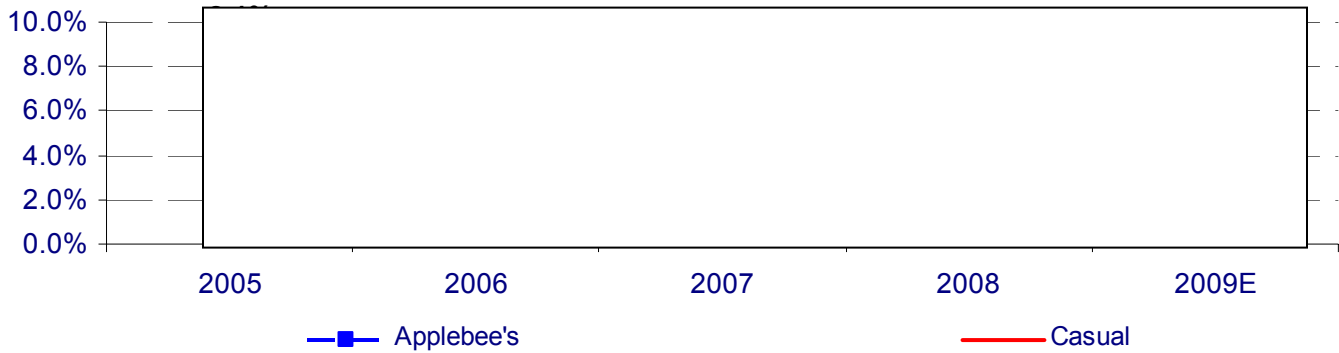


Domestic New Unit Openings

	2005	2006	2007	2008	2009E
Franchised					
Company					
Systemwide					

Source: Company reports & RR estimates

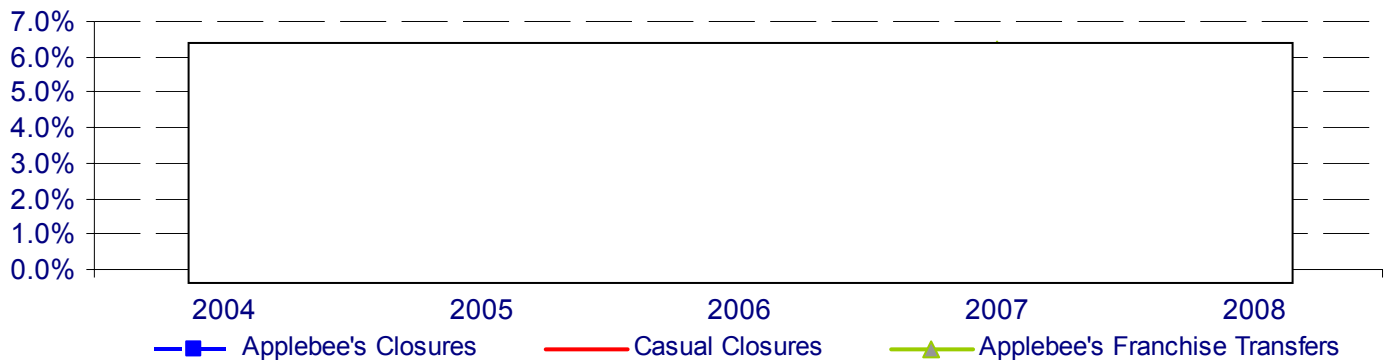
Applebee's Gross New Unit Growth vs. \$1B+ Casual Chain Average



Source: RR

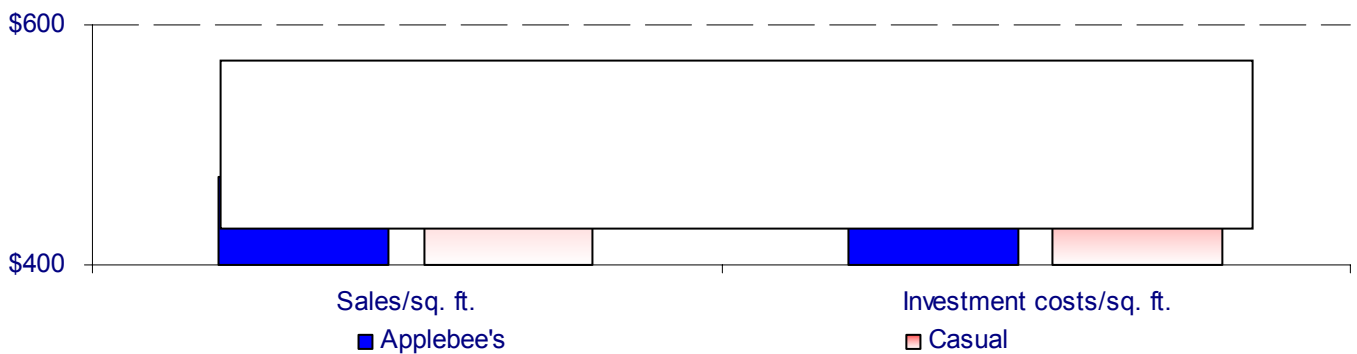
➤ Closure Rates –

Applebee's Transfer & Closure Rates vs. \$1B+ Casual Chain Average

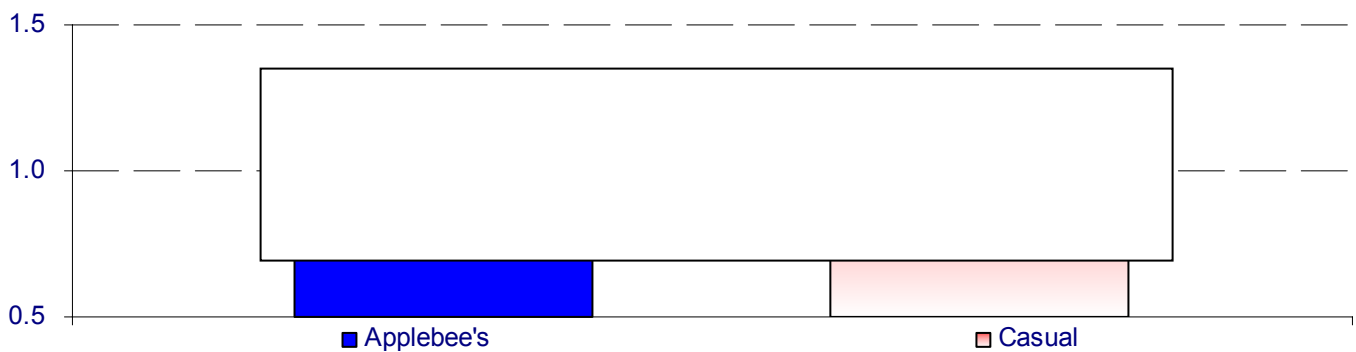


➤ Building Efficiency –

Applebee's Investment Costs vs. \$1B+ Casual Chain Average



Applebee's Sales to Investment vs. \$1B+ Casual Chain Average



Source: RR

6. Remodeling Overview

Remodel initiatives	➤
% updated	➤
Costs	➤
Sales bump	➤
UFOC requirements	➤

Current Image



Previous Image



7. Franchisee Overview

Franchisee Sentiment

Franchising start date	
Number of franchisees	
Largest Franchisees	
Financial requirements	
Franchisee associations	
Litigation	
Royalty	
Franchise fee	

Largest Applebee's Franchisees

#	Units	Franchisee	#	Units	Franchisee

www.ChainRestaurantData.com

Contact Wally Butkus at (203) 405-1901 or wbutkus@ChainRestaurantData.com with questions related to this report.

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