

DineEquity, Inc  
Form 10-Q  
May 02, 2013  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-15283

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DineEquity, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-3038279

(I.R.S. Employer Identification No.)

450 North Brand Boulevard,

Glendale, California

(Address of principal executive offices)

91203-1903

(Zip Code)

(818) 240-6055

(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of April 26, 2013
Common Stock, \$0.01 par value	19,352,009

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements.

DineEquity, Inc. and Subsidiaries

Consolidated Balance Sheets

(In thousands, except share and per share amounts)

	March 31, 2013 (Unaudited)	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$117,382	\$64,537
Receivables, net	81,587	128,610
Prepaid income taxes	—	16,080
Prepaid gift cards	41,410	50,242
Deferred income taxes	20,048	21,772
Other current assets	8,050	13,214
Total current assets	268,477	294,455
Long-term receivables	208,322	212,269
Property and equipment, net	289,723	294,375
Goodwill	697,470	697,470
Other intangible assets, net	803,067	806,093
Other assets, net	110,601	110,738
Total assets	\$2,377,660	\$2,415,400
Liabilities and Stockholders' Equity		
Current liabilities:		
Current maturities of long-term debt	\$4,720	\$7,420
Accounts payable	32,197	30,751
Gift card liability	107,358	161,689
Accrued employee compensation and benefits	10,954	22,435
Accrued interest payable	31,580	13,236
Current maturities of capital lease and financing obligations	11,246	10,878
Other accrued expenses	28,294	21,351
Total current liabilities	226,349	267,760
Long-term debt, less current maturities	1,204,422	1,202,063
Capital lease obligations, less current maturities	121,482	124,375
Financing obligations, less current maturities	52,010	52,049
Deferred income taxes	352,195	362,171
Other liabilities	100,203	98,177
Total liabilities	2,056,661	2,106,595
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value, shares: 40,000,000 authorized; March 31, 2013 - 25,359,057 issued, 19,352,128 outstanding; December 31, 2012 - 25,362,946 issued, 19,197,899 outstanding	254	254
Additional paid-in-capital	267,038	264,342
Retained earnings	325,761	322,045
Accumulated other comprehensive loss	(156 )	(152 )
	(271,898 )	(277,684 )

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Treasury stock, at cost; shares: March 31, 2013 - 6,006,929; December 31, 2012 - 6,165,047

Total stockholders' equity	320,999	308,805
Total liabilities and stockholders' equity	\$2,377,660	\$2,415,400

See the accompanying Notes to Consolidated Financial Statements.

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DineEquity, Inc. and Subsidiaries  
 Consolidated Statements of Income and Comprehensive Income  
 (In thousands, except per share amounts)  
 (Unaudited)

	Three Months Ended March 31,	
	2013	2012
Segment Revenues:		
Franchise and restaurant revenues	\$128,329	\$209,294
Rental revenues	31,003	32,005
Financing revenues	3,837	4,283
Total segment revenues	163,169	245,582
Segment Expenses:		
Franchise and restaurant expenses	44,476	111,815
Rental expenses	24,269	24,537
Financing expenses	—	655
Total segment expenses	68,745	137,007
Gross segment profit	94,424	108,575
General and administrative expenses	34,032	39,632
Interest expense	25,295	30,221
Amortization of intangible assets	3,071	3,075
Impairment and closure charges		