UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): February 21, 2007

IHOP CORP.
(Exact name of registrant as specified in its charter)

Delaware	**001-15283**	**95-3038279**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

450 North Brand, Glendale, California	**91203**
(Address of principal executive offices)	(Zip Code)

(818) 240-6055
Registrant's telephone number, including area code

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On February 21, 2007, IHOP Corp. issued a press release announcing its fourth quarter and fiscal 2006 financial results. A copy of the press release is attached as Exhibit 99.1, and incorporated herein by reference.

Also on February 21, 2007, IHOP Corp. held a conference call to discuss its fourth quarter and fiscal 2006 financial results. A copy of the prepared remarks of management is attached as Exhibit 99.2, and incorporated herein by reference.

The prepared remarks of management accompanying management's discussion during the conference call includes references to the non-GAAP financial measures "free cash flow" and "net income excluding stock based compensation expense." The Company defines "free cash flow" for a given period as cash provided by operating activities for such period, less capital expenditures for such period. The Company defines "net income excluding stock based compensation expense" for a given period as net income for such period, less any stock based compensation expense incurred in such period. Management utilizes free cash flow as a measure of operating efficiency to determine the amount of cash remaining for general corporate and strategic purposes after funding operating activities and capital expenditures. Management believes this information is helpful to investors to determine the Company's cash available for these purposes. Management believes net income excluding stock based compensation expense and basic and diluted net income per share excluding stock based compensation expense is useful because it provides a more accurate period to period comparison. Free cash flow and net income excluding stock based compensation expense for any given period may be affected by a variety of factors, including but not limited to, changes in assets and liabilities and the timing of purchases and payments. Free cash flow and net income excluding stock based compensation expense are supplemental non-GAAP financial measures and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

The following table reconciles the Company's free cash flow to the Company's cash provided by operating activities for each of the years ended December 31, 2006 and 2005:

	Year Ended December 31, 2006 (dollars in thousands)	Year Ended December 31, 2005 (dollars in thousands)
Cash flows from operating activities:	$ 64,859	$ 55,353
Capital expenditures	(9,426)	(7,365)
Free cash flow	$ 55,433	$ 47,988

The following table reconciles net income to net income excluding the impact of stock based compensation expense, and basic and diluted net income per share to net income excluding the impact of stock based compensation expense per share, for each of the three and twelve months ended December 31, 2006 and 2005:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
	(dollars in thousands, except per share amounts)			
Net income, as reported	$ 10,330	$ 9,961	$ 44,553	$ 43,937
Stock option expense	390	—	1,905	—
Restricted stock	620	86	2,006	287
Income tax benefit	(401)	(33)	(1,519)	(109)
Net income excluding stock based compensation expense	$ 10,939	$ 10,014	$ 46,945	$ 44,115
Basic net income per share:				
Net income, as reported per share	$ 0.58	$ 0.53	$ 2.46	$ 2.26
Stock option expense per share	0.02	—	0.11	—
Restricted stock per share	0.03	0.01	0.11	0.02
Income tax benefit per share	(0.02)	—	(0.08)	(0.01)
Net income excluding stock based compensation expense per share	$ 0.61	$ 0.54	$ 2.60	$ 2.27
Diluted net income per share:				
Net income, as reported per share	$ 0.57	$ 0.53	$ 2.43	$ 2.24
Stock option expense per share	0.02	—	0.11	—
Restricted stock per share	0.04	—	0.11	0.02
Income tax benefit per share	(0.02)	—	(0.08)	(0.01)
Net income excluding stock based compensation expense per share	$ 0.61	$ 0.53	$ 2.57	$ 2.25

Item 8.01. OTHER EVENTS.

On February 21, 2007, IHOP Corp. issued a press release entitled "IHOP Corp. Provides 2007 Financial Performance Guidance." A copy of the press release is attached as Exhibit 99.3, and incorporated herein by reference.

Item 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

Exhibit Number	Description
99.1	Press release of Registrant, dated February 21, 2007 (Fourth Quarter and Fiscal 2006 Financial Results).
99.2	Prepared remarks of management of Registrant for conference call held on February 21, 2007.
99.3	Press release of Registrant, dated February 21, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IHOP CORP.

Date: February 21, 2007

By: /s/ THOMAS CONFORTI

Thomas Conforti

Chief Financial Officer(Principal Financial Officer)

EXHIBIT INDEX TO CURRENT REPORT ON FORM 8-K

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99.1	Press release of Registrant, dated February 21, 2007 (Fourth Quarter and Fiscal 2006 Financial Results).
99.2	Prepared remarks of management of Registrant for conference call held on February 21, 2007.
99.3	Press release of Registrant, dated February 21, 2007.

Exhibit 99.1

RESTAURANT SUPPORT CENTER

FOR IMMEDIATE RELEASE

Stacy Roughan
Director, Investor Relations
IHOP Corp.
818-637-3632

IHOP CORP. REPORTS STRONG FOURTH QUARTER AND FISCAL 2006 FINANCIAL RESULTS

GLENDALE, Calif., February 21, 2007 — IHOP Corp. (NYSE: IHP) today announced financial results for its fourth quarter and fiscal 2006, which include the following performance highlights:

- EPS for the fourth quarter 2006 of $0.57, including stock based compensation expense, was a 7.5% increase versus the same quarter last year. EPS for the fourth quarter 2006, excluding pre-tax stock based compensation expense of $1.0 million, was $0.61, a 15.1% increase compared to the prior year.

- For fiscal 2006, EPS of $2.43, including stock based compensation expense, increased 8.5% versus the same period last year. EPS for fiscal 2006 increased 14.2% to $2.57, excluding pre-tax stock based compensation expense of $3.9 million.

- IHOP produced its 16th consecutive quarter of same-store sales growth with an increase of 0.4% for the fourth quarter 2006, which was entirely driven by increases in guest traffic that offset flat guest check average results. For fiscal 2006, same-store sales increased 2.5%, which consisted of increases in guest traffic and moderate increases in guest check average.

- 24 new restaurants were developed and opened by IHOP franchisees and its area licensee during the fourth quarter 2006. System-wide restaurants grew 4.8% year-over-year to a total of 1,302 IHOPs.

- Cash Flow from Operating Activities for fiscal 2006 increased 17.2% to $64.9 million. Additionally, $17.8 million of cash was provided by the collection of the Company's long-term receivables for fiscal 2006.

- Share repurchases for fiscal 2006 amounted to approximately 889,000 shares of IHOP stock, totaling $42.7 million.

Julia A. Stewart, IHOP's Chairman and Chief Executive Officer, said, "In 2006, w e were able to deliver strong results by focusing on driving organic growth throughout the IHOP system with a significant number of new franchise restaurant openings and by delivering positive same-store sales results at existing IHOP restaurants. We also produced operating leverage through expense control and the deployment of our capital in ways that create value for our shareholders through share repurchase and dividend payments. In all, we are pleased with our performance for the year, and look forward to further building upon our successes in 2007."

Fourth Quarter and Fiscal 2006 Performance

IHOP reported an increase of 3.7% in net income to $10.3 million, and a 7.5% increase in diluted net income per share of $0.57 for the fourth quarter 2006 compared to the prior year. Excluding pre-tax stock based compensation expense of $1.0 million, net income increased 9.2% to $10.9 million, and diluted net income per share increased 15.1% to $0.61. The increases in diluted net income per share resulted primarily from a 3.8% increase in Franchise Operations segment profit and a 4.2% reduction in diluted weighted average shares outstanding due to ongoing share repurchases by the Company made throughout the year.

For the twelve months ended December 31, 2006, IHOP reported an increase of 1.4% in net income to $44.6 million, and an increase of 8.5% in diluted net income per share to $2.43. Excluding pre-tax stock based compensation expense of $3.9 million, net income increased 6.4% to $46.9 million, and diluted net income per share increased 14.2% to $2.57. The increases in net income and diluted net income per share resulted primarily from an 8.6% increase in Franchise Operations segment profit due to an increase in effective restaurants as well as higher same-store sales performance for fiscal 2006. This rate of revenue growth exceeded modest expense growth in this segment. Additionally, a 6.7% reduction in diluted weighted average shares outstanding contributed to IHOP's per share earnings performance for fiscal 2006.

Including stock based compensation expense, General & Administrative (G&A) expenses increased 7.5% to $17.0 million for the fourth quarter 2006, and 8.1% to $63.5 million for fiscal 2006 compared to the same periods in 2005. Excluding stock based compensation expense, G&A increased 1.7% to $16.0 million for the fourth quarter 2006, and 1.9% to $59.6 million for fiscal 2006 compared to the same periods in 2005.

Cash Flow from Operating Activities increased for fiscal 2006 to $64.9 million compared with $55.4 million for fiscal 2005. This increase resulted primarily from steps taken to accelerate the depreciation of certain fixed assets for tax purposes as the result of the Company's cost segregation study completed in 2006. Principal receipts from notes and equipment contracts receivable, which are an additional source of cash generation for the Company, amounted to $17.8 million for fiscal 2006. Capital expenditures increased to $9.4 million for fiscal 2006 versus $7.4 million for the same period in 2005. The increase in capital expenditures primarily reflects the cost of restaurant development in IHOP's Company market in Cincinnati, Ohio.

For the twelve months ended December 31, 2006, system-wide same-store sales increased 2.5%, which consisted of increases in guest traffic and moderate increases in guest check average. Compared to an exceptionally strong 5.4% growth in the same quarter last year, s ystem-wide same-store sales increased 0.4% for the quarter ended December 31, 2006. This growth consisted entirely of increases in guest traffic that offset flat guest check average results. Same-store sales growth for the fourth quarter 2006 was supported by the solid performance of limited-time offers French Toast Fantasy and Super Rooty Tooty Fresh 'N Fruity.

Investor Conference Call Today

IHOP will host an investor conference call to discuss its fourth quarter and fiscal 2006 results, along with 2007 performance guidance which was issued in a separate news release, today Wednesday, February 21, 2007 at 11:00 a.m. Eastern Time (8:00 a.m. Pacific Time). To participate on the call, please dial (888) 873-4896 and reference pass code 78773958. A live webcast of the call will be available on IHOP's Web site at www.ihop.com, and may be accessed by visiting Calls & Presentations under the site's Investor Information section. Participants should allow approximately ten minutes prior to the call's start time to visit the site and download any streaming media software needed to listen to the webcast. A telephonic replay of the call may be accessed through February 28, 2007 by dialing 888-286-8010 and referencing pass code 28722975. An online archive of the webcast will also be available on the Investor Information section of IHOP's Web site.

About IHOP Corp.

The IHOP family restaurant chain has been serving a wide variety of breakfast, lunch and dinner selections for more than 45 years. Offering 14 types of pancakes as well as omelettes, breakfast specialties, burgers, sandwiches, salads, chicken and steaks, IHOP's diverse menu appeals to people of all ages. IHOP restaurants are franchised and operated by Glendale, California based IHOP Corp. As of December 31, 2006, the end of IHOP's fourth quarter, there were 1,302 IHOP restaurants in 49 states and Canada. IHOP Corp. common stock is listed and traded on the NYSE under the symbol "IHP." For more information, call the Company's headquarters at (818) 240-6055 or visit the Company's Web site located at www.ihop.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: risks associated with the implementation of the Company's strategic growth plan; the availability of suitable locations and terms for the sites designated for development; the ability of franchise developers to fulfill their commitments to build new IHOP restaurants in the numbers and time frames covered by their development agreements; legislation and government regulation including the ability to obtain satisfactory regulatory approvals; conditions beyond the Company's control such as weather, natural disasters, disease outbreaks, epidemics or pandemics impacting the Company's customer base or food supplies or acts of war or terrorism; availability and cost of materials and labor; cost and availability of capital; competition; continuing acceptance of the IHOP and International House of Pancakes 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. Forward-looking information is provided by IHOP Corp. 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.

References to Non-GAAP Financial Measures

This news release includes references to the non-GAAP financial measure "net income excluding stock based compensation expense." The Company defines "net income excluding stock based compensation expense" for a given period as net income for such period, less any stock based compensation expense incurred in such period. Management believes net income excluding stock based compensation expense and basic and diluted net income per share excluding stock based compensation expense is useful because it provides a more accurate period to period comparison. Net income excluding stock based compensation expense for any given period may be affected by a variety of factors, including but not limited to, changes in assets and liabilities and the timing of purchases and payments. Net income excluding stock based compensation expense is a supplemental non-GAAP financial measure and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

[Financial Tables to Follow]

IHOP CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Revenues				
Franchise revenues	$ 45,625	$ 43,308	$ 179,331	$ 167,384
Rental income	33,069	32,543	132,101	131,626
Company restaurant sales	3,936	2,598	13,585	13,964
Financing revenues	5,302	9,541	24,543	35,049
Total revenues	87,932	87,990	349,560	348,023
Costs and Expenses				
Franchise expenses	21,835	20,397	83,079	78,768
Rental expenses	24,378	24,742	97,904	98,391
Company restaurant expenses	4,660	2,942	15,601	15,095
Financing expenses	1,920	6,660	11,881	20,336
General and administrative expenses	17,035	15,843	63,543	58,801
Other expense, net	984	1,336	4,702	5,766
Total costs and expenses	70,812	71,920	276,710	277,157
Income before income taxes	17,120	16,070	72,850	70,866
Provision for income taxes	6,790	6,109	28,297	26,929
Net income	$ 10,330	$ 9,961	$ 44,553	$ 43,937
Net Income Per Share				
Basic	$ 0.58	$ 0.53	$ 2.46	$ 2.26
Diluted	$ 0.57	$ 0.53	$ 2.43	$ 2.24
Weighted Average Shares Outstanding				
Basic	17,839	18,642	18,085	19,405
Diluted	18,051	18,837	18,298	19,603
Dividends Declared Per Share	$ 0.25	$ 0.25	$ 1.00	$ 1.00
Dividends Paid Per Share	$ 0.25	$ 0.25	$ 1.00	$ 1.00

IHOP CORP. AND SUBSIDIARIES
RESTAURANT DATA
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Restaurant Data				
Effective restaurants (a)				
Franchise	1,116	1,063	1,095	1,047
Company	10	5	8	7
Area license	159	153	156	151
Total	1,285	1,221	1,259	1,205
System-wide (b)				
Sales percentage change (c)	6.2%	1.9%	7.4%	5.4%
Same-store sales percentage change (d)	0.4%	5.4%	2.5%	2.9%
Franchise (b)				
Sales percentage change (c)	5.9%	2.5%	7.5%	6.2%
Same-store sales percentage change (d)	0.5%	5.4%	2.5%	2.9%
Company				
Sales percentage change (c)	51.5%	(49.9)%	(2.7)%	(55.8)%
Area License (b)				
Sales percentage change (c)	6.1%	1.6%	6.5%	8.7%

(a) "Effective restaurants" are the number of restaurants in a given fiscal period adjusted to account for restaurants open for only a portion of the period. Information is presented for all effective restaurants in the IHOP system, which includes IHOP restaurants owned by the Company as well as those owned by franchisees and area licensees.

(b) System-wide sales are retail sales at IHOP restaurants operated by franchisees, area licensees and the Company, as reported to the Company. Franchise restaurant sales were $482.0 million and $1.9 billion for the fourth quarter and fiscal year ended December 31, 2006, respectively, and sales at area license restaurants were $50.0 million and $203.3 million for the fourth quarter and fiscal year ended December 31, 2006, respectively. Sales at restaurants that are owned by franchisees and area licensees are not attributable to the Company.

(c) "Sales percentage change" reflects, for each category of restaurants, the percentage change in sales in any given fiscal period compared to the prior fiscal period for all restaurants in that category.

(d) "Same-store sales percentage change" reflects the percentage change in sales, in any given fiscal period compared to the prior fiscal period, for restaurants that have been operated throughout both fiscal periods that are being compared and have been open for at least 18 months. Because of new unit openings and store closures, the restaurants open throughout both fiscal periods being compared will be different from period to period. Same-store sales percentage change does not include data on restaurants located in Florida.

IHOP CORP. AND SUBSIDIARIES
RESTAURANT DEVELOPMENT AND FRANCHISING ACTIVITY
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Restaurant Development Activity				
Beginning of period	1,278	1,218	1,242	1,186
New openings				
Company-developed	1	2	4	4
Franchisee-developed	22	24	57	58
Area license	2	1	8	5
Total new openings	25	27	69	67
Closings				
Company and franchise	(1)	(3)	(8)	(11)
Area license	—	—	(1)	—
End of period	1,302	1,242	1,302	1,242
Summary-end of period				
Franchise	1,132	1,082	1,132	1,082
Company	10	7	10	7
Area license	160	153	160	153
Total	1,302	1,242	1,302	1,242
Restaurant Franchising Activity				
Company-developed	—	—	—	3
Franchisee-developed	22	24	57	58
Rehabilitated and refranchised	1	8	9	26
Total restaurants franchised	23	32	66	87
Reacquired by the Company	(1)	(9)	(8)	(23)
Closed	(1)	(3)	(8)	(10)
Net addition	21	20	50	54

IHOP CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

	December 31, 2006 (Unaudited)	December 31, 2005
Assets		
Current assets		
Cash and cash equivalents	$ 19,516	$ 23,111
Receivables, net	45,571	43,690
Reacquired franchises and equipment held for sale, net	—	273
Inventories	396	537
Prepaid expenses	7,493	2,899
Deferred income taxes	5,417	—
Total current assets	78,393	70,510
Long-term receivables	302,088	319,335
Property and equipment, net	309,737	317,959
Excess of costs over net assets acquired	10,767	10,767
Other assets	67,885	52,509
Total assets	$ 768,870	$ 771,080
Liabilities and Stockholders' Equity		
Current liabilities		
Current maturities of long-term debt	$ 19,738	$ 19,564
Accounts payable	14,689	15,083
Accrued employee compensation and benefits	13,359	10,745
Other accrued expenses	11,317	9,030
Deferred income taxes	—	2,882
Capital lease obligations	5,002	4,491
Total current liabilities	64,105	61,795
Long-term debt, less current maturities	94,468	114,210
Deferred income taxes	76,017	61,414
Capital lease obligations	170,412	172,681
Other liabilities	74,655	67,134
Commitments and contingencies		
Stockholders' equity		
Preferred stock, $1 par value, 10,000,000 shares authorized; none issued and outstanding	—	—
Common stock, $.01 par value, 40,000,000 shares authorized; December 31, 2006: 22,818,007 shares issued and 17,873,548 shares outstanding; December 31, 2005: 22,464,760 shares issued and 18,409,587 shares outstanding	227	225
Additional paid-in capital	131,748	120,922
Retained earnings	358,975	332,560
Deferred compensation	—	(747)
Accumulated other comprehensive loss	(133)	(205)
Treasury stock, at cost (4,944,459 shares and 4,055,173 shares at December 31, 2006 and December 31, 2005, respectively)	(201,604)	(158,909)
Total stockholders' equity	289,213	293,846
Total liabilities and stockholders' equity	$ 768,870	$ 771,080

IHOP CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Twelve Months Ended December 31, 2006	Twelve Months Ended December 31, 2005
Cash flows from operating activities		
Net income	$ 44,553	$ 43,937
Adjustments to reconcile net income to cash flows provided by operating activities		
Depreciation and amortization	20,050	19,866
Impairment and closure charges	43	896
Deferred income taxes	6,304	(3,689)
Stock-based compensation expense	3,911	287
Excess tax benefit from stock-based compensation	(1,720)	—
Tax benefit from stock options exercised	—	1,578
Changes in operating assets and liabilities		
Receivables	(2,524)	(148)
Inventories	141	(389)
Prepaid expenses	(4,594)	(487)
Accounts payable	(394)	(2,050)
Accrued employee compensation and benefits	2,614	1,560
Other accrued expenses	(802)	(2,336)
Other	(2,723)	(3,672)
Cash flows provided by operating activities	64,859	55,353
Cash flows from investing activities		
Additions to property and equipment	(9,426)	(7,365)
Additions to long-term receivables	(159)	(36)
Purchase and redemption of marketable securities, net	—	13,843
Proceeds from sale of land and building	—	890
Principal receipts from notes and equipment contracts receivable	17,781	19,403
Additions to reacquired franchises and equipment held for sale	(594)	(2,387)
Property insurance proceeds	1,694	—
Cash flows provided by investing activities	9,296	24,348
Cash flows from financing activities		
Proceeds from landlords	—	1,000
Repayment of long-term debt	(19,568)	(5,838)
Principal payments on capital lease obligations	(4,088)	(3,844)
Dividends paid	(18,138)	(19,550)
Purchase of treasury stock	(42,695)	(77,474)
Proceeds from stock options exercised	5,944	5,085
Excess tax benefit from stock-based compensation	1,720	—
Deferred financing costs	(925)	—
Cash flows used in financing activities	(77,750)	(100,621)
Net change in cash and cash equivalents	(3,595)	(20,920)
Cash and cash equivalents at beginning of period	23,111	44,031
Cash and cash equivalents at end of period	$ 19,516	$ 23,111

IHOP CORP. AND SUBSIDIARIES
NON-GAAP FINANCIAL MEASURES
(In thousands, except per share amounts)
(Unaudited)

Reconciliation of net income to net income excluding impact of stock based compensation expense:

	Three Months Ended December 31, 2006	Three Months Ended December 31, 2005	Twelve Months Ended December 31, 2006	Twelve Months Ended December 31, 2005
Net income, as reported	$ 10,330	$ 9,961	$ 44,553	$ 43,937
Stock option expense	390	—	1,905	—
Restricted stock	620	86	2,006	287
Income tax benefit	(401)	(33)	(1,519)	(109)
Net income excluding stock based compensation expense	$ 10,939	$ 10,014	$ 46,945	$ 44,115
Basic net income per share:				
Net income, as reported per share	$ 0.58	$ 0.53	$ 2.46	$ 2.26
Stock option expense per share	0.02	—	0.11	—
Restricted stock per share	0.03	0.01	0.11	0.02
Income tax benefit per share	(0.02)	—	(0.08)	(0.01)
Net income excluding stock based compensation expense per share	$ 0.61	$ 0.54	$ 2.60	$ 2.27
Diluted net income per share:				
Net income, as reported per share	$ 0.57	$ 0.53	$ 2.43	$ 2.24
Stock option expense per share	0.02	—	0.11	—
Restricted stock per share	0.04	—	0.11	0.02
Income tax benefit per share	(0.02)	—	(0.08)	(0.01)
Net income excluding stock based compensation expense per share	$ 0.61	$ 0.53	$ 2.57	$ 2.25

Exhibit 99.2

IHOP Corp.
Fourth Quarter and Fiscal 2006/2007 Performance Guidance
Investor Call Script

Stacy Roughan — Welcome and Safe Harbor

Good morning and thank you for participating on IHOP's fourth quarter 2006 and 2007 performance guidance conference call. Today, with us from management are Julia Stewart, Chairman and CEO, and Tom Conforti, CFO.

Before I turn the call over to Julia and Tom, let me remind you of our Safe Harbor regarding forward-looking information. Today, management may discuss information that is forward-looking, and involves 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. We caution you to evaluate such forward-looking information in the context of these factors, which are detailed in today's news release, as well as in our most recent Form 10-Q filing with the Securities and Exchange Commission. In addition, IHOP disclaims any intent or obligation to update these forward-looking statements.

Now, I'd like to turn the call over to Julia Stewart.

Julia Stewart — Fourth Quarter and Fiscal 2006 Performance Overview

Thanks, Stacy. We have a lot of ground to cover today, and Tom and I will be going back and forth in our prepared remarks to address all the important topics in an orderly fashion. We will discuss fourth quarter and fiscal 2006 results, and, then, we will transition to a review of our performance expectations for 2007. Our prepared remarks are a bit longer than usual, so bear with us as we get through the information.

Before getting to a review of 2006 results, I would like to provide you with an update on the trademark registration issue that we recently disclosed. We became aware through our corporate refinancing due diligence process that a number of our existing trademark and service mark registrations had lapsed. Our common law rights in these trademarks and service marks were not affected. We believe that this is only a technical issue, and are taking the steps necessary to obtain new registrations for the affected trademarks and service marks.

Over the past week and a half, we have revised our Uniform Franchise Offering Circular, or "UFOC," and are back selling franchises in 45 states. In the remaining states, we have filed amended UFOCs and are waiting for the regulators to review them. We believe that any issues regarding the validity of our federal trademark and service mark registrations will not have a material impact on the business of IHOP Corp. or our franchisees. However, due to this trademark issue, our refinancing has been temporarily delayed. We expect to move forward with the completion of this transaction once the amended UFOCs are approved in all 50 states, which we expect will be concluded in the next several weeks.

Now, turning to the fourth quarter 2006, let's get started with our earnings results. EPS for the quarter ended at $0.57 [cents], including pre-tax stock based compensation expense. Excluding this expense of $1.0 million [dollars], EPS would have increased 15.1% [percent] to $0.61 [cents]. Growth in earnings per share was primarily driven by a 3.8% [percent] increase in Franchise Operations segment profit and a 4.2% [percent] reduction in diluted weighted average shares outstanding due to share repurchases made throughout the year.

For fiscal 2006, EPS was $2.43 [dollar/cents] including pre-tax stock based compensation expense. Excluding this expense of $3.9 million [dollars], EPS would have increased 14.2% [percent] to $2.57 [dollar/cents]. The increases resulted primarily from improved Franchise Operations segment profitability. This was primarily due to sales growth and new unit openings in 2006, coupled with modest expense growth in this segment. Additionally, continued share repurchases drove EPS higher with a 6.7% [percent] reduction in diluted weighted average shares outstanding.

During 2006, we repurchased approximately 889,000 shares totaling $42.7 million [dollars] worth of IHOP stock. We returned $18.1 million [dollars] to shareholders through quarterly dividend payments last year. That's a total return of $60.8 million [dollars] in cash to shareholders in 2006. As we guided at the beginning of 2006, share repurchases were expected to be below 2005's levels due to covenant restrictions on our existing debt and the timing of refinancing. While we did not repurchase shares in the fourth quarter, we are increasing leverage through our refinancing efforts underway and plan to dedicate substantially all of the proceeds from our refinancing, after the retirement of our existing debt, to share repurchase. Since 2003, IHOP has returned approximately $277 million [dollars] to shareholders in the form of share repurchases and dividend payments.

Turning to sales, system-wide same-store sales increased 2.5% [percent] for 2006, which consisted of a healthy increase in guest traffic that outpaced a moderate increase in guest check average. Compared to an exceptionally strong 5.4% growth in the same quarter last year, system-wide same-store sales increased 0.4% [percent] for the fourth quarter 2006. This growth consisted entirely of an increase in guest traffic that offset flat guest check average results. Our ability to drive positive traffic throughout the year — counter to what most of the industry at large experienced in 2006 — reflects the strength of our marketing and operational strategies, as well as pricing moderation demonstrated by our franchisees, which re-enforced IHOP's price/value relationship with guests.

Same-store sales growth for the fourth quarter 2006 was supported by the solid performance of our limited-time offers — French Toast Fantasy and Super Rooty Tooty — in addition to the introduction of an enhanced system-wide menu and increased gift card sales during the holiday season.

Turning to Franchise Development, franchisees and our Florida area licensee developed and opened 65 new IHOP restaurants in 2006, 24 of which opened during the fourth quarter. We opened four new Company-operated IHOPs in our dedicated market of Cincinnati in 2006. This R&D market now stands at a total of 10 restaurants. During the quarter, we added commitments for franchisees to develop 33 new IHOP restaurants over the next several years. As of year-end, our franchise development pipeline included 470 restaurants signed, optioned or pending to be developed by franchisees in the U.S., Canada, Mexico and the U.S. Virgin Islands.

We ended the year with 182 restaurant remodels completed by franchisees, which brings the total number of ICON package remodels completed to date to 351 restaurants, or 27% [percent] of the IHOP system.

Now, let me address remodel ROI. As we have communicated in the past, results can significantly vary from restaurant to restaurant. As a result, determining an ROI is problematic and, therefore, we cannot share ROI information. The ICON remodel should best be thought of as a key strategic investment for our franchisees, particularly as IHOP had not required an extensive remodel in years. It's the right thing to do for our brand to remain competitive.

Moving to Operations Excellence, we ended the year with a substantial percentage of IHOP franchisees rated as "A" and "B" operators. It is now time for us to raise our expectations and set the bar higher to drive a whole new level of operational excellence at each IHOP restaurant. In 2007, we will put in place new tools and processes to elevate our system's operational standards and begin to measure our progress in new and more effective ways.

In all, 2006 was a solid year of strategic execution and financial performance for our Company, which resulted in two impressive milestones. In addition to recording our 16th consecutive quarter of positive same-store sales growth, we crossed the 1,300 restaurant mark, and surpassed the $2 billion [dollar] mark in system-wide sales. What was particularly amazing to me was that it took IHOP more than 40 years to reach the first billion in annual system-wide sales, and only seven years to reach the second billion. It's a true testament to the collective efforts of our franchisees, employees and vendor partners as we continue our drive to become number one in Family Dining.

With that, I would now like to turn the call over to Tom Conforti, our Chief Financial Officer, for a more detailed discussion of our fourth quarter and fiscal 2006 financial performance.

Tom Conforti — Fourth Quarter and Fiscal 2006 Performance Detail

Thanks, Julia, and good morning everyone. Julia covered our EPS results, so I'll walk you through key drivers of that EPS performance for the fourth quarter and full year 2006 in more detail.

Let's start with G&A… we experienced a 7.5% [percent] increase to $17.0 million [dollars] in G&A expenses for the fourth quarter 2006. This was primarily due to approximately $1.0 million [dollars] in stock based compensation expense. If you remove this stock based compensation impact, G&A expenses for the quarter would have grown a modest 1.7% [percent]. For the full year, reported G&A grew at 8.1% [percent] to $63.5 million [dollars], which came in at the low end of our guidance for the year. Excluding stock compensation expense, G&A growth would have been 1.9% [percent].

Moving to segment performance, let's start with our core business, Franchise Operations. Revenue grew 5.4% [percent] for the fourth quarter and 7.1% [percent] for fiscal 2006, driven by higher retail sales as a result of growth in same-store sales, as well as growth in the number of effective units. For the year, franchise retail sales increased due to a 4.6% [percent] increase in effective units from 2005 and a 2.5% [percent] increase in same-store sales. On the expense side, Franchise Operations expense increased 7.1% [percent] in the quarter and 5.5% [percent] for fiscal 2006. Our ability to moderate Franchise Operations expense growth throughout the year was primarily due to the elimination of MICROS Point-of-sale incentives to our franchisees, as well as a reduction in the amount of financial relief granted to franchisees at certain underperforming restaurants. We leveraged our top line performance in this segment to produce an 8.6% [percent] increase for the full year.

Turning to the Rental Operations segment, rental income increased 1.6% [percent] for the quarter and was flat for the year consistent with our long-term guidance that this segment should be essentially flat as we manage our existing rental relationships. Rental expenses decreased 1.5% [percent] for the quarter and 0.5% for fiscal 2006. Rental Operations segment profit increased 11.4% [percent] for the quarter and 2.9% [percent] for the full year due to same-store sales increases.

Company Operations performance for the quarter resulted in a loss of $724,000 [dollars] versus a loss of $344,000 in the prior year. For fiscal 2006, we reported a loss of $2.0 million [dollars] in Company Operations. These losses are largely due to a lower level of sales at recently opened locations in our Cincinnati market. At the end of the fourth quarter, we operated only 10 IHOP restaurants primarily for R&D purposes, all of which are located in our dedicated Company market of Cincinnati. As we mentioned on our last call, we have new leadership for our Company-operated restaurants, and we are making great strides toward improving the financial and operational performance of each restaurant.

Finally, turning to Financing Operations, profit in this segment increased 17.4% [percent] for the quarter and decreased 13.9% [percent] for fiscal

2006, as expected, as we continue to exit “Old Model” sources of revenue.   This decrease for the year was primarily due to the continued decline of long-term note balances, and the resulting interest income recognized in this segment related to the receivables run-off. In addition, our net gain from sale of franchises and equipment was unfavorable to 2005, partially due to the fact that 2005 included a gain of $600,000 [dollars] for the sale of a unit with no similar recorded gain in 2006.

Turning to Cash Flow, the increase in cash provided by operating activities was a key highlight, increasing 17.2% [percent] to $64.9 million [dollars] for fiscal 2006. This increase was primarily due to the realization of a $14.7 million [dollar] benefit from the reclassification of assets for tax purposes related to a cost segregation study we completed in mid-2006. This amount was offset somewhat by our audit settlement with the IRS, which netted out to be $7.9 million [dollar] for the year. After nearly a three-year audit process, we are pleased to bring this topic to a close.

CAPEX totaled $9.4 million [dollars], an increase of $2.1 million [dollars] versus fiscal 2005, which primarily reflects the development of our Company market in Cincinnati. As a result, Free Cash Flow — defined as Cash from Operations less CAPEX — increased 15.5% [percent] to $55.4 million [dollars] as of the end of 2006.

Our Cash Flow was augmented by $17.8 million [dollars] during fiscal 2006 from the systematic run-off of our franchise and equipment notes receivables. This brought total cash generated — Cash from Operations plus the receivables run-off — to $82.6 million [dollars]. That's more than $4.50 [dollars/cents] of cash per share for fiscal 2006.

With that, I'll turn the call back to Julia.

Julia Stewart — 2007 Performance Guidance Overview

Thanks, Tom. Now, I'd like to transition to a discussion of our expectations for 2007 — from both a strategic and financial perspective.

Over the past four years, the success of our core restaurant franchising business has been guided by three key strategies — energizing the brand, improving operations, and maximizing franchise development. These strategies remain intact for 2007 and will continue to guide our efforts as we look to further strengthen the IHOP brand.

Looking at ways in which we will grow the brand this year, we have taken steps to increase our national advertising presence with more efficient media buying strategies to support our six planned limited-time offers in 2007. As we have shared in the past, for 2007, we are continuing to secure additional dollars for national advertising efforts with franchisees redirecting some of their local advertising contributions toward the national advertising fund. This allows IHOP to reach our target audience more frequently and in a more effective way through an increased national presence. A portion of our national spending in 2007 will include advertising for our new carry out program, "IHOP 'n Go sm," which launched system-wide just yesterday. Although difficult to measure, we estimate that "to go" currently makes up approximately 2% [percent] of total sales. We hope to see that increase to as much as 3% [percent] to 4% [percent] over the next year as our new program goes into effect.

We will also continue gift card optimization efforts, and pursue additional menu enhancement with one planned system-wide menu update in October of this year.

Turning to remodel expectations, we expect another 220 franchise remodels to be completed, which will bring the total number of existing restaurants remodeled to approximately 570 IHOPs, or close to half of the system by the end of 2007.

As I mentioned on our last call, improving operations in 2007 will center on breaking through to the guests with dramatically improved levels of service. To accomplish this, we are moving forward with operational tools and a new restaurant training program, among other initiatives, to help ensure that we are delivering "service as good as our pancakes" with every order, every day, at every IHOP restaurant. We'll have more details to share with you on our next call.

Moving to Franchise Development, with more than 1,300 existing IHOP restaurants and 470 more committed, optioned and pending restaurants in the pipeline, we believe that IHOP could ultimately grow to as many as

1,900 units in the U.S., with incremental growth opportunities throughout Mexico and Canada. We have sold nearly all of the available territories in the U.S., and will increasingly focus on securing international development commitments in Mexico and Canada — without an added expense base to support this growth.

As you can tell, there is still upside present in each of our core strategies and we will continue optimizing our approach in 2007. Opportunistically, we will augment our efforts with initiatives designed to extract further value from the IHOP brand and leverage our core competencies.

For example, in 2007, we are examining potential product licensing opportunities that could increase our brand's reach to your local grocery store. We are leveraging the licensing experience that a number of our management team members possess and are working closely with our franchisees to make this a win-win proposition. If successful, licensing would establish another source of ongoing income and cash in a low risk, low investment fashion.

We are also thinking beyond the four walls of an IHOP restaurant as we examine opportunities to take advantage of our core equities and apply them in ways that could allow consumers to access the brand differently. Our efforts around brand extension are in the very early stages. But, at the heart of this process, is the drive to be forward-thinking and identify opportunities to deliver the IHOP brand and our signature products in a new and different way.

Additionally, acquisition remains a viable growth avenue for our Company. Our franchising expertise is a significant, leveragable advantage we believe can be successfully applied to another restaurant company seeking to expand through franchising. Specifically, we are looking for a non-competitive restaurant concept that is already franchising or able to be franchised, that is of a sufficient size and could be acquired at a reasonable price. While identifying a suitable candidate in this market has been a challenge, we will continue to seek out and evaluate acquisition opportunities in 2007.

Now, turning to our performance expectations for 2007, I would like to walk you through our financial guidance for the year. First, let's start with earnings.

We expect earnings per diluted share for fiscal 2007 to range between $2.50 [dollars/cents] and $2.60 [dollars/cents]. Our 2007 earnings guidance takes into account the following key assumptions:

We expect same-stores sales to grow between 2% [percent] and 4% [percent] this year. As always, our goal will be to grow sales through a healthy balance of traffic gains and guest check increases as we remain dedicated to protecting and strengthening our price/value relationship with our guests.

We expect franchisees to open between 55 and 60 new IHOP restaurants in the U.S. in 2007, while our area licensee in Florida should open approximately three new IHOPs. We do not plan to open Company restaurants in Cincinnati in 2007 due to timing issues, but we anticipate a couple of Company restaurant openings sometime next year. Finally, we expect franchisees to open three new IHOPs internationally in 2007. Therefore, total new unit openings should range between 61 and 66 for the year.

As you know, G&A management is an important operating lever, and our goal is to keep this expense growth moderate, ranging between $65 million [dollars] and $67 million [dollars] for 2007.

Our EPS guidance also assumes the successful completion of our refinancing and reflects our best timing and cost considerations at this point.

Finally, our EPS expectations also take into account a substantially increased level of share repurchases in 2007. With the expected completion of our refinancing in the near-term, we plan to increase our balance sheet leverage. Once the refinancing is complete and after the repayment of our existing debt, substantially all the proceeds will be dedicated toward share repurchases. Beyond maximizing our operational performance, we believe increasing share repurchases will have an important impact on further enhancing shareholder value and driving EPS growth this year.

Now, I would like to turn the call back over to Tom to review our segment performance guidance, cash expectations and other key financial metrics for 2007.

Tom Conforti — 2007 Performance Guidance Detail

Thanks, Julia. Let's start with an explanation of the impact we expect refinancing to have on our overall financial performance for 2007.

As many of you know, when we decided to refinance the Company and take on additional debt, we made the decision to increase available cash to enable greater share repurchases, with the tradeoff being higher expenses associated with this increased leverage and the cost of taking out our existing debt. While we expect to provide further guidance with the completion of our refinancing, I did want to give you a sense of some of the items reflected in our guidance. This year, we expect to have a one-time write-off of past deferred financing costs and a prepayment penalty related to the early payment on our existing debt. Our refinancing is also accompanied by increased deferred financing costs going forward, as well as higher interest expense due to our planned increase in debt. While these costs are expected to impact our net income performance, we expect a substantial commitment to share repurchase this year to drive EPS.

Now, turning to our segment profitability guidance, let's start with Franchise Operations.

We expect Franchise Operations profit to range between $102 million [dollars] and $106 million [dollars] in 2007. Franchise Operations represents our core franchising business, and growth in this segment is driven by same-store sales growth, fees generated from new IHOP openings, as well as the benefit of additional operating weeks and royalty payments associated with new restaurant openings in 2007. Weighted average royalty will be approximately 4.3% [percent], which is slightly lower than our standard 4.5% [percent] royalty rate. This is the result of deals cut on restaurants refranchised over the past few years, as well as lower area licensee royalty rates. As we have shared in the past, the sale of proprietary pancake and waffle mix is also a significant profit contributor in Franchise Operations, which equates to approximately 68 basis points of total system sales. We expect Franchise Operations expense to be essentially flat versus 2006.

Turning to Rental Operations, we expect Rental Operations profit to range between $34 million [dollars] and $36 million [dollars] in 2007. This is our second most profitable segment, and growth in Rental Operations will continue to be flat to slightly up for the foreseeable future as we work to retain profitable relationships among our franchisees, IHOP and the landlords at 725 IHOP locations nationwide. Upside in the segment is driven by same-store sales growth, as approximately 40% [percent] of our lease agreements are tied to restaurant sales.

Moving to Financing Operations, we expect Financing Operations profit to range between $7 million [dollars] and $9 million [dollars] in 2007. Financing Operations represents financing activities under our "Old Model" and will continue to be a declining segment due to lower interest income on note balances which will decline over time. This segment also contains interest expense related to our conventional debt. We expect that interest expense will be increasing on an annualized basis due to our decision to increase the Company's overall leverage.

Finally, we expect Company Operations to produce a loss in 2007 between $1 million [dollars] to $1.5 million [dollars]. Company Operations primarily reflects the performance of our Company-operated restaurants in Cincinnati, as well as the cost of potential restaurant take backs. While our focus in Cincinnati this year will be to reduce losses in the market, we view our Company market as an R&D expense and encourage you to do the same. Our goals for Company Operations are to refranchise restaurants taken back from franchisees without taking possession of the unit, whenever possible, and, ultimately to operate Cincinnati IHOPs at — or slightly better than — breakeven.

Moving to G&A, our long-term goal is to limited G&A expense growth to a moderate 3% [percent] to 5% [percent] annual growth range. While salary and benefits make up approximately 60% of G&A, discretionary spending will be prioritized toward initiatives designed to support same-store sales growth, enhance the IHOP brand or drive operational improvements. This will include such projects as R&D and the development of tools and systems designed to help franchisees' profitability.

Turning to Other Expenses, this is a line item that we have not provided guidance on historically. However, with our refinancing, there will be several costs related to securitization captured in our Other Expenses line, so we wanted to provide performance expectations on this point. We expect Other Expenses to range between $10 million [dollars] and $11 million [dollars] in 2007 versus $4.7 million [dollars] last year. In addition to impairment and closure charges and other miscellaneous items, which have been captured in this line in the past, Other Expenses will also reflect the amortization of deferred securitization costs, the write-off of existing deferred financing costs and pre-payment penalties on our old debt.

Turning to cash, we expect Cash Flow from Operations to range between $60 million [dollars] and $65 million [dollars] in 2007. Cash from Operations is expected to decrease from 2006 levels, primarily due to the absence of the large, one-time cash benefit associated with a cost segregation study completed last year that drove Cash from Operations higher in 2006.

We expect CAPEX to range between $6 million [dollars] and $8 million [dollars]. Approximately $2 million [dollars] of CAPEX is allocated to building a pipeline for Cincinnati openings currently planned for next year — in 2008. Approximately $2 million [dollars] of our CAPEX guidance is dedicated toward optimizing our Information Technology infrastructure, a portion of which will be dedicated to disaster recovery systems. And, the balance is earmarked for miscellaneous use.

As you know, each year, our cash performance is augmented by the systematic run off of franchise, equipment and direct financing lease notes receivable. In 2007, this is expected to produce additional cash in the range of $16 million [dollars] to $18 million [dollars].

Therefore, we expect to generate between $76 million [dollars] and $83 million [dollars], which reflects the expected combined contribution of Cash from Operations and our Receivables run off in 2007. That translates to as much as $4.50 [dollars/cents] per share for fiscal 2007.

Now, I'll turn the call back to Julia.

Julia Stewart — Wrap Up to Q&A

Thanks, Tom. I hope you all have found today's discussion helpful.

Our strong financial performance this year and outlook for 2007 not only demonstrate the power and attractiveness of our franchise business model, it is also evidence of the successful financial formula we established four years ago: same-store sales growth and new franchise restaurant openings coupled with disciplined expense management and value-enhancing share repurchases.

Since transitioning to this new business model, we have re-energized our brand in an unprecedented way. We have turned in 16 consecutive quarters of positive same-store sales growth, a level that few other players in our industry have achieved. Franchisees continue to develop and open new IHOP restaurants in numbers substantially higher than any of our closest competitors — and this pipeline is not slowing any time soon. Finally, our improvements in all aspects of our operational execution have been dramatic and sustainable — and now we're raising the bar, with a focus on making our **"service as good as our pancakes."**

While we have been doing all the right things for the brand, we have also been delivering for our shareholders as we deploy our capital in ways that create value — returning a total of $277 million [dollars] through share repurchases and quarterly dividend payments. That's the equivalent of approximately 55% [percent] of our total market value at the point when we initiated our cash return to shareholders in early 2003. We are extremely pleased with our track record, and look to making 2007 an exceptional year for our shareholders, our franchisees and our employees.

So, with that, Tom and I will now be happy to take your questions. Operator …?

Julia Stewart — Closing Comments

Thank you for joining today's call. Should you have additional questions, Tom and I are available after the call. Otherwise, we look forward to speaking to you on our next conference call to discuss first quarter 2007 results, which is scheduled for Wednesday, April 25th. Thank you.

Exhibit 99.3

RESTAURANT SUPPORT CENTER

FOR IMMEDIATE RELEASE

Stacy Roughan
Director, Investor Relations
IHOP Corp.
818-637-3632

IHOP CORP. PROVIDES 2007 FINANCIAL PERFORMANCE GUIDANCE

Share Repurchases Expected at a Substantially Higher Level than Prior Year

GLENDALE, Calif., February 21, 2007 — IHOP Corp. (NYSE: IHP) today announced that it expects earnings per diluted share for 2007 to range between $2.50 and $2.60. The Company's earning performance outlook is based on IHOP's expectation of positive same-store sales growth at 2% to 4% in 2007, the addition of 61 to 66 new restaurants to the IHOP system this year, continued General & Administrative (G&A) expense management, and the benefit of increased share repurchases by the Company. Earnings guidance also takes into account anticipated one-time and ongoing expenses related to the Company's corporate refinancing, which is currently underway, as IHOP puts in place the appropriate, long-term financial structure for its business.

IHOP expects to generate between $76 million and $83 million in total cash in 2007, which reflects the expected cash contribution from two key sources: $60 million to $65 million in Cash from Operations, as well as the systematic run off of $16 million to $18 million in principal receipts from note and equipment contracts receivable.

Julia A. Stewart, IHOP's Chairman and Chief Executive Officer, said, "IHOP has an exceptionally strong core franchising business that provides for stable cash generation year after year, and our outlook for 2007 demonstrates this. We expect to drive organic system expansion through continued same-store sales growth and a strong level of new franchise restaurant openings throughout the year. This coupled with disciplined expense management and value-enhancing share repurchases provide for the successful financial formula that we will continue to manage our business by in 2007. Beyond maximizing our operational performance, we believe increasing share repurchases will have an important impact on further enhancing shareholder value and driving EPS growth this year. "

2007 EPS Performance

IHOP's 2007 earnings performance range of $2.50 to $2.60 per diluted share is based on, among other things, the following assumptions:

- Positive same-store sales growth expected between 2% and 4% in 2007. Key sales catalysts for 2007 include an increased national advertising presence, a strong line-up of promotional products focused on leveraging IHOP's core brand equities, the national launch of a new carryout program, "IHOP 'n Go sm" in February 2007, further system-wide menu enhancements planned for October 2007, and continued operational improvements particularly in the area of service, among other factors.

Come hungry. IHOP Leave happy.

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IHOP CORP. • INTERNATIONAL HOUSE OF PANCAKES, INC. • IHOP REALTY CORP. • IHOP PROPERTIES, INC. • IHOP ENTERPRISES, INC.

- The addition of 61 to 66 new restaurants to the IHOP system in 2007. This includes 55 to 60 franchise IHOP restaurants to be developed by franchisees, three restaurants to be developed by IHOP's area licensee in Florida, and three international restaurants to be developed by franchisees in Mexico, Canada and the U.S. Virgin Islands. The majority of these restaurants are expected to open in the second half of 2007. IHOP does not plan to open any restaurants in its dedicated Company market in Cincinnati, Ohio, in 2007.

- G&A expenses are expected to range between $65 million and $67 million in 2007. IHOP plans to closely manage G&A spending growth as the Company works to enhance its operating leverage. The Company's G&A spending will focus on initiatives designed to support same-store sales growth, enhance the IHOP brand and drive operational improvements throughout the IHOP system.

- The Company expects to substantially increase its level of share repurchases in 2007 as compared to the repurchase of 889,000 shares in 2006. IHOP expects to fund its share repurchases from the proceeds of its corporate refinancing, after existing debt is retired, as well as through cash generated from its ongoing business. The Company has 2.2 million shares remaining on its cumulative total share repurchase authorization of 7.2 million shares. Through quarterly dividend payments and ongoing share repurchases, IHOP has returned $277 million to shareholders since 2003.

- It is also expected that the Company will recognize higher expenses associated with its corporate refinancing in three primary areas: the write-off of existing deferred financing costs, the amortization of higher deferred financing costs, and increased interest expense associated with higher levels of debt. These assumptions are reflected in the Company's 2007 financial performance guidance numbers.

2007 Cash Flow Performance

An important aspect of IHOP's business model is the Company's ability to generate significant cash flow. The following reflects anticipated cash generation as well as cash commitments in 2007:

- Cash from Operations is expected to range between $60 million and $65 million in 2007, and principal receipts from note and equipment contracts receivables are expected to be within the range of $16 million to $18 million.

- Capital expenditures are expected to range between $6 million and $8 million in 2007. This primarily reflects investment in the Company's Information Technology infrastructure and construction related to the opening of additional restaurants in IHOP's Company market in Cincinnati, Ohio, in 2008.

Investor Call Today

IHOP will host an investor conference call to discuss its 2007 performance guidance, along with fourth quarter and fiscal 2006 results which were issued in separate news release, today Wednesday, February 21, 2007 at 11:00 a.m. Eastern Time (8:00 a.m. Pacific Time). To participate on the call, please dial (888) 873-4896 and reference pass code 78773958. A live webcast of the call will be available on IHOP's Web site at www.ihop.com, and may be accessed by visiting Calls & Presentations under the site's Investor Information section. Participants should allow approximately ten minutes prior to the call's start time to visit the site and download any streaming media software needed to listen to the webcast. A telephonic replay of the call may be accessed through February 28, 2007 by dialing 888-286-8010 and referencing pass code 28722975. An online archive of the webcast will also be available on the Investor Information section of IHOP's Web site.

About IHOP Corp.

The IHOP family restaurant chain has been serving a wide variety of breakfast, lunch and dinner selections for more than 45 years. Offering 14 types of pancakes as well as omelettes, breakfast specialties, burgers, sandwiches, salads, chicken and steaks, IHOP's diverse menu appeals to people of all ages. IHOP restaurants are franchised and operated by Glendale, California based IHOP Corp. As of December 31, 2006, the end of IHOP's fourth quarter, there were 1,302 IHOP restaurants in 49 states and Canada. IHOP Corp. common stock is listed and traded on the NYSE under the symbol "IHP." For more information, call the Company's headquarters at (818) 240-6055 or visit the Company's Web site located at www.ihop.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: risks associated with the implementation of the Company's strategic growth plan; the availability of suitable locations and terms for the sites designated for development; the ability of franchise developers to fulfill their commitments to build new IHOP restaurants in the numbers and time frames covered by their development agreements; legislation and government regulation including the ability to obtain satisfactory regulatory approvals; conditions beyond the Company's control such as weather, natural disasters, disease outbreaks, epidemics or pandemics impacting the Company's customer base or food supplies or acts of war or terrorism; availability and cost of materials and labor; cost and availability of capital; competition; continuing acceptance of the IHOP and International House of Pancakes 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. Forward-looking information is provided by IHOP Corp. 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.