HILL LLOYD L

Form 4

December 26, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

30(h) of the Investment Company Act of 1940

OMB APPROVAL OMB

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if no longer subject to Section 16. Form 4 or Form 5

Check this box

SECURITIES Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue.

Symbol

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * HILL LLOYD L

2. Issuer Name and Ticker or Trading

Issuer

APPLEBEES INTERNATIONAL INC [APPB]

(Check all applicable)

3. Date of Earliest Transaction (Last) (First) (Middle)

(Zip)

(Month/Day/Year) 12/21/2006

_X__ Director 10% Owner Officer (give title Other (specify

5. Relationship of Reporting Person(s) to

4551 W 107TH STREET, SUITE

(Street)

(State)

100

(City)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

OVERLAND PARK, KS 66207

		Iau	Table 1-1 von-Derivative Securities Acquired, Disposed bi, or Denericiany Owned							
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired (A) Transactiomr Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)			5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
					(A)		Reported Transaction(s)	(I) (Instr. 4)		
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)	(III3ti. +)		
Common Stock	12/21/2006		M	60,500 (1)	A	\$ 16.2533	354,732 (2)	D		
Common Stock	12/21/2006		F	8,729 (1)	D	\$ 25.0432	346,003	D		
Common Stock	12/21/2006		S	51,771 (1)	D	\$ 25.0432	294,232	D		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 16.2533	12/21/2006		M		60,500	01/02/2006	01/02/2013	Common Stock	60,500 (1)

Reporting Owners

Reporting Owner Name / Address	Relationships					
1 8	Director	10% Owner	Officer	Other		
HILL LLOYD L 4551 W 107TH STREET SUITE 100 OVERLAND PARK, KS 66207	X					

Signatures

Lloyd L. Hill 12/26/2006 **Signature of Date Reporting Person

Explanation of Responses:

- If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares exercised and sold pursuant to SEC 10b5-1 plan.
- (2) Includes 262 shares acquired under the AII Employee Stock Purchase Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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