

Choice Hotels International Increases Dividend By 9 Percent

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SILVER SPRING, Md.

Choice Hotels International, Inc., today announced that its Board of Directors has approved a 9 percent increase in the quarterly cash dividend on the company's common stock, representing an increase from \$0.17 to \$0.185 per share, effective with the dividend payable on October 17, 2008 to shareholders of record on October 3, 2008. The increase will result in a projected annual dividend of \$0.74 per share for the twelve month period commencing with the fourth quarter of 2008 through and including the third quarter of 2009. The increase represents a 9 percent increase from the dividend per share of \$0.68 per annum for the same period of the previous year.

"For the fifth consecutive year, we have increased our quarterly dividend, a key element of our long-term approach to shareholder value creation," said Stephen P. Joyce, president and chief executive officer, Choice Hotels International. "We are extremely well-positioned for continued growth as a result of our proven business model coupled with a stable of ten established, segmented brands and a track record of predictable, profitable growth in a variety of lodging and economic cycles."

The company may revisit its dividend policy in response to changes in market conditions or future tax law changes, but remains committed to utilizing the strong cash flows it has historically generated to return excess capital to its shareholders.

About Choice Hotels

Choice Hotels International franchises more than 5,700 hotels, representing more than 460,000 rooms, in the United States and 40 countries and territories. As of June 30, 2008, 992 hotels are under construction, awaiting conversion or approved for development in the United States, representing 80,292 rooms, and an additional 104 hotels, representing 8,824 rooms, are under construction, awaiting conversion or approved for development in more than 20 countries and territories. The company's Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, Cambria Suites, MainStay Suites, Suburban Extended Stay Hotel, Econo Lodge and Rodeway Inn brands serve guests worldwide.

Additional corporate information may be found on the Choice Hotels Web site, which may be accessed at www.choicehotels.com.

Cambria Suites, Comfort Inn, Comfort Suites, Quality, Clarion, Sleep Inn, MainStay Suites, Suburban Extended Stay Hotel, Econo Lodge, and Rodeway Inn are proprietary trademarks and service marks of Choice Hotels International, Inc.

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