

Choice Hotels International Announces Agreement to Transition Choice Hospitality India to Wholly-Owned Subsidiary

Leading Global Lodging Franchisor Focuses on Need for Mid-Market Lodging In Growing Indian Hotel Market

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Choice Hotels International, Inc. today announced that it has agreed to acquire the remaining 60 percent ownership interest in Choice Hospitality (India) Ltd. Choice Hospitality India serves as the master partner and franchisor of Choice's hotel brands in India, and after the completion of the transaction, the entity will be operated as a wholly-owned subsidiary. The announcement coincides with the company's sponsorship of the Hotel Investment Forum India Conference, taking place this week in Mumbai, at which Stephen P. Joyce, the company's president and chief executive officer, is participating on the Hotel Leaders Forum.

"We plan to focus extensive development resources on growing our presence in India, which now stands at 28 hotels," said Joyce. "India is an extremely important key market for our global growth and we're looking forward to the great development potential that it holds for our brands and our hotels."

As a wholly-owned subsidiary, Choice Hospitality India's franchisees will now be able to take advantage of the comprehensive menu of resources and focused executive-level attention from Choice Hotels International. This support is designed to help franchisees to grow their business, both among in-country and international travelers. Among the added benefits to Choice Hospitality India as a wholly-owned subsidiary are increased marketing initiatives, expanded programs, and additional training services.

"I'm very excited about our long-term growth opportunities and the passionate owners, operators, hotel staff and top-notch properties we have as part of our system in India," said Mark Pearce, vice president, international operations for Choice Hotels International. "We truly believe that this move will be tremendously beneficial for all parties involved - Choice Hotels International, Choice Hospitality India and its current and prospective franchisees."

"We are delighted about this transition, as this recent change for Choice Hospitality India speaks to the strong confidence Choice Hotels International has in its ability to grow its brands' presence in India," said Vilas Pawar, chief executive officer for Choice Hospitality India, who now reports directly to Mr. Pearce. "Development remains steady for us, as we've recently expanded our presence with the opening of the Quality Inn Pearl in Hyderabad and the Quality Inn in Tuticorin."

About Choice Hospitality (India) Ltd.

Choice Hospitality India is part of Choice Hotels International, one of the largest and most widespread lodging franchisors of the world with over 6000 hotels across the globe. Today Choice Hospitality India is one of the fastest and finest growing hotel chains with 28 properties in over 21 destinations in India and another 14 properties under different stages of development. These hotels are in various destinations including New Delhi, Mumbai, Chennai, Ahmedabad, Bangalore, Gurgaon, Hyderabad, Jaipur, Kodaikanal, Lucknow, Faridabad, Amritsar, Shimla, Manali, Corbett, Pune, Nashik, Haldwani, Chiplun, Tuticorin and Vijayawad. Its presence in all the gateway cities proves that the chain is widely accepted by business as well as leisure travelers who recognize and trust the brand.

About Choice HotelsChoice Hotels International, Inc. franchises more than 6,000 hotels,

representing more than 485,000 rooms in the United States and more than 35 other countries and territories. As of September 30, 2009, more than 700 hotels are under construction, awaiting conversion or approved for development in the United States, representing more than 59,000 rooms, and more than 100 hotels, representing approximately 9,400 rooms, are under construction, awaiting conversion or approved for development in more than 20 other 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. In addition, via its Ascend Collection membership program, travelers in the United States, Canada and the Caribbean have upscale lodging options at historic, boutique and unique hotels.

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

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