

## Choice Hotels International Reports 2020 Second Quarter Results

**Second quarter year-over-year change in domestic RevPAR outperformed overall industry by over 20 percentage points; awarded 93 new domestic franchise agreements in the quarter**

ROCKVILLE, Md., Aug. 6, 2020 /PRNewswire/ -- Choice Hotels International, Inc. (NYSE: CHH), one of the world's largest lodging franchisors, today reported its results for the three and six months ended June 30, 2020.

"The resilience of our asset-light, franchise-focused business model, combined with our winning strategy to grow the right brands in the right markets, has allowed us to capture an outsized share of demand as Americans continue to return to travel," said Patrick Pacious, president and chief executive officer, Choice Hotels. "We believe that our predominantly leisure focus and strength in domestic drive-to markets will allow us to continue to outperform the overall industry during the recovery phase. We are optimistic that our long-term view, strong balance sheet, disciplined capital allocation strategy, proven brands and compelling franchisee value proposition will help us emerge from the crisis in a position of strength."

In the second quarter of 2020, Choice Hotels continued to implement efforts to provide a broad range of support to its franchisees, guests and communities while preserving the company's financial flexibility by bolstering liquidity and reducing discretionary spending. Highlights of second quarter and year-to-date 2020 results include:

- As of July 31, 2020, nearly 100% of the company's 5,917 domestic hotels are operating. Even in April, when the effects of COVID-19 were felt most significantly in the industry, over 90% of Choice Hotels' domestic hotels remained open. In addition, 96% of the company's more than 1,200 international hotels were open as of July 31, 2020.
- Domestic systemwide revenue per available room (RevPAR) declined 49.6% for second quarter 2020 compared to the same period of the prior year, outperforming the total industry by 2,030 basis points and exceeding the chain scale segments in which the company competes, as reported by STR. Domestic comparable RevPAR declined 48.6% for second quarter 2020 compared to the same period of the prior year, outperforming the total industry by 2,130 basis points.
- The company's domestic effective royalty rate for second quarter 2020 increased 10 basis points over the prior year second quarter to 4.94%.
- The company awarded 151 new domestic franchise agreements year to date through June 30, 2020, a 42% decrease compared to the same period of the prior year. Over 80% of the agreements were signed since mid-March and two-thirds of the agreements awarded in the first half of the year were for conversion hotels. The company built on its first half development performance with an additional 33 new domestic franchise agreements awarded in the month of July.
- Net loss was \$2.4 million for the second quarter, representing diluted net loss per share of \$0.04.
- Second quarter adjusted net income, excluding certain items described in Exhibit 6, decreased 90% to \$6.7 million from second quarter 2019.
- Adjusted earnings per share for the second quarter were \$0.13, an 89% decrease from second quarter 2019.
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) for the second quarter were \$41.1 million, a 60% decrease from second quarter 2019.

### **Performance Trends**

- Domestic systemwide RevPAR decreased 49.6% for second quarter 2020 compared to the second quarter 2019, exceeding overall industry performance by 2,030 basis points. In the second quarter 2020, Choice Hotels outperformed the respective chain scales in which the company competes by 670 basis points.
- Since the onset of the pandemic in mid-March through the end of July, Choice Hotels' domestic systemwide occupancy rates outperformed the industry by an average of nearly 565 basis points per week. The trough in the company's domestic systemwide occupancy rate was the week of April 5, 2020 at 28%, compared to the overall industry rate of 21%. The company's domestic systemwide occupancy rate has seen steady improvements since that time, reaching over 50% during the last week of June and continuing to rise into July (see Exhibit 7 for weekly occupancy trends).
- In July, domestic systemwide RevPAR declined approximately 33% over the prior year comparable monthly period, with average weekly occupancy exceeding 53% during the week of July 26, 2020. Over half of the domestic portfolio achieved occupancy levels at or above 50% during the last week of July and trends of occupancy gains have been continuing into August.
- The company's extended-stay portfolio has proven to be highly resilient, with average occupancy rates of 66% since the onset of pandemic in mid-March through June 30, 2020 — nearly double the industry average of 34%. Specifically, the WoodSpring Suites brand experienced occupancy levels of 69% in the second quarter, outperforming the industry by 3,570 basis points. WoodSpring Suites' occupancy levels have remained above 70% since mid-May and returned to prior year levels during the last week of July.
- Nearly 90% of the company's domestic hotels are in suburban, small towns and interstate locations, which have reported higher occupancy levels and less significant RevPAR declines than other locations during the second quarter, driven by relatively stronger consumer demand for these destinations.

Additional details for the company's second quarter 2020 results are as follows:

### **Revenues**

- Total revenues decreased 52% to \$151.7 million for second quarter 2020, compared to the same period of 2019.
- Total revenues excluding marketing and reservation system fees decreased 50% to \$72.1 million for second quarter 2020, compared to the same period of 2019.
- Second quarter 2020 domestic royalties decreased 52% to \$48.3 million, compared to the same period of 2019.

### **Development**

- The company's extended-stay portfolio continued to expand, reaching 414 domestic hotels as of June 30, 2020, an 8% increase since June 30, 2019, with the domestic extended-stay pipeline expanding to nearly 300 hotels awaiting conversion, under construction or approved for development. Since June 30, 2019, the WoodSpring Suites brand grew the number of open domestic hotels by 7% and its domestic pipeline by 22%.
- As of June 30, 2020, the number of domestic rooms in the company's upscale portfolio expanded 37% since June 30, 2019, driven by an increase in room count of 24% for the Cambria Hotels brand and 42% for the Ascend Hotel Collection, the latter of which includes 17 properties associated with the company's strategic partnership with AMResorts, an Apple Leisure Group brand.
- The number of domestic hotels and rooms, as of June 30, 2020, increased 0.6% and 2.0%, respectively, from June 30, 2019. The company's domestic upscale, midscale and extended stay segments reported a 2.3% aggregate increase in units and a 3.7% increase in rooms since June 30, 2019. The number of international hotels and rooms as of June 30, 2020, increased 3.0% and 12.7%, respectively, from the comparable period of 2019.
- The company's total domestic pipeline of hotels awaiting conversion, under construction or approved for development as of June 30, 2020 reached over 980 hotels and over 78,500 rooms.
- The company awarded 93 domestic franchise agreements in second quarter 2020, a 49% decrease compared to the same period in the prior year. Of the total domestic franchise agreements awarded in the second quarter, over 60% were conversions and more than half were executed in the month of June.

### **Balance Sheet and Liquidity**

The company continues to benefit from its primarily franchise-only business model, which has historically provided a relatively stable earnings stream, low capital expenditure requirements and significant free cash flow. As a precautionary measure to further enhance liquidity, on April 16, 2020, Choice Hotels

obtained a 364-day, \$250 million term loan with the possibility of a one year-extension subject to lender consent. On July 23, 2020, the company capitalized on favorable credit markets to issue \$450 million in an aggregate principal amount of new 3.70% senior notes due 2031. The net proceeds from the offering were used to repay the 364-day, \$250 million term loan and to fund the early repurchase of a portion of the company's 5.750% senior notes due 2022, reducing the company's effective borrowing costs. During the second quarter of 2020, the company's net debt increased approximately \$31 million, and its cash and available borrowing capacity through the revolving credit facility remained at over \$725 million as of June 30, 2020.

The company continues to follow a prudent and disciplined capital allocation strategy, ensuring the level of investment activity is aligned with the current environment.

#### Dividends

As previously disclosed, the company suspended the payout of future dividends for at least the remainder of 2020. As a result, total dividends paid during 2020 will be approximately \$25 million.

#### Stock Repurchases

During the three months ended June 30, 2020, the company repurchased approximately 7,000 shares of common stock for approximately \$0.5 million through repurchases from employees in connection with tax withholding and option exercises relating to awards under the company's equity incentive plans. As of June 30, 2020, the company had 3.4 million shares remaining under the current share repurchase authorization. The company has temporarily suspended share repurchases under the stock repurchase program as previously disclosed on April 8, 2020 but may continue to repurchase stock from employees in conjunction with tax withholding and option exercises under the company's equity incentive plans.

#### Outlook

On March 17, 2020, the company announced that it withdrew its previously issued outlook for 2020. The ultimate and precise impact of COVID-19 on full year 2020 is still unknown at this time and will depend on the level of resurgence in COVID-19 cases, the duration and scope of mandated travel and other restrictions, the confidence level of consumers to travel and the pace and level of the broader macroeconomic recovery. As a result, the company is not providing formal guidance for 2020 at this time.

The company currently expects the impact of COVID-19 on business performance will be less significant for the quarter ended September 30, 2020 than the quarter ended June 30, 2020 based on the continued weekly trend of travel demand growth predominantly stemming from leisure transient guests driving to their destinations.

As the year progresses, the company will continue to evaluate the impact of COVID-19 across its business and will provide further updates in the next earnings report based on the best information then available.

#### Conference Call

Choice Hotels International will conduct a conference call on Thursday, August 6, 2020, at 11:30 a.m. Eastern Time to discuss the company's second quarter 2020 earnings results. The dial-in number to listen to the call domestically is 1-888-349-0087 and the number for international participants is 1-412-317-5259. A live webcast will also be available on the company's investor relations website, <http://investor.choicehotels.com/>, and can be accessed via the Financial Performance and Presentations tab.

#### About Choice Hotels

Choice Hotels International, Inc. (NYSE: CHH) is one of the largest lodging franchisors in the world. With more than 7,100 hotels, representing nearly 600,000 rooms, in over 40 countries and territories as of June 30, 2020, the Choice® family of hotel brands provide business and leisure travelers with a range of high-quality lodging options from limited service to full-service hotels in the upscale, midscale, extended-stay and economy segments. The award-winning Choice Privileges® loyalty program offers members benefits ranging from everyday rewards to exceptional experiences. For more information, visit [www.choicehotels.com](http://www.choicehotels.com).

#### Forward-Looking Statements

Certain matters discussed in this presentation constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, our use of words such as "expect," "estimate," "believe," "anticipate," "should," "will," "forecast," "plan," "project," "assume," or similar words of futurity identify such forward-looking statements. These forward-looking statements are based on management's current beliefs, assumptions, and expectations regarding future events, which, in turn, are based on information currently available to management. Such statements may relate to projections of the company's revenue, expenses, earnings, debt levels, ability to repay outstanding indebtedness, payment of dividends, repurchases of common stock, and other financial and operational measures, including occupancy and open hotels, the company's ability to benefit from any rebound in travel demand, our liquidity, our ability to assist franchisees through relief or other financial measures, our ability to minimize or manage disruptions posed by COVID-19, our ability to achieve cost savings and reduce discretionary spending and investments, and the impact of COVID-19 and economic conditions on our future operations, among other matters. We caution you not to place undue reliance on any such forward-looking statements. Forward-looking statements do not guarantee future performance and involve known and unknown risks, uncertainties, and other factors.

Several factors could cause actual results, performance, or achievements of the company to differ materially from those expressed in or contemplated by the forward-looking statements. Such risks include, but are not limited to, continuation, resurgence, or worsening of the COVID-19 pandemic, including quarantines, "shelter-in-place" orders, or other travel restrictions; new information which may emerge concerning the severity or impact of the COVID-19 pandemic and the development of vaccines and treatments for COVID-19; changes in consumer demand and confidence, including the impact of the COVID-19 pandemic on unemployment rates, consumer discretionary spending, and the demand for travel, transient, and group business; volatility or increases in oil and gas prices that may deter consumers from using their vehicles and impact the demand for leisure travel; the impact of COVID-19 on the global hospitality industry, particularly but not exclusively in the U.S. travel market; the success of our mitigation efforts in response to the COVID-19 pandemic; the performance of our brands and categories in any recovery from the COVID-19 pandemic disruption; the timing and amount of future dividends and share repurchases; changes to general, domestic, and foreign economic conditions, including access to liquidity and capital as a result of COVID-19; future domestic or global outbreaks of COVID-19 or other epidemics, pandemics, or contagious diseases, or fear of such outbreaks; changes in law and regulation applicable to the travel, lodging, or franchising industries; foreign currency fluctuations; impairments or declines in the value of the company's assets; operating risks common in the travel, lodging, or franchising industries; changes to the desirability of our brands as viewed by hotel operators and

customers; changes to the terms or termination of our contracts with franchisees and our relationships with our franchisees; our ability to keep pace with improvements in technology utilized for marketing and reservations systems and other operating systems; the commercial acceptance of our software as a service technology solutions division's products and services; our ability to grow our franchise system; exposure to risks related to our hotel development, financing, and ownership activities; exposures to risks associated with our investments in new businesses; fluctuations in the supply and demand for hotel rooms; our ability to realize anticipated benefits from acquired businesses; impairments or losses relating to acquired businesses; the level of acceptance of alternative growth strategies we may implement; cyber security and data breach risks; ownership and financing activities; hotel closures or financial difficulties of our franchisees; operating risks associated with our international operations, especially in areas currently most affected by COVID-19; the outcome of litigation; our ability to effectively manage our indebtedness and secure our indebtedness; and any future resurgence of COVID-19. These and other risk factors are discussed in detail in the company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

## **Non-GAAP Financial Measurements**

The company evaluates its operations utilizing the performance metrics of adjusted EBITDA, revenues excluding marketing and reservation system activities, adjusted net income, and adjusted EPS, which are all non-GAAP financial measurements. These measures, which are reconciled to the comparable GAAP measures in Exhibit 6, should not be considered as an alternative to any measure of performance or liquidity as promulgated under or authorized by GAAP, such as net income, EPS, and total revenues. The company's calculation of these measurements may be different from the calculations used by other companies and comparability may therefore be limited. We discuss management's reasons for reporting these non-GAAP measures and how each non-GAAP measure is calculated below.

In addition to the specific adjustments noted below with respect to each measure, the non-GAAP measures presented herein also exclude restructuring of the company's operations including employee severance benefit and legal costs, debt-restructuring costs, exceptional allowances recorded as a result of COVID-19's impact on the collectability of receivables and gains and losses on sale/disposal and impairment of assets primarily related to the company's operations that provide Software as a Service ("SaaS") technology solutions to vacation-rental management companies and an abandoned hotel development project to allow for period-over-period comparison of ongoing core operations before the impact of these discrete and infrequent charges.

**Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization:** Adjusted EBITDA reflects net income excluding the impact of interest expense, interest income, provision for income taxes, depreciation and amortization, franchise-agreement acquisition cost amortization, other (gains) and losses, equity in net income (loss) of unconsolidated affiliates, mark-to-market adjustments on non-qualified retirement plan investments, share based compensation expense (benefit) and surplus or deficits generated by marketing and reservation-system activities. We consider adjusted EBITDA to be an indicator of operating performance because it measures our ability to service debt, fund capital expenditures, and expand our business. We also use adjusted EBITDA, as do analysts, lenders, investors, and others, to evaluate companies because it excludes certain items that can vary widely across industries or among companies within the same industry. For example, interest expense can be dependent on a company's capital structure, debt levels, and credit ratings and share based compensation expense (benefit) is dependent on the design of compensation plans in place and the usage of them. Accordingly, the impact of interest expense and share based compensation expense (benefit) on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provision for income taxes can vary considerably among companies. Adjusted EBITDA also excludes depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets or amortizing franchise-agreement acquisition costs. These differences can result in considerable variability in the relative asset costs and estimated lives and, therefore, the depreciation and amortization expense among companies. Mark-to-market adjustments on non-qualified retirement-plan investments recorded in SG&A are excluded from EBITDA, as the company accounts for these investments in accordance with accounting for deferred-compensation arrangements when investments are held in a rabbi trust and invested. Changes in the fair value of the investments are recognized as both compensation expense in SG&A and other gains and losses. As a result, the changes in the fair value of the investments do not have a material impact on the company's net income. Surpluses and deficits generated from marketing and reservation activities are excluded, as the company's franchise agreements require the marketing and reservation-system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery, and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation-system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance.

**Adjusted Net Income and Adjusted Earnings Per Share:** Adjusted net income and EPS exclude the impact of surpluses or deficits generated from marketing and reservation-system activities. Surpluses and deficits generated from marketing and reservation activities are excluded, as the company's franchise agreements require the marketing and reservation system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery, and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation-system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance. We consider adjusted net income and adjusted EPS to be indicators of operating performance because excluding these items allow for period-over-period comparisons of our ongoing operations.

**Revenues, Excluding Marketing and Reservation System Activities:** The company reports revenues, excluding marketing and reservation-system activities. These non-GAAP measures we present are commonly used measures of performance in our industry and facilitate comparisons between the company and its competitors. Marketing and reservation-system activities are excluded, as the company's franchise agreements require the marketing and reservation-system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery, and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation-system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance.

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Exhibit 1

Choice Hotels International, Inc. and Subsidiaries

Condensed Consolidated Statements of Income

(Unaudited)

|   | Three Months Ended June 30, |            |            |       | Six Months Ended June 30, |            |            |       |
|---|-----------------------------|------------|------------|-------|---------------------------|------------|------------|-------|
|   | Variance                    |            |            |       | Variance                  |            |            |       |
|   | 2020                        | 2019       | \$         | %     | 2020                      | 2019       | \$         | %     |
| (In thousands, except per share amounts)                |                             |            |            |       |                           |            |            |       |
| <b>REVENUES</b>   |                             |            |            |       |                           |            |            |       |
| Royalty fees  | \$ 50,152                   | \$ 106,427 | \$(56,275) | (53%) | \$ 120,491                | \$ 186,780 | \$(66,289) | (35%) |
| Initial franchise and relicensing fees                  | 6,676                       | 6,675      | 1          | 0%    | 13,960                    | 13,482     | 478        | 4%    |
| Procurement services                                    | 10,697                      | 20,829     | (10,132)   | (49%) | 24,494                    | 32,776     | (8,282)    | (25%) |
| Marketing and reservation system                        | 79,677                      | 172,465    | (92,788)   | (54%) | 190,062                   | 282,529    | (92,467)   | (33%) |
| Owned hotels  | 2,108                       | -          | 2,108      | NM    | 11,530                    | -          | 11,530     | NM    |
| Other   | 2,423                       | 11,288     | (8,865)    | (79%) | 9,371                     | 20,437     | (11,066)   | (54%) |
| Total revenues  | 151,733                     | 317,684    | (165,951)  | (52%) | 369,908                   | 536,004    | (166,096)  | (31%) |
| <b>OPERATING EXPENSES</b>                               |                             |            |            |       |                           |            |            |       |
| Selling, general and administrative                     | 43,964                      | 46,980     | (3,016)    | (6%)  | 72,799                    | 86,494     | (13,695)   | (16%) |
| Depreciation and amortization                           | 6,398                       | 3,405      | 2,993      | 88%   | 12,927                    | 7,021      | 5,906      | 84%   |
| Marketing and reservation system                        | 89,309                      | 160,121    | (70,812)   | (44%) | 219,756                   | 279,960    | (60,204)   | (22%) |
| Owned Hotels  | 2,976                       | -          | 2,976      | NM    | 9,010                     | -          | 9,010      | NM    |
| Total operating expenses                                | 142,647                     | 210,506    | (67,859)   | (32%) | 314,492                   | 373,475    | (58,983)   | (16%) |
| Loss on sale, disposition and impairment of assets, net | (1,226)                     | (4,641)    | 3,415      | NM    | (1,226)                   | (14,942)   | 13,716     | NM    |
| Operating income  | 7,860                       | 102,537    | (94,677)   | (92%) | 54,190                    | 147,587    | (93,397)   | (63%) |

**OTHER  
INCOME AND  
EXPENSES,  
NET**

|                                      |            |           |            |        |           |            |            |        |
|--------------------------------------|------------|-----------|------------|--------|-----------|------------|------------|--------|
| Interest expense                     | 13,082     | 11,093    | 1,989      | 18%    | 24,462    | 22,304     | 2,158      | 10%    |
| Interest income                      | (2,245)    | (2,784)   | 539        | (19%)  | (4,533)   | (5,397)    | 864        | (16%)  |
| Loss on extinguishment of debt       | -          | -         | -          | NM     | 607       | -          | 607        | NM     |
| Other (gains) losses                 | (3,585)    | (906)     | (2,679)    | 296%   | 692       | (3,104)    | 3,796      | (122%) |
| Equity in net loss of affiliates     | 3,486      | 980       | 2,506      | 256%   | 5,441     | 3,151      | 2,290      | 73%    |
| Total other income and expenses, net | 10,738     | 8,383     | 2,355      | 28%    | 26,669    | 16,954     | 9,715      | 57%    |
| Income (loss) before income taxes    | (2,878)    | 94,154    | (97,032)   | (103%) | 27,521    | 130,633    | (103,112)  | (79%)  |
| Income tax (benefit) expense         | (437)      | 19,765    | (20,202)   | (102%) | (25,501)  | 26,163     | (51,664)   | (197%) |
| Net (loss) income                    | \$ (2,441) | \$ 74,389 | \$(76,830) | (103%) | \$ 53,022 | \$ 104,470 | \$(51,448) | (49%)  |
| Basic (losses) earnings per share    | \$ (0.04)  | \$ 1.34   | \$ (1.38)  | (103%) | \$ 0.96   | \$ 1.88    | \$ (0.92)  | (49%)  |
| Diluted (losses) earnings per share  | \$ (0.04)  | \$ 1.33   | \$ (1.37)  | (103%) | \$ 0.95   | \$ 1.87    | \$ (0.92)  | (49%)  |

**Exhibit 2**

**Choice Hotels International, Inc. and Subsidiaries**

**Condensed Consolidated Balance Sheets**

**(Unaudited)**

(In thousands, except per share amounts)

**June 30,**      **December 31,**  
  
**2020**      **2019**

**ASSETS**

|  |              |              |
|--|--------------|--------------|
|  | \$           | \$           |
| Cash and cash equivalents                          | 314,139      | 33,766       |
| Accounts receivable, net                           | 149,062      | 141,566      |
| Other current assets                               | 61,278       | 61,257       |
| Total current assets                               | 524,479      | 236,589      |
| Intangible assets, net                             | 291,198      | 290,421      |
| Goodwill   | 159,196      | 159,196      |
| Property and equipment, net                        | 350,459      | 351,502      |
| Investments in unconsolidated entities             | 72,929       | 78,655       |
| Notes receivable, net of allowances                | 97,935       | 103,054      |
| Investments, employee benefit plans, at fair value | 25,138       | 24,978       |
| Operating lease right-of-use-assets                | 21,700       | 24,088       |
| Other assets                                       | 143,007      | 118,189      |
| Total assets                                       | \$ 1,686,041 | \$ 1,386,672 |

**LIABILITIES AND SHAREHOLDERS' DEFICIT**

|   |           |         |
|---|-----------|---------|
|   | \$        | \$      |
| Accounts payable                                      | 57,814    | 73,449  |
| Accrued expenses and other current liabilities        | 59,258    | 90,364  |
| Deferred revenue                                      | 49,983    | 71,594  |
| Current portion of long-term debt                     | 7,157     | 7,511   |
| Liability for guest loyalty program                   | 44,525    | 82,970  |
| Total current liabilities                             | 218,737   | 325,888 |
| Long-term debt  | 1,232,136 | 844,102 |
| Deferred revenue                                      | 124,152   | 112,662 |
| Liability for guest loyalty program                   | 76,819    | 46,698  |
| Operating lease liabilities                           | 17,288    | 21,270  |
| Deferred compensation and retirement plan obligations | 29,590    | 29,949  |

|  |                     |              |
|--|---------------------|--------------|
| Other liabilities                                  | <b>30,071</b>       | 29,614       |
|  | <hr/>               | <hr/>        |
| Total liabilities                                  | <b>1,728,793</b>    | 1,410,183    |
|  | <hr/>               | <hr/>        |
| Total shareholders' deficit                        | <b>(42,752)</b>     | (23,511)     |
|  | <hr/>               | <hr/>        |
| <b>Total liabilities and shareholders' deficit</b> | <b>\$ 1,686,041</b> | \$ 1,386,672 |
|  | <hr/>               | <hr/>        |

**Choice Hotels International, Inc. and Subsidiaries**

**Exhibit 3**

**Condensed Consolidated Statements of Cash Flows**

**(Unaudited)**

(In thousands)

**Six Months Ended June 30,**

|   | <b>2020</b>      | 2019       |
|---|------------------|------------|
|   | <hr/>            | <hr/>      |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                      |                  |            |
| Net income  | <b>\$ 53,022</b> | \$ 104,470 |
| Adjustments to reconcile net income to net cash provided by operating activities: |                  |            |
| Depreciation and amortization   | <b>12,927</b>    | 7,021      |
| Depreciation and amortization - marketing and reservation system                  | <b>9,585</b>     | 8,599      |
| Franchise agreement acquisition cost amortization                                 | <b>5,558</b>     | 5,051      |
| Gain on disposal of assets  | -                | (2,189)    |
| Provision for credit losses, net  | <b>24,675</b>    | 3,535      |
| Loss on extinguishment of debt  | <b>607</b>       | -          |
| Loss on asset disposition and impairment of long-lived assets                     | <b>1,226</b>     | 7,304      |
| Impairment of goodwill  | -                | 3,097      |
| Loss on sale of business  | -                | 4,641      |
| Non-cash stock compensation and other charges                                     | <b>458</b>       | 8,173      |
| Non-cash interest and other loss (income)   | <b>1,097</b>     | (2,910)    |
| Deferred income taxes   | <b>(27,098)</b>  | 2,418      |

|  |                 |                 |
|--|-----------------|-----------------|
| Equity in net losses from unconsolidated joint ventures, less distributions received | 5,588           | 5,380           |
| Franchise agreement acquisition costs, net of reimbursements                         | (12,567)        | (19,122)        |
| Change in working capital and other, net of acquisition                              | (73,626)        | (37,729)        |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                     | <b>1,452</b>    | <b>97,739</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                 |                 |
| Investment in property and equipment   | (21,094)        | (38,177)        |
| Investment in intangible assets  | (830)           | (1,037)         |
| Proceeds from sales of assets  | -               | 10,585          |
| Payment on business disposition, net   | -               | (10,783)        |
| Contributions to equity method investments   | (2,997)         | (13,676)        |
| Distributions from equity method investments   | 3,113           | 7,509           |
| Purchases of investments, employee benefit plans                                     | (1,932)         | (2,276)         |
| Proceeds from sales of investments, employee benefit plans                           | 1,901           | 1,714           |
| Issuance of notes receivable   | (7,730)         | (4,877)         |
| Collections of notes receivable  | 63              | 5,442           |
| Other items, net   | (27)            | 309             |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>   | <b>(29,533)</b> | <b>(45,267)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>   |                 |                 |
| Net borrowings pursuant to revolving credit facilities                               | 170,300         | 9,400           |
| Net borrowings pursuant to term loan   | 249,500         | -               |
| Principal payments on long-term debt   | (33,369)        | (248)           |
| Debt issuance costs  | (492)           | -               |
| Purchase of treasury stock   | (54,536)        | (42,437)        |
| Dividends paid   | (25,228)        | (24,131)        |
| Proceeds from issuance of long-term debt   | -               | 20,715          |
| Payments on transfer of interest in notes receivable                                 | -               | (24,409)        |
| Proceeds from exercise of stock options  | 2,768           | 16,271          |



|  |                   |                  |
|--|-------------------|------------------|
| <b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>           | <b>308,943</b>    | (44,839)         |
| Net change in cash and cash equivalents                              | <b>280,862</b>    | 7,633            |
| Effect of foreign exchange rate changes on cash and cash equivalents | <b>(489)</b>      | 132              |
| Cash and cash equivalents at beginning of period                     | <b>33,766</b>     | 26,642           |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                    | <b>\$ 314,139</b> | <b>\$ 34,407</b> |

**Exhibit**

**CHOICE HOTELS INTERNATIONAL, INC. AND SUBSIDIARIES**

**SUPPLEMENTAL OPERATING INFORMATION**

**DOMESTIC HOTEL SYSTEM<sup>(1)</sup>**

**(UNAUDITED)**

|                              | For the Six Months Ended June 30, 2020 |              |                 | For the Six Months Ended June 30, 2019 |              |                 | Change         |                    |                |
|------------------------------|--|--------------|-----------------|--|--------------|-----------------|----------------|--------------------|----------------|
|                              | Average Daily                          |              |                 | Average Daily                          |              |                 | Average Daily  |                    |                |
|                              | Rate                                   | Occupancy    | RevPAR          | Rate                                   | Occupancy    | RevPAR          | Rate           | Occupancy          | RevPAR         |
| <b>Comfort<sup>(2)</sup></b> | <b>\$ 84.20</b>                        | <b>42.6%</b> | <b>\$ 35.86</b> | <b>\$ 95.09</b>                        | <b>61.6%</b> | <b>\$ 58.57</b> | <b>(11.5%)</b> | <b>(1,900) bps</b> | <b>(38.8%)</b> |
| <b>Sleep</b>                 | <b>76.97</b>                           | <b>43.6%</b> | <b>33.58</b>    | <b>85.53</b>                           | <b>61.3%</b> | <b>52.40</b>    | <b>(10.0%)</b> | <b>(1,770) bps</b> | <b>(35.9%)</b> |
| <b>Quality</b>               | <b>71.07</b>                           | <b>38.7%</b> | <b>27.48</b>    | <b>79.24</b>                           | <b>53.5%</b> | <b>42.40</b>    | <b>(10.3%)</b> | <b>(1,480) bps</b> | <b>(35.2%)</b> |
| <b>Clarion<sup>(3)</sup></b> | <b>72.51</b>                           | <b>31.4%</b> | <b>22.75</b>    | <b>83.23</b>                           | <b>49.2%</b> | <b>40.91</b>    | <b>(12.9%)</b> | <b>(1,780) bps</b> | <b>(44.4%)</b> |
| <b>Econo Lodge</b>           | <b>57.15</b>                           | <b>38.1%</b> | <b>21.79</b>    | <b>62.64</b>                           | <b>47.1%</b> | <b>29.48</b>    | <b>(8.8%)</b>  | <b>(900) bps</b>   | <b>(26.1%)</b> |
| <b>Rodeway</b>               | <b>58.38</b>                           | <b>40.9%</b> | <b>23.87</b>    | <b>63.43</b>                           | <b>48.4%</b> | <b>30.70</b>    | <b>(8.0%)</b>  | <b>(750) bps</b>   | <b>(22.2%)</b> |
| <b>WoodSpring</b>            | <b>45.99</b>                           | <b>69.7%</b> | <b>32.07</b>    | <b>46.63</b>                           | <b>76.6%</b> | <b>35.73</b>    | <b>(1.4%)</b>  | <b>(690) bps</b>   | <b>(10.2%)</b> |
| <b>MainStay</b>              | <b>76.21</b>                           | <b>51.3%</b> | <b>39.07</b>    | <b>85.40</b>                           | <b>63.2%</b> | <b>53.96</b>    | <b>(10.8%)</b> | <b>(1,190) bps</b> | <b>(27.6%)</b> |
| <b>Suburban</b>              | <b>52.52</b>                           | <b>61.4%</b> | <b>32.24</b>    | <b>58.76</b>                           | <b>69.3%</b> | <b>40.70</b>    | <b>(10.6%)</b> | <b>(790) bps</b>   | <b>(20.8%)</b> |
| <b>Cambria Hotels</b>        | <b>120.89</b>                          | <b>36.7%</b> | <b>44.41</b>    | <b>144.68</b>                          | <b>68.2%</b> | <b>98.66</b>    | <b>(16.4%)</b> | <b>(3,150) bps</b> | <b>(55.0%)</b> |

|  |                 |              |                 |                 |       |                 |         |             |         |
|--|-----------------|--------------|-----------------|-----------------|-------|-----------------|---------|-------------|---------|
| <b>Ascend<br/>Hotel<br/>Collection</b> | <b>115.48</b>   | <b>39.7%</b> | <b>45.89</b>    | 121.42          | 60.3% | 73.16           | (4.9%)  | (2,060) bps | (37.3%) |
| <b>Total</b>                           | <b>\$ 71.09</b> | <b>42.7%</b> | <b>\$ 30.34</b> | <b>\$ 80.86</b> | 57.3% | <b>\$ 46.32</b> | (12.1%) | (1,460) bps | (34.5%) |

|  | For the Three Months Ended June 30, 2020 |              |                 | For the Three Months Ended June 30, 2019 |           |                 | Change           |             |         |
|--|--|--------------|-----------------|--|-----------|-----------------|------------------|-------------|---------|
|  | Average<br>Daily                         |              |                 | Average<br>Daily                         |           |                 | Average<br>Daily |             |         |
|  | Rate                                     | Occupancy    | RevPAR          | Rate                                     | Occupancy | RevPAR          | Rate             | Occupancy   | RevPAR  |
| <b>Comfort<sup>(2)</sup></b>           | <b>\$ 79.57</b>                          | <b>36.6%</b> | <b>\$ 29.11</b> | <b>\$ 98.61</b>                          | 67.3%     | <b>\$ 66.36</b> | (19.3%)          | (3,070) bps | (56.1%) |
| <b>Sleep</b>                           | <b>74.34</b>                             | <b>38.0%</b> | <b>28.23</b>    | 88.08                                    | 66.7%     | 58.73           | (15.6%)          | (2,870) bps | (51.9%) |
| <b>Quality</b>                         | <b>68.97</b>                             | <b>35.5%</b> | <b>24.49</b>    | 81.69                                    | 58.7%     | 47.97           | (15.6%)          | (2,320) bps | (48.9%) |
| <b>Clarion<sup>(3)</sup></b>           | <b>69.24</b>                             | <b>25.6%</b> | <b>17.71</b>    | 86.78                                    | 54.9%     | 47.67           | (20.2%)          | (2,930) bps | (62.8%) |
| <b>Econo<br/>Lodge</b>                 | <b>57.06</b>                             | <b>37.9%</b> | <b>21.65</b>    | 64.93                                    | 51.6%     | 33.53           | (12.1%)          | (1,370) bps | (35.4%) |
| <b>Rodeway</b>                         | <b>57.10</b>                             | <b>40.9%</b> | <b>23.37</b>    | 65.20                                    | 52.2%     | 34.02           | (12.4%)          | (1,130) bps | (31.3%) |
| <b>WoodSpring<br/>Suites</b>           | <b>44.96</b>                             | <b>69.2%</b> | <b>31.09</b>    | 47.79                                    | 78.2%     | 37.35           | (5.9%)           | (900) bps   | (16.8%) |
| <b>MainStay</b>                        | <b>73.82</b>                             | <b>48.6%</b> | <b>35.86</b>    | 87.83                                    | 67.9%     | 59.62           | (16.0%)          | (1,930) bps | (39.9%) |
| <b>Suburban</b>                        | <b>50.79</b>                             | <b>60.9%</b> | <b>30.95</b>    | 59.15                                    | 71.0%     | 41.96           | (14.1%)          | (1,010) bps | (26.2%) |
| <b>Cambria<br/>Hotels</b>              | <b>96.82</b>                             | <b>24.2%</b> | <b>23.46</b>    | 152.89                                   | 74.8%     | 114.43          | (36.7%)          | (5,060) bps | (79.5%) |
| <b>Ascend<br/>Hotel<br/>Collection</b> | <b>109.46</b>                            | <b>32.2%</b> | <b>35.24</b>    | 125.87                                   | 63.3%     | 79.70           | (13.0%)          | (3,110) bps | (55.8%) |
| <b>Total</b>                           | <b>\$ 67.21</b>                          | <b>39.1%</b> | <b>\$ 26.27</b> | <b>\$ 83.88</b>                          | 62.1%     | <b>\$ 52.11</b> | (19.9%)          | (2,300) bps | (49.6%) |

#### Effective Royalty Rate

|                                       | For the Quarter Ended |           | For the Six Months Ended |           |
|---------------------------------------|-----------------------|-----------|--------------------------|-----------|
|                                       | 6/30/2020             | 6/30/2019 | 6/30/2020                | 6/30/2019 |
| <b>System-<br/>wide<sup>(4)</sup></b> | <b>4.94%</b>          | 4.84%     | <b>4.94%</b>             | 4.84%     |

(1) In response to partial hotel closures resulting from the COVID-19 pandemic, the Company revised its calculation of Occupancy to be reflective of full room availability.

Additionally, the Company also made minor revisions to its ADR calculations, with respect to complimentary rooms. The revised ADR, Occupancy and RevPAR are reflected in the tables above for all periods noted.

(2) Includes Comfort family of brand extensions including Comfort and Comfort Suites

(3) Includes Clarion family of brand extensions including Clarion and Clarion Pointe

(4) Includes United States and Caribbean countries and territories

**Exhibit 5**

**CHOICE HOTELS INTERNATIONAL, INC. AND SUBSIDIARIES**

**SUPPLEMENTAL HOTEL AND ROOM SUPPLY DATA**

**(UNAUDITED)**

|  | June 30, 2020 |                | June 30, 2019 |                | Variance  |               |             |              |
|--|---------------|----------------|---------------|----------------|-----------|---------------|-------------|--------------|
|  | Hotels        | Rooms          | Hotels        | Rooms          | Hotels    | Rooms         | %           | %            |
| <b>Comfort<sup>(1)</sup></b>             | 1,620         | 127,583        | 1,610         | 126,229        | 10        | 1,354         | 0.6%        | 1.1%         |
| <b>Sleep</b>                             | 399           | 28,251         | 397           | 28,099         | 2         | 152           | 0.5%        | 0.5%         |
| <b>Quality</b>                           | 1,690         | 128,909        | 1,665         | 128,115        | 25        | 794           | 1.5%        | 0.6%         |
| <b>Clarion<sup>(2)</sup></b>             | 179           | 22,651         | 175           | 22,085         | 4         | 566           | 2.3%        | 2.6%         |
| <b>Econo Lodge</b>                       | 779           | 46,992         | 823           | 49,838         | (44)      | (2,846)       | (5.3%)      | (5.7%)       |
| <b>Rodeway</b>                           | 578           | 33,107         | 597           | 34,749         | (19)      | (1,642)       | (3.2%)      | (4.7%)       |
| <b>WoodSpring Suites</b>                 | 281           | 33,797         | 262           | 31,515         | 19        | 2,282         | 7.3%        | 7.2%         |
| <b>MainStay</b>                          | 73            | 4,629          | 66            | 4,387          | 7         | 242           | 10.6%       | 5.5%         |
| <b>Suburban</b>                          | 60            | 6,082          | 56            | 5,807          | 4         | 275           | 7.1%        | 4.7%         |
| <b>Cambria Hotels</b>                    | 51            | 7,347          | 42            | 5,923          | 9         | 1,424         | 21.4%       | 24.0%        |
| <b>Ascend Hotel Collection</b>           | 207           | 22,136         | 186           | 15,628         | 21        | 6,508         | 11.3%       | 41.6%        |
| <b>Domestic Franchises<sup>(3)</sup></b> | <b>5,917</b>  | <b>461,484</b> | <b>5,879</b>  | <b>452,375</b> | <b>38</b> | <b>9,109</b>  | <b>0.6%</b> | <b>2.0%</b>  |
| <b>International Franchises</b>          | <b>1,201</b>  | <b>135,534</b> | <b>1,166</b>  | <b>120,284</b> | <b>35</b> | <b>15,250</b> | <b>3.0%</b> | <b>12.7%</b> |

|                         |              |                |       |         |       |        |       |       |
|-------------------------|--------------|----------------|-------|---------|-------|--------|-------|-------|
| <b>Total Franchises</b> | <b>7,118</b> | <b>597,018</b> | 7,045 | 572,659 | 73    | 24,359 | 1.0%  | 4.3%  |
|                         | <hr/>        | <hr/>          | <hr/> | <hr/>   | <hr/> | <hr/>  | <hr/> | <hr/> |

<sup>(1)</sup>Includes Comfort family of brand extensions including Comfort and Comfort Suites

<sup>(2)</sup>Includes Clarion family of brand extensions including Clarion and Clarion Pointe

<sup>(3)</sup>Includes United States and Caribbean countries and territories

## Exhibit 6

### CHOICE HOTELS INTERNATIONAL, INC. AND SUBSIDIARIES

#### SUPPLEMENTAL NON-GAAP FINANCIAL INFORMATION

(UNAUDITED)

#### REVENUES AND ADJUSTED OPERATING MARGINS, EXCLUDING MARKETING AND RESERVATION ACTIVITIES

(dollar amounts in thousands)

|   | Three Months Ended June 30, |            | Six Months Ended June 30, |            |
|---|-----------------------------|------------|---------------------------|------------|
|   | 2020                        | 2019       | 2020                      | 2019       |
| <b>Revenues, Excluding Marketing and Reservation Activities</b> |                             |            |                           |            |
| Total Revenues  | \$ 151,733                  | \$ 317,684 | \$ 369,908                | \$ 536,004 |
| Adjustments:  |                             |            |                           |            |
| Marketing and reservation system revenues                       | (79,677)                    | (172,465)  | (190,062)                 | (282,529)  |
| Revenues, excluding marketing and reservation activities        | \$ 72,056                   | \$ 145,219 | \$ 179,846                | \$ 253,475 |

#### ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ("EBITDA")

(dollar amounts in thousands)

|                              | Three Months Ended June 30, |           | Six Months Ended June 30, |            |
|------------------------------|-----------------------------|-----------|---------------------------|------------|
|                              | 2020                        | 2019      | 2020                      | 2019       |
| Net income                   | \$ (2,441)                  | \$ 74,389 | \$ 53,022                 | \$ 104,470 |
| Income tax (benefit) expense | (437)                       | 19,765    | (25,501)                  | 26,163     |
| Interest expense             | 13,082                      | 11,093    | 24,462                    | 22,304     |
| Interest income              | (2,245)                     | (2,784)   | (4,533)                   | (5,397)    |

|   |                  |                   |                   |                   |
|---|------------------|-------------------|-------------------|-------------------|
| Other (gains) losses  | (3,585)          | (906)             | 692               | (3,104)           |
| Loss on extinguishment of debt  | -                | -                 | 607               | -                 |
| Equity in net loss of affiliates  | 3,486            | 980               | 5,441             | 3,151             |
| Depreciation and amortization   | 6,398            | 3,405             | 12,927            | 7,021             |
| Loss on sale and dispositions & impairment of assets, net               | 1,226            | 4,641             | 1,226             | 14,942            |
| Mark to market adjustments on non-qualified retirement plan investments | 3,553            | 882               | (781)             | 3,055             |
| Operational restructuring charges                                       | 7,154            | -                 | 8,518             | -                 |
| Share-based compensation  | 1,016            | 2,177             | (141)             | 4,191             |
| Exceptional allowances attributable to COVID-19                         | 2,678            | -                 | 2,678             | -                 |
| Marketing and reservation system reimbursable (surplus) deficit         | 9,632            | (12,344)          | 29,694            | (2,569)           |
| Franchise agreement acquisition costs amortization                      | 1,579            | 1,321             | 3,177             | 2,842             |
| Adjusted EBITDA   | <u>\$ 41,096</u> | <u>\$ 102,619</u> | <u>\$ 111,488</u> | <u>\$ 177,069</u> |

#### ADJUSTED NET INCOME AND ADJUSTED DILUTED EARNINGS PER SHARE (EPS)

(dollar amounts in thousands, except per share amounts)

|   | Three Months Ended June 30, |                  | Six Months Ended June 30, |                   |
|---|-----------------------------|------------------|---------------------------|-------------------|
|   | 2020                        | 2019             | 2020                      | 2019              |
| Net income  | <u>\$ (2,441)</u>           | <u>\$ 74,389</u> | <u>\$ 53,022</u>          | <u>\$ 104,470</u> |
| Adjustments:  |                             |                  |                           |                   |
| Marketing and reservation system reimbursable (surplus) deficit | 4,231                       | (10,013)         | 25,106                    | (2,027)           |
| Loss on sale and disposition & impairment of assets, net        | 539                         | 2,280            | 1,037                     | 11,329            |
| Loss on extinguishment of debt                                  | -                           | -                | 513                       | -                 |
| Operational restructuring charges                               | 3,196                       | -                | 7,229                     | -                 |
| Exceptional allowances attributable to COVID-19                 | 1,176                       | -                | 2,264                     | -                 |
| Foreign tax benefit on international restructuring              | -                           | -                | (30,572)                  | -                 |
| Adjusted Net Income   | <u>\$ 6,701</u>             | <u>\$ 66,656</u> | <u>\$ 58,599</u>          | <u>\$ 113,772</u> |
| Diluted Earnings Per Share                                      | <u>\$ (0.04)</u>            | <u>\$ 1.33</u>   | <u>\$ 0.95</u>            | <u>\$ 1.87</u>    |

Adjustments:

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| Marketing and reservation system reimbursable (surplus) deficit | <b>0.08</b>    | (0.18)         | <b>0.45</b>    | (0.04)         |
| Loss on sale and disposition & impairment of assets, net        | <b>0.01</b>    | 0.04           | <b>0.02</b>    | 0.20           |
| Loss on extinguishment of debt                                  | -              | -              | <b>0.01</b>    | -              |
| Operational restructuring charges                               | <b>0.06</b>    | -              | <b>0.13</b>    | -              |
| Exceptional allowances attributable to COVID-19                 | <b>0.02</b>    | -              | <b>0.04</b>    | -              |
| Foreign tax benefit on international restructuring              | -              | -              | <b>(0.55)</b>  | -              |
| Adjusted Diluted Earnings Per Share (EPS)                       | <b>\$ 0.13</b> | <b>\$ 1.19</b> | <b>\$ 1.05</b> | <b>\$ 2.03</b> |

**CHOICE HOTELS INTERNATIONAL, INC. AND SUBSIDIARIES**

**Exhibit  
7**

**DOMESTIC SYSTEM-WIDE OCCUPANCY VERSUS  
INDUSTRY<sup>(1)</sup>**

**(UNAUDITED)**


| <b>Week beginning</b> | <b>Choice Hotels</b> | <b>Total Industry</b> |
|-----------------------|----------------------|-----------------------|
| March 8, 2020         | 51.2%                | 53.0%                 |
| March 15, 2020        | 38.2%                | 30.3%                 |
| March 22, 2020        | 30.1%                | 22.6%                 |
| March 29, 2020        | 28.8%                | 21.6%                 |
| April 5, 2020         | 27.7%                | 21.0%                 |
| April 12, 2020        | 30.1%                | 23.4%                 |
| April 19, 2020        | 31.6%                | 26.0%                 |
| April 26, 2020        | 34.4%                | 28.6%                 |
| May 3, 2020           | 36.1%                | 30.1%                 |
| May 10, 2020          | 37.8%                | 32.4%                 |
| May 17, 2020          | 40.3%                | 35.4%                 |
| May 24, 2020          | 41.2%                | 36.6%                 |
| May 31, 2020          | 44.8%                | 39.3%                 |

|               |       |       |
|---------------|-------|-------|
| June 7, 2020  | 47.2% | 41.7% |
| June 14, 2020 | 48.6% | 43.9% |
| June 21, 2020 | 50.4% | 46.2% |
| June 28, 2020 | 50.5% | 45.6% |
| July 5, 2020  | 51.5% | 45.9% |
| July 12, 2020 | 52.6% | 47.5% |
| July 19, 2020 | 52.5% | 48.1% |
| July 26, 2020 | 53.2% | 48.9% |

<sup>(1)</sup> Source: Smith Travel Research (STR) Weekly Hotel Review

SOURCE Choice Hotels International, Inc.

For further information: Scott Oaksmith, Senior Vice President, Real Estate and Finance, Allie Summers, Director, Executive Reporting and Investor Relations, IR@choicehotels.com

Additional assets available online:  [Photos \(1\)](#)

<https://stage.mediaroom.com/choicehotels/2020-08-06-Choice-Hotels-International-Reports-2020-Second-Quarter-Results>