Choice Hotels International to Accelerate Clarion Brand Growth in United Kingdom, Germany and Russia Company Enters Into Area Representative Agreement With Kasterlee Limited to Develop 16 Clarion Hotels in Key European Markets

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Worldwide lodging franchisor Choice Hotels International today announced that it has entered into an area representative agreement with Ireland-based Kasterlee Limited for the exclusive right to license and develop Choice's Clarion brand in the United Kingdom, Germany and Russia. Under the agreement, Kasterlee will develop a minimum of 16 Clarion branded hotels within eight years. Kasterlee is the company's master franchisee for its Clarion, Quality and Comfort brands in Ireland.

There are 45 Clarion properties open across Europe, representing over 8,000 rooms. In Europe, Clarions are full-service, 4-star luxury properties offering restaurants, room service, meeting space, fitness facilities and a number of other amenities. Two of Europe's most luxurious hotels to open in recent months are both Clarion brand properties: the 560-room Clarion Congress property in Prague, Czech Republic and the 558-room Clarion Hotel Sign in Stockholm, Sweden. Recognized for its quality, the Clarion brand ranked "Highest in Guest Satisfaction Among Mid-Scale Full Service Hotels" in the proprietary J.D. Power and Associates 2007 European Hotel Guest Satisfaction Index Study.

"We are committed to expanding the Clarion brand throughout Europe, and this agreement will help drive the brand's growth in three major markets," said Mark Pearce, vice president, international, Choice Hotels International. "We have worked closely with Kasterlee in Ireland and are extremely confident in the organization's ability to develop and operate Clarion hotels that meet the brand's strong commitment to guest service and operational excellence."

"We are very excited to have the opportunity to franchise the Clarion brand in these three key markets," said Frankie Whelehan, managing director, Kasterlee, Ltd. "We've had great success with the Clarion brand in Ireland, and we are confident that this brand will be very well-received by both consumers and hotel developers in the United Kingdom, Germany and Russia. We are now engaged in reviewing a number of sites in prominent cities that would represent great markets for the Clarion brand."

About Choice Hotels

Choice Hotels International franchises more than 5,600 hotels, representing more than 455,000 rooms, in the United States and 38 countries and territories. As of March 31, 2008, 986 hotels are under development in the United States, representing 79,276 rooms, and an additional 96 hotels, representing 8,321 rooms, are under 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 http://www.choicehotels.com/.

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Clarion received the highest numerical score among mid-scale full service hotels in the proprietary J.D. Power and Associates 2007 European Hotel Guest Satisfaction Index Study(SM). Study based on responses from 11,728 European guests who stayed at a hotel in Europe between June and September 2007, measuring 16 hotel chains. Proprietary study results are based on experiences and perceptions of consumers surveyed in August-September 2007. Your experiences may vary. Visit jdpower.com

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