

**March 2016**

## **CHOICE HOTELS EUROPE SIGNS STRATEGIC AGREEMENT TO ENTER HOTEL SECTOR IN AUSTRIA AND HUNGARY AND EXPAND FURTHER IN GERMANY**

[Choice Hotels Europe](#), the company behind the [Comfort](#), [Quality](#), [Clarion](#) and [Ascend Hotel Collection](#) brands in Europe and part of Choice Hotels International, Inc., announced that it has signed a co-brand agreement with the [Star Inn Company](#), that will lead initially to the conversion of 16 Star Inn Hotels in Germany, Austria and Hungary to Choice's globally recognised Comfort and Quality brands, and to the development of an additional 20 hotels by 2022.

The hotels, which are all rated 3 star or 3 star premium, are located in key leisure and business travel destinations and close to airport and transportation hubs such as Munich, Frankfurt, Stuttgart, Bremen, Vienna, Budapest and Salzburg. 11 hotels currently trading under the "Star Inn" brand will convert to "Star Inn Hotel, by Comfort" and five hotels currently known as "Star Inn Premium" will convert to "Star Inn Hotel Premium, by Quality" by the end of Q1 2016. In doing so, an additional 2,217 rooms will be added to Choice's overall European portfolio. The agreement also extends to three additional hotels offering 500 rooms that are currently under construction in Heidelberg and Hannover in Germany and Linz, Austria and will join the portfolio between 2017 and 2018.

Paul Garai, Managing Partner of Garai Consulting, commented: "Our cooperation with Choice Hotels not only allows us to retain our name, but enables us to concentrate on our ambitious business growth plans for our group and we welcome their expertise in revenue management, marketing and distribution. We believe we will greatly benefit from their Choice Privileges rewards program and its 25 million loyal and returning members."

"Our partner benefits from Choice's strong global profile and reach, while we can draw on their well-established name and reputation in the local market. Star Inn Hotels are known for their high standards of customer service, value and quality of product, and so fit perfectly with Choice's own brands. Furthermore, we not only expand our key German hotel portfolio but establish a foothold in the central European capital cities of Vienna and Budapest, two important new markets for us." said Mark Pearce, Senior Vice President, International Division, for Choice Hotels.

This agreement is the fifth European portfolio enhancement Choice has announced so far this year. Other agreements secured in 2016 will lead initially to three hotels in Antwerp, Belgium and two new Comfort brand hotels in Frankfurt and the greater Düsseldorf Metropolitan area. The company has also launched its upscale Ascend Hotel Collection in the UK with two new properties joining the portfolio in Edinburgh, Scotland, and in France with the addition of La Malmaison Nice, a four star hotel located in the heart of Nice on the French Riviera, close to it's beaches and old town.

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#### **About Choice Hotels**

Choice Hotels International, Inc. (NYSE: CHH) is one of the world's largest lodging companies. With more than 6,400 hotels franchised in more than 35 countries and territories, Choice Hotels International® represents more than 500,000 rooms around the globe. As of December 31, 2015, 720 hotels were in our development pipeline. Our company's Ascend Hotel Collection®, Cambria® hotels & suites, Comfort Inn®, Comfort Suites®, Sleep Inn®, Quality®, Clarion®, MainStay Suites®, Suburban Extended Stay Hotel®, Econo Lodge®, Rodeway Inn®, and Vacation Rentals by Choice Hotels™ brands provide a spectrum of lodging choices to meet guests' needs. With more than 25 million members and counting, our Choice Privileges® rewards program enhances every trip a guest takes, with benefits ranging from instant, every day rewards to exceptional experiences, starting right when they join. All hotels and vacation rentals are independently owned and operated. Visit us at [www.choicehotels.com](http://www.choicehotels.com) for more information.

#### **About Star Inn Hotels**

The group of companies held by majority shareholders Paul and Kathrin Garai develops, operates or manages 16 hotels located in Germany, Austria and Hungary under the brand name Star Inn Hotel and Star Inn Hotel Premium. Three further hotels are currently under construction. Paul Garai, an experienced hotel executive, started Garai Consulting and Star Inn Hotels in 2004, and opened the first Star Inn Hotel in the same year. Star Inn's 16 hotels offer 2,217 rooms and are 3-star and 3-star plus rated. All the hotel properties provide a 24-hour bar and dining area and offer a combination of standard and business rooms as well as suites with separate living and sleeping areas. Some properties also have extensive meeting and conference facilities. Visit at [www.starinnhotels.com](http://www.starinnhotels.com) for more information.

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## Pictures



Star Inn shareholder Paul Garai (left) and Georg Schlegel, Managing Director Choice Hotels Germany and Central Europe present the new co-brands.



Cooperation confirmed with a handshake: Star Inn shareholder Paul Garai (left) and Georg Schlegel, Managing Director Choice Hotels Germany and Central Europe.



New Co-Brand  
Star Inn Hotel, by Comfort



New Co-Brand  
Star Inn Hotel Premium, by Quality