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INTERSTATE HOTELS & RESORTS ACHIEVES MILESTONE, ANNOUNCES TRANSACTION WITH KOHLBERG & COMPANY

ARLINGTON, Va. / NEW YORK, N.Y. May 4, 2016 – Interstate Hotels & Resorts (“Interstate” or the “Company”), the global leader in third party hotel management, and Kohlberg & Company LLC (“Kohlberg”), a leading private equity firm headquartered in New York, today announced that Kohlberg has acquired Interstate from Thayer Lodging and Jin Jiang International Hotels.

The transaction provides Interstate with a new strategic partner and positions the Company to enrich its value proposition in the hotel and hospitality industry, with enhanced global relationships and access to capital resources benefiting its third party management model. In addition, the Company will continue its strategic M&A activities to support additional growth. Interstate's senior management team will remain in place and retain equity stakes in the Company, providing consistency to brands, owners and associates.

“This transaction is validation of Interstate Hotels & Resorts’ strategy, strength and leadership over the past five years,” said Jim Abrahamson, Interstate’s Chief Executive Officer. “The partnership with Kohlberg will enhance the Company’s current management processes, with Interstate continuing to lead from a solid position, remaining focused on providing intuitive service to guests, and developing the best talent to deliver exceptional returns for owners.”

Interstate, headquartered in Arlington, Virginia, employs more than 30,000 highly skilled individuals worldwide and oversees operations at 425 properties located in 40 states and the District of Columbia, as well as nine countries outside the United States. Interstate is the leading player in its rapidly growing segment of the hospitality industry, which includes services to hotels, resorts and conference centers.

“Interstate is the clear leader in third party hotel management, with its prestigious brand and reputation built on consistent delivery of world class service to the Company’s hotel guests around the globe,” commented Ahmed I. Wahla, Partner of Kohlberg & Company. “We are excited to be partners with Interstate’s current management team and its deep team of sophisticated hospitality professionals, and we look forward to supporting Interstate’s continued expansion as well as their unwavering commitment to exceptional service for all brands, owners and guests.”

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“Throughout Thayer Lodging and Jin Jiang’s five-year investment of Interstate Hotels & Resorts, the Company has remained extremely strong -- especially globally, now extending onto three continents. Both firms remain favorable to Interstate, its senior management team and the business and we expect it to continue to deliver outstanding operating results for hotel owners into the future,” added Bruce G. Wiles, president and chief operating officer of Thayer Lodging.

Moelis & Company LLC served as financial advisor and Morris, Manning and Martin LLP served as legal counsel to Interstate. Jefferies LLC served as financial advisor and Paul, Weiss, Rifkind, Wharton & Garrison LLP served as legal counsel to Kohlberg. Antares Capital, Madison Capital, TIAA and MetLife are providing committed debt financing for the transaction.

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About Interstate Hotels & Resorts

Interstate Hotels & Resorts, Inc. is the leading U.S.-based global hotel management company, operating branded full- and select-service hotels and resorts, convention centers and independent hotels worldwide. Currently, Interstate and its affiliates manage 425 hotels with nearly 75,000 rooms around the globe. In addition Interstate has executed agreements to manage 40 hotels with nearly 5,200 rooms under development or construction. For more information, please visit www.interstatehotels.com. Connect with Interstate at www.linkedin.com/company/interstate-hotels-resorts, www.facebook.com/InterstateHotels, and www.interstatehotels.com/careers.

About Kohlberg & Company

Kohlberg & Company is a leading private equity firm headquartered in New York. Since its inception in 1987, Kohlberg has organized seven private equity funds, through which it has raised over \$5 billion of committed equity capital. Over its 29-year history, Kohlberg has completed 66 platform investments and over 145 add-on acquisitions, with an aggregate transaction value of approximately \$10 billion. For more information, please visit www.kohlberg.com.