

*For Immediate Release*

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### **Interstate Completes Merger with Joint Venture Between Thayer Lodging Group and Jin Jiang Hotels**

ARLINGTON, Va., March 17, 2010—Interstate Hotels & Resorts (NYSE: IHR), a leading hotel real estate investor and the nation's largest independent hotel management company, today announced the completion of the merger with Hotel Acquisition Company, LLC, a 50/50 joint venture between subsidiaries of Thayer Hotel Investors V-A LP, a private equity fund sponsored by Thayer Lodging Group ("Thayer Lodging"), and Shanghai Jin Jiang International Hotels (Group) Company Limited ("Jin Jiang Hotels"). Thayer Lodging, founded in 1991, is a leading private equity sponsor that invests exclusively in the lodging sector. Jin Jiang Hotels is the world's 13<sup>th</sup> largest hotel company in terms of number of rooms according to Hotels Magazine.

Shares of Interstate common stock were cancelled and converted into the right to receive \$2.25 per share in cash, without interest. Payment information will be mailed to Interstate shareholders as soon as practicable.

Completion of the transaction follows adoption and approval of the merger agreement by Interstate's shareholders at a special meeting of shareholders on March 11, 2010. Interstate shares have ceased trading on the New York Stock Exchange.

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Barclays Capital served as financial advisor to Interstate, BofA Merrill Lynch served as financial advisor to Thayer Lodging, and UBS Investment Bank served as financial advisor to Jin Jiang Hotels. Paul, Weiss, Rifkind, Wharton & Garrison LLP served as legal advisor for Interstate. Hogan & Hartson LLP served as Thayer Lodging's legal advisor and Baker & McKenzie LLP served as Jin Jiang Hotels' legal advisor.

**About Interstate Hotels & Resorts, Inc.**

Interstate Hotels & Resorts, Inc. and its affiliates manage and/or have ownership interests in a total of 228 hospitality properties with nearly 46,000 rooms in 36 states, the District of Columbia, Russia, India, Mexico, Belgium, Canada, Ireland and England. The company has ownership interests in 56 of those properties, including six wholly owned assets. Interstate Hotels & Resorts also has contracts to manage 13 to be built hospitality properties with approximately 3,000 rooms, which includes the company's entry into new markets such as Costa Rica. For more information about Interstate Hotels & Resorts, visit the company's Web site: [www.ihrco.com](http://www.ihrco.com).

*This press release contains "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, about Interstate Hotels & Resorts, including statements containing words such as "expects," "believes" or "will," which indicate that those statements are forward-looking. Except for historical information, the matters discussed in this press release are forward-looking statements that are subject to certain risks and uncertainties that could cause the actual results to differ materially, including the failure to obtain approval of the transaction from Interstate stockholders and disruption from the transaction making it more difficult to maintain relationships with owners, employees and suppliers. Additional risks are discussed in Interstate Hotels & Resorts' filings with the Securities and Exchange Commission, including Interstate Hotels & Resorts' annual report on Form 10-K for the year ended December 31, 2008.*