

【For Immediate Release】



**Signing ceremony for the strategic collaboration and joint venture project
between Jin Jiang Hotels, Thayer Lodging Group
and Interstate Hotels & Resorts**

Jin Jiang Hotels to enhance company value with new development model

(1 April 2010 - Hong Kong) — Shanghai Jin Jiang International Hotels (Group) Company Limited (“Jin Jiang Hotels”; together with its subsidiaries, the “Group”; SEHK stock code: 02006), a leading hotel operator and manager in China, is pleased to announce that Jin Jiang Hotels, US company Thayer Lodging Group (“Thayer” or “德尔集团”) and US largest independent hotel management company Interstate Hotels & Resorts, Inc. (“Interstate” or “州际”) held a strategic cooperation signing ceremony at Jin Jiang Hall (锦江小礼堂) today to mark the consensus reached by the three parties on the strategic development model following the acquisition. Many Shanghai government officials, including Mayor Mr. Han Zheng and Deputy Mayor Mr. Ai Baojun, were at the event to witness the important moment. Prior to the signing ceremony, Jin Jiang Hotels and Thayer completed the acquisition of Interstate on 18 March with total consideration of US\$300 million, marking the successful completion of the largest overseas acquisition in the PRC hotel industry.

The Group has formulated a series of strategic initiatives with the other two partners in order to bring into full play the benefits of the acquisition, enhance international cooperation, explore new development models and accelerate the Group’s growth. The collaboration includes (i) an agreement with Interstate for setting up a hotel management joint venture, and instilling Chinese elements into the joint venture to help it develop an independent hotel management business in China; (ii) an agreement with Thayer for the establishment of an asset management company to improve asset enhancement ability and boost asset liquidity; and (iii) a memorandum with Thayer for setting up a Chinese hotel & tourism sector investment fund with a view to creating new growth drivers, which may be the first hotel & tourism investment fund in China; (iv) a memorandum with Thayer and Interstate for the training program in United States for one hundred middle or senior management over three years. After the training, the trainees shall serve at Interstate China or the Fund Manager JV for a duration of at least two years on priority.

Mr. Yu Minliang, Chairman of Jin Jiang Hotels, said: “To achieve an international presence and speed the growth of Shanghai’s modern services sector, the Group and Thayer have completed the acquisition and merger of Interstate, the largest overseas acquisition ever in the PRC hotel industry, under the full support of the

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municipal government and various committees, offices and bureaus. This also marks a key step in our goal of international expansion."

"We are certain that our collaboration with Thayer and Interstate will set an example of an overseas acquisition by a domestic company that "going global and importing foreign expertise", thus establishing a growth platform covering the international and domestic markets and enhancing asset investment and management of the mainland's hotels. It will also broaden Jin Jiang Hotels' capabilities and promote Interstate's business expansion in China. We believe this strategic collaboration will be a milestone in the development of the services sector in Shanghai and China. Interstate is the first leading international independent hotel management company to introduce high-quality independent hotel management in China, and we believe it has enormous potential. We expect that the Sino-US collaboration will see all parties complementing each other, sharing benefits, and ultimately leading to stunning achievements."

Mr. Leland Pillsbury, Thayer's co-chairman and CEO, echoes Mr. Yu's comment, saying: "We are very excited to enter into this agreement and launch the cooperation plans with Jin Jiang Hotels and Interstate. This follows the successful collaboration of the parties on Hubs1, China's only fully automated high technology global distribution system, which is already very successful and serves as the "2010 World Expo Official Reservation Service Provider". The acquisition of Interstate Hotels & Resorts, Inc., the parties' second significant cooperation project, was completed in March 2010. The collaboration will provide opportunities for Interstate to enter the China market, while we can bring into full play in China our substantial experience that we have accumulated from years of international hotel asset management. Through the collaboration, Jin Jiang Hotel's management standards and its international standing will be further enhanced. We have full confidence in achieving a win-win-win situation and also our goals to enhance company value by the new development model."

Mr. Thomas Hewitt, Interstate's CEO, said: "After the merger, Interstate can extend its service to more customers in the international markets with its financial strength and flexibility. Upon signing this agreement, Interstate will be the pioneer to introduce independent hotel management business into the China market. We look forward to the endless business opportunities through our China platform and firmly believe that Interstate will reaffirm its position as a leading international independent hotel management company."

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About Jin Jiang Hotels Group

Shanghai Jin Jiang International Hotels (Group) Company Limited is one of the leading hotel operators and managers in China. The Group is licensed to use the well-regarded "Jin Jiang" and "Jin Jiang Inn" brands. As of 31 December 2009, the Group operated and had under development 546 hotels including star-rated hotels and Jin Jiang Inn budget hotels, providing close to 90,000 rooms in aggregate.

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With a solid home base in Shanghai and Beijing, the Group has also successfully spanned its hotel network across 137 cities and towns in 31 provinces, autonomous regions and municipalities throughout the PRC. In June 2009, the Group was ranked the 13th in the world in terms of number of rooms according to HOTELS Magazine, the official publication of the International Hotel & Restaurant Association. For more information about Jin Jiang Hotels, visit the company's website: www.jinjianghotels.com.cn.

About Thayer

Thayer Lodging Group is a sponsor of real estate investment funds with a track record in the top 5% of all fund sponsors for the past 19 years. Its clients include a select group of large, international institutional investors, the majority of which have been investors with Thayer for most of its 19-year history. The company is a value-add investor that works with major lodging brands to acquire and reposition hotels. Thayer sold US\$1.7 billion of hotels and resorts, which represented 85% of its real estate portfolio in 2006-2007, and retained a small group of 15 properties, which have been recently renovated and repositioned. It recently announced the closing of its fifth investment fund, Thayer Hotel Investors V LP, and its parallel fund, V-A LP, together totaling US\$280 million. Additionally, Thayer Lodging Group recently placed another US\$100 million under management in a separate vehicle. More information about the company can be found on its website: www.thayerlodging.com.

About Interstate

Interstate Hotels & Resorts, Inc. and its affiliates manages and/or has ownership interests in a total of 228 hospitality properties with more than 46,000 rooms in 36 states, the District of Columbia, Russia, India, Mexico, Belgium, Canada, Ireland and England. For more information about Interstate Hotels & Resorts, visit the company's website: www.ihrco.com.

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