



Aimbridge Hospitality and Interstate Hotels & Resorts to Merge

Combination Will Create a Global Leader in Third-Party Hotel Management Services

Combined Scale, Resources and Global Reach to Create Value for Hotel Owners

DALLAS, TX and ARLINGTON, VA – August 29, 2019 – Aimbridge Hospitality (“Aimbridge”), North America’s largest independent hotel management firm, and Interstate Hotels & Resorts (“Interstate”), a leading independent multinational hotel operator, announced today that they have entered into a definitive agreement to merge, creating a global leader in third-party hotel management services. The combined company will manage a portfolio of more than 1,400 branded and independent properties in 49 states and 20 countries. Terms of the transaction were not disclosed.

Together, it is expected that Aimbridge and Interstate will have the scale, resources and global reach to reinforce their leading hospitality offerings, continue delivering superior financial and investment performance for hotel partners and create positive experiences for guests. Hotel owners will benefit from a scaled, global platform; enhanced data and analytic capabilities; a top talent pool; and increased support and resources, including sales, marketing, ecommerce and revenue management infrastructure. This enhanced offering will position the combined company for further growth and international expansion.

Dave Johnson, Co-Founder and CEO of Aimbridge, will become CEO of the combined business. Michael Deitemeyer, President and CEO of Interstate, will become Global President, overseeing operations globally and corporate disciplines. The merged company will be a premier employer in the hospitality industry, with a talent pool of more than 60,000 employees delivering best-in-class service worldwide.

“Aimbridge is thrilled about the opportunity to join forces with Interstate to enable us to bring even more value to our hotel owners,” said Dave Johnson, Co-Founder and CEO of Aimbridge. “Our combined scale will ensure access to more robust data and the best talent to further differentiate us as leading hospitality managers. Personally, I am excited to work with Mike Deitemeyer, a good friend and well-respected industry leader.”

“Our united, global portfolio allows us the talent and expertise to ensure we deliver best-in-class operations across all hospitality product categories,” said Mike Deitemeyer, President and CEO of Interstate. “Dave and I share a common focus on winning through our people.”

Advent International, one of the largest and most experienced global private equity investors, acquired a majority ownership stake in Aimbridge earlier this year and will assume majority ownership of the combined entity.

“Through this merger and under Advent’s ownership, Aimbridge and Interstate can build a platform that differentiates the combined company through optimizing owner value, top-notch talent and global expansion,” said Glenn Murphy, Chairman, Aimbridge.

“We have enjoyed our valuable partnership with Mike Deitemeyer and the Interstate team and appreciate their efforts in establishing Interstate as a global leader in the third-party hotel management sector,” said Ahmed I. Wahla, Partner at Kohlberg & Company, which has owned Interstate since 2016.

The transaction is subject to regulatory approval and customary closing conditions. It is expected to be completed by the end of 2019.

Goldman Sachs & Co. LLC and Moelis & Company LLC acted as financial advisors and Paul, Weiss, Rifkind, Wharton & Garrison LLP acted as legal advisor to Interstate. Ropes & Gray LLP acted as legal advisor to Aimbridge.

About Aimbridge Hospitality

Aimbridge is the nation’s largest independent hotel management firm with a proven track record for delivering superior returns for its strategic partners in a variety of markets and through economic cycles. Aimbridge provides hotel management services, accounting, revenue management, and a full suite of services. Based in Dallas, Texas, Aimbridge currently manages approximately 800 hotels with more than 100,000 rooms across the United States, Canada and the Caribbean. For more information, visit www.aimbridgehospitality.com.

About Interstate Hotels & Resorts

Interstate is a leading, global, third-party hotel management company, operating branded full service, select service, luxury hotels, destination resorts, convention centers and lifestyle hotels. Currently, Interstate’s global portfolio represents 600 properties in 15 countries inclusive of a committed pipeline of hotels under construction or development around the world. The company’s experienced operators, industry-leading platforms and extensive management capabilities produce exceptional guest experiences and optimal returns for hotel owners and investors. For more information, please visit www.interstatehotels.com.

About Advent International

Founded in 1984, Advent International is one of the largest and most experienced global private equity investors. The firm has invested in over 345 private equity transactions in 41 countries, and as of March 31, 2019, had \$36 billion in assets under management, which does not include the \$17.5 billion recently raised for its ninth global fund, GPE IX. With offices on four continents, Advent has established a globally integrated team of over 195 investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; health care; industrial; retail, consumer and leisure; and technology, media and telecom. After 35 years dedicated to international investing, Advent remains committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies. For more information, visit: www.adventinternational.com.

About Kohlberg & Company

Kohlberg & Company, LLC (“Kohlberg”) is a leading private equity firm headquartered in New York. Since its inception in 1987, Kohlberg has organized eight private equity funds, through which it has raised over \$7.5 billion of committed equity capital. Over its 32-year history, Kohlberg has completed 80 platform investments and nearly 200 add-on acquisitions, with an aggregate transaction value of over \$20 billion. For more information visit: www.kohlberg.com.

Media Contacts

Aimbridge

Kellie McCrory, MCA Public Relations
kellie@mcaprgroup.com
+1 (214) 654-0402

Interstate

Kerry Anne Watson, The Zimmerman Agency
kwatson@zimmerman.com
+1 (850) 668-2222

Taylor Schillace, The Zimmerman Agency
tschillace@zimmerman.com
+1 (813) 784-0682

For UK/International:

Kirstie Nickson or Eve Worthington, Sidekick PR
info@sidekickpr.com
+44 7714 822919

Advent International

Kerry Golds or Patrick Reynolds, Finsbury
adventinternational-US@finsbury.com
+1 (646) 805-2000

###