

JOIE DE VIVRE HOSPITALITY AND THOMPSON HOTELS MERGE

Powerful Multi-Brand Lifestyle Hotel Group Poised for Global Growth

SAN FRANCISCO, Oct. 3, 2011 — Thompson Hotels, an international collection of 12 luxury lifestyle hotels, and Joie de Vivre Hospitality, the most influential boutique brand in the West, announced they have merged. It is the first step in the creation of a multi-brand lifestyle hotel group with a global footprint. The new group, provisionally called JT Hospitality, will be formally renamed early next year in concert with the completion of a comprehensive joint branding exercise that is currently underway.

Thompson Hotels and Joie de Vivre Hospitality are equal partners in the merger, which took effect Oct. 1, 2011, and encompasses hotel-management operations and brands but not real estate assets. With the consolidation, the new hotel group manages 45 properties under the distinctive Thompson and Joie de Vivre brands with combined annual hotel revenues of approximately \$500 million. The company will be based in New York City and Thompson Hotels CEO and Co-owner Stephen Brandman has been named CEO. Hospitality veteran John Pritzker, whose private equity firm Geolo Capital acquired a majority stake in Joie de Vivre in June of last year, will serve as co-chairman alongside Jason Pomeranc, the creative vision behind Thompson Hotels and one of its co-owners.

JT Hospitality plans to further expand the two brands domestically and internationally through management contracts, acquisitions and joint ventures. The company, which manages Carmel Valley Ranch and Ventana Inn & Spa, will also add additional luxury resorts and introduce a resort brand. With the merger, the Thompson brand gains access to Geolo Capital's earlier commitment of a \$150 million fund dedicated to hotel acquisitions and co-investments. As a result of the fund, Joie de Vivre has made significant headway on its expansion, acquiring two hotels and a development site in Manhattan, as well as signing up several new management contracts, including hotels in Scottsdale and Chicago, which represent the company's first forays outside of California.

"Fifteen months ago we said we would leverage our hospitality platform to nearly double Joie de Vivre's annual revenues and the number of hotels in the collection within five years," said Pritzker. "By merging with Thompson Hotels we are on track to reach that goal well ahead of schedule. More importantly, the merger will accelerate the growth of both brands, which will benefit from significant capital resources, greater distribution, economies of scale, and collective expertise."

"It's exciting to take on the challenge with John of formulating the strategic vision and direction for the new company," said Pomeranc. "We will be able to take the sensibilities and cultures of the two brands and spread them across different sectors and offer more accessibility with the various price points. Our owners will get the benefits of working with a bigger brand but still get the individuality of an independent."

Thompson benefits from Joie de Vivre's dominant West Coast presence and Geolo Capital's significant investments in Joie de Vivre's infrastructure and its hospitality investment expertise. Joie de Vivre gains wider exposure and distribution through Thompson's international expansion in London and Toronto and its strong presence on the East Coast, where the company has five hotels in Manhattan, one in Washington, D.C., and one in Miami.

In addition to geographic diversity, the two brands complement each other in positioning. Joie de Vivre operates 33 properties and is known for casual, eclectic boutique hotels and resorts with inventive design that span the price spectrum from budget to luxury and Thompson operates luxury lifestyle hotels in major urban centers that are design-driven. Both brands are focused on providing guests an immersive experience rooted in each hotel's unique location.

The new parent company will be formally introduced in the first quarter of 2012 when the global branding strategy is rolled out. JT Hospitality CEO and Co-owner Brandman will oversee the operations and integration of the two companies and split his time between the company's New York and San Francisco offices. "I look forward to working with the Joie de Vivre team. We will be bringing the two businesses together and intend to be fully integrated within the next three to six months," said Brandman.

Gary Beasley, who has been serving as interim CEO of Joie de Vivre since September 2010, will return to Geolo Capital to focus on business development for JT Hospitality. The Joie de Vivre brand will continue to be run day-to-day out of San Francisco by Joie de Vivre President and COO Ingrid Summerfield.

Chip Conley, Joie de Vivre's founder, will retain a significant equity stake in the new company and remain involved as a strategic advisor. "I'm thrilled that with the marriage of JdV and Thompson Hotels the spirit of the Joie de Vivre brand will be growing on a global scale and that the investors and owners who have been the mainstays of our company will enjoy the benefits of the distribution this growth will bring. I look forward to helping in any way that benefits JT Hospitality," said Conley.

Thompson Hotels Co-founders Michael and Lawrence Pomeranc will each be significant owners in JT Hospitality and continue to develop properties for JT Hospitality as well as sit on the company's Advisory Board.

"We are extremely excited at the unique opportunities that this merger presents for potential global expansion," said Lawrence Pomeranc. That sentiment was echoed by Michael Pomeranc, who said "We look forward to continuing the family's long history of real estate development with lodging projects in exciting new markets."

Thompson Hotels was advised in the transaction by Morgan Stanley.

About Thompson Hotels

Thompson Hotels (www.thompsonhotels.com) is a portfolio of leading luxury lifestyle hotels including 60 Thompson, Six Columbus, Thompson LES, Gild Hall and Smyth in Manhattan; Hotel Sax in Chicago; Hollywood Roosevelt Hotel and Thompson Beverly Hills in Los Angeles, and Donovan House in Washington, D.C. The company has been expanding internationally with the opening of Thompson Toronto in 2010 and Belgraves in London later this year. The company recently added Hotel Victor in Miami Beach to its portfolio and will rebrand the historic hotel as the Thompson Ocean Drive following a multi-million dollar renovation to be completed in early 2012. Thompson Hotels was founded by Lawrence, Michael and Jason Pomeranc and Stephen Brandman.

About Joie de Vivre Hotels

Joie de Vivre Hotels (www.jdvhotels.com) embarked on its mission to “create joy” for guests and employees in 1987, when Chip Conley founded the innovative hospitality company in San Francisco. Each one of Joie de Vivre’s more than 30 hotels is an original concept designed to reflect the local community and engage the five senses so that guests enjoy authentic, memorable experiences. Today Joie de Vivre manages the largest collection of boutique hotels and resorts in California and is expanding outside the state with openings in Scottsdale, Arizona this fall and Chicago in early 2012.

About Geolo Capital

San Francisco-based Geolo Capital (www.geolo.com) is the private equity investment firm founded and led by John Pritzker. Continuing a four-generation unmatched record of creating, investing in and building a diversified portfolio of consumer-focused companies, the Geolo Capital team has a long history of investing in branded consumer companies and specializes in hospitality investments. From its legacy involvement helping to grow Ticketmaster, to founding Mandara Spa, to the company’s purchase and revitalization of Carmel Valley Ranch, Geolo Capital’s mission is to cultivate enduring, world-class brands in three core industries: hospitality, health and wellness, and entertainment. Geolo combines operational expertise, strategic vision, and highly targeted capital to create long-term value for the companies in which it invests.

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