

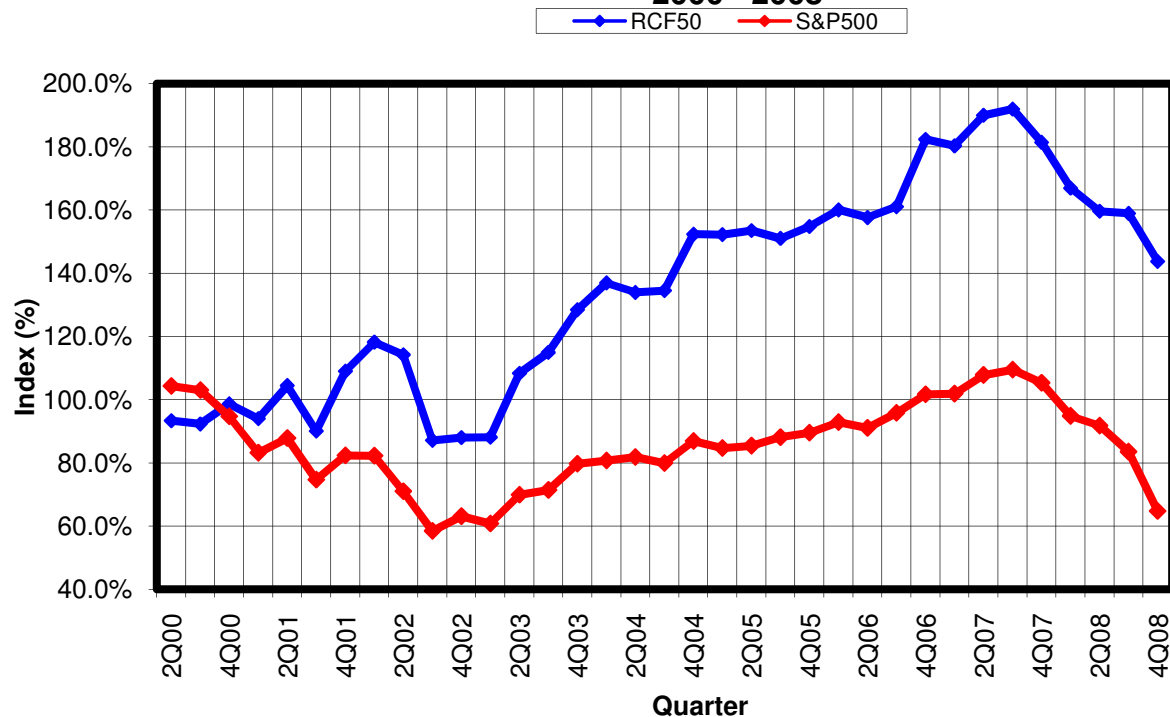
THE RCF 50 INDEX FALLS 9.5% AS GLOBAL FINANCIAL MARKETS SINK IN 4TH QUARTER 2008

The Rosenberg Center Franchise 50 Index finished a dismal year with a 9.5 percent drop in the 4th quarter 2008 as the U.S. and global economic conditions worsened and global financial markets sunk, with the S&P 500 Index losing a staggering 22.5 percent of its value this quarter.

RCF 50 Index and S&P 500 Index

Period	Rosenberg Center Franchise 50 Index	S&P 500 Index
4 th Quarter 2008	-9.5%	-22.50%
2008 year-to-Date	-20.8%	-38.5%
2000-2008	+43.8%	-35.2%

Rosenberg Center Franchise 50 Index 2000 - 2008



Economic conditions worsened sharply this quarter with mounting job losses, tight credit, crumbling consumer and business confidence, declining consumer spending and business investment, falling home prices, and slumping exports. Also there was no prospect of a resolution in the short term for the real estate and financial crises that are at the root of the current slump in the economy. Despite some positive news, such as the Federal Reserve lowering its federal funds rate target to a zero to 0.25 percent range, and the large drop in

energy prices, it was generally believed that the economy would get worse, possibly much worse, before getting better. As a result, financial markets around the world crumbled, with the S&P500, the Dow Jones Industrial Average, Japan's Nikkei 225 and Britain's FTSE 100 falling 22.5 percent, 19.1 percent, 21.3 percent, and 9.6 percent, respectively.

Despite the dreadful economic and financial environment this quarter, seven of the RCF 50 Index components managed to make a gain. The best performer was Choice Hotel International (CCH) with a 10.9 percent increase in market value. Choice Hotel International is one of the world's largest franchisors of mid-priced lodging properties and the owner of hotel brands Cambria Suites, Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, MainStay Suites, Suburban Extended Stay Hotel, Econo Lodge, and Rodeway Inn. This quarter, Choice Hotels performed relatively well given the dismal economic environment. It grew franchising revenue by 1 percent and total revenue by 9 percent. It executed 160 new domestic hotel franchise contracts. Its effective royalty rate increased 7 basis points to 4.19 percent this quarter. For the previous 12 months, Choice Hotels' domestic units increased by 6.0 percent, its room inventory was up 5.4 percent, franchising revenues went up 6.0 percent, and total revenues increased 9.0 percent. Its worldwide pipeline of properties increased 13 percent to 1,074 hotels, representing 85,916 rooms. Its domestic system-wide revenue per available room (RevPAR), however, declined 1.6 percent this quarter, due to a 280 basis point decline in occupancy that was partially offset by a 2.7 percent increase in average daily rate. Choice Hotels earned \$0.57 per diluted share this quarter, a reduction of \$0.02 from the same quarter a year ago. These results, and Choice Hotels' outlook of a full year 2008 adjusted diluted earnings per share of \$1.76, pleased investors and they sent its stock price up 22.5 percent after these results were announced. Choice Hotels had a number of additional positive developments that also helped it gain market value this quarter. It announced a 5 million shares stock buyback plan; it was upgraded by 2 analysts, and it was helped by the Federal Reserve's record interest rate cut in December 2008.

The worst performer this quarter was Avis Budget Group (CAR), a leading provider of vehicle rental services with operations in over 70 countries through its Avis and Budget brands. Following on the heels of rival Dollar Thrifty Automotive Group (DTG) last quarter, Avis Budget Group's lost 87.8 percent of its value this quarter. Large losses (\$1.2 billion pretax loss reported), deteriorating business conditions resulting from accelerating weakness in the global economy and in leisure and commercial travel, increased car fleet costs, higher borrowing costs associated with fleet financing, lowering of its credit ratings, and possible default on its financial covenants severely cut Avis Budget's market value.

Note:

The Rosenberg Center Franchise 50 Index, developed by the University of New Hampshire's Rosenberg International Center of Franchising, is an index that tracks the market performance of a portfolio of 50 US public franchise companies that are representative of the US business format franchising sector. The components are updated quarterly. For more information about the RCF 50 Index, please contact Dr. E. Hachemi Aliouche (Hachemi.Aliouche@unh.edu). For more information about the Rosenberg International Center of Franchising, please visit the Center's web site at <http://franchising.unh.edu>.