

**COACH AMERICA HOLDINGS INC. FILES VOLUNTARY CHAPTER 11 PETITION  
TO IMPROVE BALANCE SHEET**

**-- Senior Lenders' Steering Committee Commits \$30M in Debtor-in-Possession Financing  
to Ensure High Customer Service Levels --**

**-- Honoring All Tickets And Reservations --**

**-- Continuing Employee Pay and Benefits --**

**-- All Operations Continuing in the Normal Course --**

DALLAS, Texas, January 3, 2012 – Coach America Holdings Inc. today announced that, in order to ensure its long-term competitiveness and continue to provide industry-leading service to its customers, the Company and its subsidiaries have filed a voluntary petition for Chapter 11 reorganization in the United States Bankruptcy Court for the District of Delaware. This decision was made with a focus on reducing its debt and advancing the best interests of the Company and its stakeholders.

In connection with the filing:

- Coach America has obtained a commitment for \$30 million of debtor-in-possession (DIP) financing from a steering committee of its existing senior lenders. This financing, subject to approval by the Bankruptcy Court, will support the Company's fleet investment and help ensure the continuation of normal operations, including:
  - Providing uninterrupted transportation services safely and reliably;
  - Honoring all tickets and reservations, including making exchanges and refunds in the normal course;
  - Providing employee wages, healthcare coverage, vacation, and other benefits, without interruption; and,
  - Paying suppliers for goods and services received during the reorganization process.
  
- Coach America is continuing accelerated discussions with its Lenders on a restructuring that will position it for future growth and competitive success.

George Maney, President and Chief Executive Officer of Coach America, said, "Coach America has, for too long, been constrained by our capital structure, and today's decision will ensure a stronger Company focused on delivering critical transportation services to our customers across the country. I want to emphasize that it is business as usual for Coach America throughout the Chapter 11 process, and we look forward to a right-sized capital structure that will enhance our competitiveness and ability to serve our customers going forward."

Brian Cejka, Coach America's Chief Restructuring Officer, added, "We appreciate the support and commitment of our lending group and debt holders, and are focused on an effective, expeditious process to enhance Coach America's competitiveness and value for all stakeholders."

Coach America is filing motions today with the Court seeking interim relief that will ensure the Company's continued ability to conduct normal operations.

Coach America's investment banker is Rothschild Inc., legal counsel is Lowenstein Sandler PC, and its financial advisor is Alvarez & Marsal North America LLC.

More information about Coach America's Chapter 11 filing, including resources for customers and suppliers, is available on the Internet at [www.coachamerica.com/restructure](http://www.coachamerica.com/restructure).

### **About Coach America**

Coach America is the largest tour and charter bus operator and the second largest motorcoach service provider in the highly fragmented U.S. surface transportation industry. Headquartered in Dallas, Texas, Coach America provides transportation services throughout the entire United States. Services provided by Coach America include motorcoach charters, tours and sightseeing, commuter transportation, airport and casino shuttles, rail crew transportation and contract services for municipalities and corporations. Coach America operates the second largest fleet in the U.S. with over 3,000 well maintained vehicles, including over 1,600 motorcoaches, primarily under the well recognized Coach America, American Coach Lines and Gray Line brands. For more information, please visit [www.coachamerica.com](http://www.coachamerica.com).

### **Contact**

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