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FOUR POINTS
BY SHERATON

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BUILDING BRANDS

Established less than fifteen years ago, Starwood Hotels & Resorts Worldwide, Inc., (NYSE:HOT) has grown at a dynamic pace to assume an industry-leading position in the global hotel and leisure business. Known by travelers and industry insiders alike for having many of the best brands in the business, Starwood has reshaped public perception of the hotel experience with its emphasis on innovation, design and brand differentiation. Starwood makes emotional connections with its guests, offering lifestyle-focused venues, signature experiences and leading-edge branded products.

GROWING THE BUSINESS

Starwood Hotels & Resorts Worldwide, Inc., began as a real estate investment trust with an initial portfolio of 30 hotels and a market capitalization of less than \$10 million. Valued at more than \$16 billion today, Starwood offers nine distinct brands, award-winning hotels and a robust portfolio of more than 850 properties in over 90 countries.

In 1995, Starwood made its first big move into the hospitality industry when it acquired Hotel Investors Trust, keeping its NYSE stock symbol, HOT. The newly formed Starwood Lodging dramatically increased its global portfolio when it acquired Westin Hotels & Resorts and the ITT Sheraton Corporation in 1998. Renaming itself Starwood Hotels & Resorts Worldwide, Inc., the company moved its headquarters to White Plains, New York in 1998. A year later, Starwood acquired Vistana, Inc., later renamed Starwood Vacation Ownership, Inc., establishing an immediate presence in the growing vacation ownership market.

In 2005, Starwood divested more than 35 hotels in a deal valued at more than \$4 billion as part of its “asset right” strategy to reduce investment in owned real estate, while expanding brand presence primarily through third-party licensing and franchise agreements.

Also in 2005, Starwood acquired Le Méridien brand, adding 130 hotels to the company’s portfolio and overnight dramatically increasing the company’s footprint in Europe, Africa, the Middle East and Asia Pacific, allowing Starwood to enter markets where it did not already have a strong presence. The company has also been developing new hotel brands built from the ground up, and in 2008 will debut its first highly anticipated aloft and ELEMENT hotels, signifying a new foothold in the select service and extended stay arenas.

REWRITING THE RULES

Starwood earned its reputation as the world’s most creative hotel group when it launched W Hotels in 1998. Dubbed the first “style hotel brand,” W combined the design savvy and personality of boutique hotels with cutting-edge technology and the reliability of larger business hotels. W Hotels broke through the clutter of conformity and immediately resonated among cosmopolitan travelers who relished the brand’s wit and whimsy. In 1999, the Starwood Preferred Guest® program debuted with a game-changing policy enabling members to redeem points “anytime/anywhere®” that earned it the reputation as the most innovative frequent guest program in the industry. That same year, Westin Hotels & Resorts triggered an intense industry bedding war that continues to this day when it introduced the now iconic Heavenly® Bed.

DESIGNING A LIFESTYLE

Perhaps nowhere is Starwood's penchant for innovation more apparent than in its approach to design. In order to bring forward-thinking design to its guests, Starwood has forged partnerships with renowned designers, artists and architects. Working with some of today's most notable luminaries including Frank Gehry, Yabu Pushelberg, Charles Gwathmey, David Rockwell and Thom Filicia, design is a vital component of Starwood's DNA.

LIVING IN LUXURY

Starwood has also tapped into the growing market for branded residences, with nearly 60 residential projects currently in development around the world, primarily for its upper-upscale and luxury brands including St. Regis, W, The Luxury Collection and Westin. These projects range from ski destinations and beach resorts including Aspen, Deer Valley and Punta Mita to urban lifestyle centers such as New York, Dallas, Boston, Singapore and Dubai. Starwood residences offer owners a direct connection to its lifestyle brands by providing them with the signature services and amenities available to hotel guests such as room service, spa access, workout facilities and concierge service.

ENJOYING A LIFETIME OF BENEFITS

Offering unprecedented flexibility, incredible spontaneity and a wealth of choices, Starwood Vacation Ownership is one of the premier developers and operators of high-quality vacation interval ownership resorts. Expansion plans include new construction on more than a dozen properties throughout the continental United States, Hawaii, Mexico and the Caribbean. Starwood will have more than 6,000 villas upon final completion of the announced resorts, operating under the Sheraton, Westin and St. Regis brands. Starwood Vacation Network members will also enjoy access to 2,200 additional villa-style vacation resorts in 75 countries.

TAKING IT HOME

Starwood and its brands are considered pioneers in the quickly expanding \$60 billion hotel retail market, capitalizing on strong consumer demand for signature products, services and amenities through several channels including dedicated online stores, in-room catalogues and hotel retail outlets. Westin kicked off the trend in 1999 when it began selling its signature Heavenly Bed, which is now featured at more than 50 Nordstrom stores nationwide. W Hotels offers an online shopping experience and an in-hotel retail outlet called W HOTELS THE STORE at eight W properties. Because Starwood sees retail as an excellent opportunity to extend its brands' personalities into people's homes, even select-serve brand Four Points by Sheraton will enter the retail market with fun and affordable items selected to make people smile and simplify their lives – key components of the brand's positioning.

REINVENTING HOSPITALITY

Continuing to innovate with bold branding strategies, Starwood is re-launching two of its brands in 2008. Its flagship Sheraton brand is introducing a dramatic new redesign in a move that will rekindle the icon of the hospitality industry and inspire guests to make connections while traveling. Encouraging travelers to see the world through new eyes, Le Méridien is also unveiling a series of exciting new initiatives that highlight the brand's passion points of art, architecture, design, cuisine and fashion. Meanwhile, new brands aloft and ELEMENT are poised to shake up the select-service and extended stay lodging experience in proven markets across the globe with Starwood's winning combination of clever design, seamless technology and energetic social spaces.

FREQUENT TRAVELER PROGRAM: STARWOOD PREFERRED GUEST®

The Starwood Preferred Guest program made headlines when it launched in 1999 with a breakthrough policy of no blackout dates and no capacity controls. Allowing guests to redeem free nights anytime/anywhere,® SPG “ratchets up the stakes in the hotel loyalty-program game,” wrote *The Wall Street Journal*. SPG has gained a significant competitive advantage by offering members the ability to redeem awards at more resorts, more luxury properties, more European hotels and more golf properties than any other hotel program.

LOOKING TO THE FUTURE

Starwood is currently in the midst of its most prolific growth spurt ever, with a global pipeline of over 400 hotels including more than 100,000 rooms. Driven by developer demand for Starwood’s brands, an increase in penetration in the previously untapped select-serve and extended stay markets and the company’s dynamic development efforts outside of the U.S., Starwood is winning more than its fair share of hotel development deals. In addition to adding more depth to its portfolio in key domestic markets, nearly half of Starwood’s new hotels will open in markets outside of the U.S., with rapid expansion in some of the world’s hottest international markets including India, China, the Middle East and Russia.

With headquarters in White Plains, New York, Starwood is a fully integrated owner, operator and franchiser of hotels and resorts including St. Regis®, The Luxury Collection®, Sheraton® Hotels & Resorts, Westin® Hotels & Resorts, Four Points® by Sheraton, W® Hotels, Le Méridien®, aloftSM ElementSM as well as Starwood Vacation Ownership, Inc., one of the premier developers and operators of high-quality vacation ownership resorts.

Members of the press: Please contact Starwood’s toll-free media hotline at (866) 4-STAR-PR (866-478-2777) for photography or additional information.