STARWOOD HOTELS & RESORTS TO OPEN 50 NEW HOTELS ACROSS THE MIDDLE EAST AND AFRICA IN THE NEXT FIVE YEARS

Starwood Lengthens Lead in MEA Region Reaching a Milestone of 100 Hotels by 2015

Underscoring the Importance of the Region, Starwood Relocates Global Headquarters to Dubai for Month-long Immersion

DUBAI – March 12, 2013 – Starwood Hotels & Resorts Worldwide, Inc. (NYSE:HOT) is strengthening its position as the leading hotel operator across the Middle East and Africa (MEA) region with an existing portfolio of 82 hotels, representing nearly 22,000 guest rooms, the majority of which are operated under Starwood’s world-renowned Sheraton and Le Méridien brands. The company announced today that it will increase its MEA portfolio by more than 60% with nearly 50 new hotels set to open over the next five years, adding more than 14,000 guest rooms to the region while creating thousands of local employment opportunities. With over 20 hotels expected to open by the end of 2015, Starwood is on track to reach a milestone 100 hotels across MEA. Further underscoring the importance of the region as one of Starwood’s fastest growing hotel and travel markets, earlier this month the company relocated its global headquarters from Stamford, Connecticut to Dubai for a month-long immersion.

“Starwood continues to see demand for growth of all of our brands across the Middle East and Africa despite economic and political uncertainty in some parts of this incredibly diverse region,” said Frits van Paasschen, President and CEO, Starwood Hotels & Resorts. “Rapid economic growth, rising personal incomes, a growing middle class and ever greater global connectivity are driving new travel patterns and demand for travel, and this region is at the center of these trends and a key focus of our growth strategy.”

With more than 70% of the world’s economic growth coming from fast-growing markets over the next few years, Starwood is focused on expansion in developing MEA markets such as the United Arab Emirates (UAE), Saudi Arabia, Algeria, Egypt, Senegal, South Africa and Nigeria. The company is also focused on growth opportunities in key emerging markets including Iraq, Pakistan, Angola, Ghana, the Ivory Coast and East Africa.

By 2017, Starwood will operate more than 130 hotels in MEA, marking some key milestones, including:

- **Portfolio growth of over 60% in the UAE with 12 new hotels**, including six in Dubai, bringing Starwood’s portfolio to more than 30 hotels across the country. Starwood’s growth plans in the UAE also include expansion into Sharjah and Ajman.
- **Rapid expansion across Saudi Arabia with six new hotels** slated to open by 2015 bringing Starwood’s portfolio to 15 hotels in this key developing market.
- **The re-entry of Starwood into Iraq** with the milestone signings of three hotels across three brands in the city of Erbil, located in the re-emerging Kurdistan area of the country.
- **Momentum in Nigeria with two new Starwood hotels**, under the company’s Four Points by Sheraton brand.
- **Addition of two new hotels in Algeria** with a new Sheraton hotel in Annaba and Four Points by Sheraton in Oran.
- **The launch of Starwood’s Aloft Hotels brand** in Saudi Arabia and Iraq. Aloft will also open its second property in the UAE in emirates of Sharjah.

**Starwood Strengthens Luxury Portfolio**

In 2011, Starwood introduced its ultra-luxury St. Regis Hotels & Resorts brand in the region with the opening of The St. Regis Saadiyat Island in Abu Dhabi. This was followed by last year’s debuts of The St. Regis Doha and The St. Regis Mauritius, marking the entry of the brand into Qatar and Africa. This year, Starwood will unveil a second St. Regis hotel on Abu Dhabi’s vibrant Corniche, making it the only city in the world to boast two St. Regis hotels. The brand will soon enter the Egyptian market with the opening of The St. Regis Cairo.
Starwood is also seeing rapid growth of its contemporary, design-led W Hotels brand. Following the successful launch of the brand in the region with the opening of W Doha in 2009, Starwood has plans to open six more W Hotels across MEA in key markets, including three in Dubai and one each in Abu Dhabi, Muscat and Amman by 2017.

“Our long-established presence, local teams, and strong relationships in the region remain a competitive advantage, and position us well to take advantage of the many opportunities for future growth,” said Simon Turner, President of Global Development & Acquisition, Starwood Hotels & Resorts. “We have a healthy pipeline of new hotels under development in the Middle East and Africa, and expect our growth to continue in 2013 as we look to expand in markets including the UAE, Saudi Arabia and Nigeria.

Conversion Opportunities in MEA
In addition to new hotel openings, Starwood is seeing increasing opportunities for hotel conversions in MEA. In the past ten months, Starwood has signed three conversion deals in the region, including Sheraton Dubai Mall of the Emirates, which opened last month.

“Thanks to Starwood’s nearly 50 year history in the MEA region and the proven strength of our brands, the company is well positioned to take full advantage of growth,” said Roeland Vos, President of Starwood Hotels & Resorts, Europe, Africa & Middle East. “We are seeing a large landscape of independent hotels ripe for flags in the region and we expect to capture more than our fair share of conversion opportunities across all of our brands. The recent conversion of the Sheraton Dubai Mall of the Emirates is a testament of this strategy.”

As Starwood continues its extensive expansion across MEA, the company is also focused on upgrading its existing portfolio of hotels in the region, primarily under the Sheraton and Le Méridien brands.

Starwood Relocates Global Headquarters to Dubai
Earlier this month, Starwood President & CEO Frits van Paaschsen and the company’s top executives relocated to Dubai where they have been conducting day-to-day business from this increasingly important global destination and travel hub. Following the company’s successful relocation to China in June 2011, this second leadership move reflects Starwood’s innovative management approach to cultivating a more global culture by understanding, appreciating and leveraging different societal perspectives and approaches to business and hospitality.

“With 80% of Starwood’s pipeline coming from rapidly growing markets, it is simply not possible to lead a truly global business from a boardroom in Connecticut,” said van Paaschsen. “Dubai epitomizes the changing face of travel, and we expect this relocation will deepen our relationships with partners, associates and customers. The insights that come from experiences like this move make us more agile in today’s rapidly changing world.”

About Starwood Hotels & Resorts Worldwide, Inc.
Starwood Hotels & Resorts Worldwide, Inc. is one of the leading hotel and leisure companies in the world with 1,134 properties in nearly 100 countries and 171,000 employees at its owned and managed properties. Starwood is a fully integrated owner, operator and franchisor of hotels, resorts and residences with the following internationally renowned brands: St. Regis®, The Luxury Collection®, W®, Westin®, Le Méridien®, Sheraton®, Four Points® by Sheraton, Aloft®, and ElementSM. The Company boasts one of the industry’s leading loyalty programs, Starwood Preferred Guest (SPG), allowing members to earn and redeem points for room stays, room upgrades and flights, with no blackout dates. Starwood also owns Starwood Vacation Ownership, Inc., a premier provider of world-class vacation experiences through villa-style resorts and privileged access to Starwood brands. For more information, please visit www.starwoodhotels.com.
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