WELCOME AND INTRODUCTION

VASANT PRABHU
VICE CHAIRMAN & CHIEF FINANCIAL OFFICER
WELL POSITIONED TO CONTINUE DELIVERING INDUSTRY LEADING RETURNS

THE starwood ADVANTAGE

+ starwood EVOLUTION

+ UNPRECEDENTED MARKET OPPORTUNITY

Source: Bloomberg
Note: Represents 10-year total shareholder returns from 3/28/02 through 3/30/12 with monthly returns and reinvestment in security
STARWOOD ADVANTAGE

Innovative, design-led brands

Most global high-end hotel company

Industry-leading pipeline

Delivering operational excellence – The Power of Starwood

Global, Experienced Management Team
NINE DISTINCT GLOBAL LIFESTYLE BRANDS

» Renowned lifestyle hospitality brands with four and five star focus

» 1,103 properties

» 325,604 rooms

» Opened 333 managed & franchised hotels since 2007

» Nearly 100 countries

### LUXURY

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
<th>Hotels</th>
<th>Rooms</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>ST REGIS</td>
<td>Uncompromising, Address, Bespoke</td>
<td>28</td>
<td>5,892</td>
<td>13</td>
</tr>
<tr>
<td>THE LUXURY COLLECTION</td>
<td>Exceptional, Indigenous, Experience</td>
<td>79</td>
<td>14,924</td>
<td>29</td>
</tr>
</tbody>
</table>

### UPPER UPSCALE

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
<th>Hotels</th>
<th>Rooms</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>WESTIN</td>
<td>Personal, Instinctive, Renewal</td>
<td>188</td>
<td>72,731</td>
<td>36</td>
</tr>
<tr>
<td>Le MERIDIEN</td>
<td>Chic, Cultured, Discovery</td>
<td>99</td>
<td>25,488</td>
<td>41</td>
</tr>
</tbody>
</table>

### SELECT SERVICE

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
<th>Hotels</th>
<th>Rooms</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>aloft</td>
<td>Sassy, Savvy, Space</td>
<td>56</td>
<td>8,830</td>
<td>10</td>
</tr>
<tr>
<td>FOUR POINTS</td>
<td>Honest, Uncomplicated, Comfort</td>
<td>161</td>
<td>28,138</td>
<td>28</td>
</tr>
<tr>
<td>element by WESTIN</td>
<td>Smart, Alive, Balance</td>
<td>10</td>
<td>1,641</td>
<td>one</td>
</tr>
</tbody>
</table>

Note: Hotel and room counts as of 3/31/12
THE CLEAR LEADER IN GLOBAL HIGH END HOTELS

<table>
<thead>
<tr>
<th>LUXURY</th>
<th>STARWOOD</th>
<th>MARRIOTT</th>
<th>HILTON</th>
<th>HYATT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33K Rooms</td>
<td>52K Rooms</td>
<td>16K Rooms</td>
<td>29K Rooms</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>UPPER UPSCALE</th>
<th>W</th>
<th>MARRIOTT</th>
<th>HILTON</th>
<th>HYATT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marriott Hotels &amp; Resorts Autograph Collection Renaissance Hotels</td>
<td>244K Rooms</td>
<td>Embassy Suites Hilton</td>
<td>Hyatt Hyatt Regency Avia</td>
<td></td>
</tr>
<tr>
<td>244K Rooms</td>
<td>245K Rooms</td>
<td>75K Rooms</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

54% Non-U.S. 35% 39% 39%

INTERNATIONAL OPERATING LUXURY/UPPER-UPSCALE ROOMS (IN 000s)

H 104 HLT 102 HOT 149

Sources: Smith Travel Research, company data

41
INDUSTRY- LEADING GLOBAL PIPELINE

» Faster, smarter growth
» Pipeline consists of 365 hotels with 95,000 rooms
  – 87% of pipeline is located outside of North America
  – 72% of pipeline is in upper upscale and luxury
» Local development and sales offices driving growth

Sources: Smith Travel Research, company data
DELIVERING OPERATIONAL EXCELLENCE – THE POWER OF STARWOOD
### DIFFERENTIATION BUILDS CUSTOMER LOYALTY

- Award-winning loyalty program & co-brand credit card
- First to offer no blackouts and no restrictions on Free Night redemption, and Free Flights with no blackouts
- Over the past 5 years, elite membership has doubled and spend is up 60%
- SPG powers 50% of room night stays worldwide

<table>
<thead>
<tr>
<th>AWARD-WINNING HOTEL COLLECTION</th>
<th>UNIQUE REDEMPTION OPTIONS</th>
<th>INDUSTRY-LEADING BENEFITS</th>
<th>CUTTING-EDGE COMMUNICATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>» More luxury and upscale hotels than other programs</td>
<td>» SPG Flights: Hundreds of airlines, no blackouts</td>
<td>» Suite Night Awards, Your24, Ambassador</td>
<td>» iPhone App: Cutting edge state-aware interface</td>
</tr>
<tr>
<td>» 50+ Gold List awards</td>
<td>» SPG Moments: Once-in-a lifetime experiences that members bid on</td>
<td>» Richest elite tier benefits drive preference among most profitable traveler segment</td>
<td>» Social Media: Presence on Twitter, Facebook, Weibo, etc.</td>
</tr>
<tr>
<td>» 70 Travel + Leisure award winners</td>
<td>» SPG Cash + Points</td>
<td>» Unique benefit structure designed to capture share and encourage stretch</td>
<td></td>
</tr>
</tbody>
</table>
SPG IS LOCKING IN GLOBAL LOYALTY AHEAD OF CHANGING TRAVEL PATTERNS

» 32% growth in members since 2007

» 44% of SPG members are from outside the U.S.

» Increased Chinese member base more than 60% in 2011
  – Starwood Personalized Travel

» Consumers gravitate toward the brands they know and trust – our global presence is a major advantage
POWERFUL GLOBAL CENTRAL DELIVERY

» Starwood’s central distribution systems deliver over 50% of room revenue

» Innovative Web presence and strategies

» Leadership in emerging platforms

» Global strength
  – Contact centers answer calls in 24 languages
  – End-end website booking in nine languages, including Mandarin and Portuguese
STARWOOD B2B SALES DRIVE
~70% OF ROOM REVENUE

» Earning more than our fair share of high-value / high-volume customers’ business across all corporate and leisure segments

» Structured the way our clients buy, with greater scale of coverage and deeper reach

» Established organization in developed and growth markets set up to capitalize on new travel landscape and globalization

» Innovative programming focused on driving new business and strengthening customer loyalty
CUTTING-EDGE REVENUE MANAGEMENT

» Implementation of effective pricing and inventory strategies

» Corporate, divisional, regional and area-based RM experts work directly with the hotels

» Tools and detailed analytics, including market share analysis

» Standardized RM technology package
GLOBAL, EXPERIENCED MANAGEMENT

» Division presidents and regional leadership teams with deep local experience

» Benefits of Scale
  – Procurement
  – Investments in IT systems

» Operational Efficiency
  – Ten Years of Six Sigma
  – Lean hotel operations

» Record high associate engagement
STARWOOD EVOLUTION

OWNING HOTELS

PRICE POINT SEGMENTATION

U.S. CENTRIC

OWNING RELATIONSHIPS

LIFESTYLE SEGMENTATION

GLOBAL ENTERPRISE
CONTINUED PROGRESS TOWARD ASSET LIGHT

2000
- Owned/SVO 84%
- Fees 16%

2011
- Owned/SVO 40%
- Fees 60%

Target
- Owned/SVO 20%
- Fees 80%

*Pre Bal Harbour

Notes: Percentages represent earnings before selling, general and administrative expenses.
All references to Owned/Leased throughout the presentation represent Owned, Leased and Consolidated Joint Venture hotels.
PRICE POINT SEGMENTATION

Launch of W 1998

Westin “Heavenly”
Launch 1999

Sheraton Revitalization 2007

Launch of Aloft and Element 2008

Global Expansion of W 2009

Starwood Preferred Guest Transformation 2012

DEMONSTRATED TRACK RECORD OF INNOVATION

LIFESTYLE SEGMENTATION
Note: Percentages represent hotel business earnings.
UNPRECEDENTED MARKET OPPORTUNITY

Secular growth business

Below trend supply growth in developed markets

Secular demand in emerging markets

Evolving travel patterns

High value global owned hotels

Cash from vacation ownership and Bal Harbour

INDUSTRY LEADING RETURNS FOR OUR STAKEHOLDERS
LODGING IS A SECULAR GROWTH BUSINESS WITH CYCLES

BELOW-TREND SUPPLY GROWTH IN DEVELOPED MARKETS

U.S. ROOMS ADDED (%)

1970s: 21%
1980s: 25%
1990s: 21%
2000s: 13%

U.S. PIPELINE ROOMS

2008: 2.5%
2009: 3.0%
2010: 2.0%
2011: 0.4%
2012-2013 E: <1%

Sources: Smith Travel Research, PWC
SECULAR DEMAND GROWTH IN EMERGING MARKETS

GDP 2011

GDP 2010-2020

PIPELINE OF 95,000 ROOMS

Developed
Emerging
Developed
Emerging
Developed
Emerging

Sources: International Monetary Fund, UNWTO World Tourism Organization
Note: Emerging Pipeline is pipeline outside of North America and Europe
THE WORLD IS CHANGING IN OUR FAVOR

» Our global footprint positions us to take advantage of changing global travel patterns
  • 3 billion people entering the global economy
  • Regional travel patterns are evolving
  • Enormous outbound travel opportunity
  • Rise of the “Mega Traveler”

HIGH VALUE GLOBAL OWNED PORTFOLIO
59 hotels with 19,344 rooms

U.S.
» The Phoenician
» St. Regis New York
» St. Regis Hotel, San Francisco
» St. Regis Bal Harbour Resort
» W Los Angeles
» W Chicago Lakeshore
» W Times Square
» Westin Maui
» Westin Peachtree
» Sheraton Kauai
» The Manhattan at Times Square Hotel

LATIN AMERICA
» Sheraton Buenos Aires
» Park Tower, Buenos Aires
» Sheraton Maria Isabel (Mexico City)
» Sheraton Rio

EUROPE
» St. Regis Florence
» Westin Excelsior, Rome
» W Barcelona
» Hotel Gritti Palace
» Hotel Imperial
» St. Regis Rome

OTHER
» Sheraton Toronto
» Sheraton Montreal
» Sheraton Toronto Airport
» Sheraton Sydney
» Sheraton Fiji
CASH FROM VACATION OWNERSHIP AND BAL HARBOUR

STARWOOD VACATION OWNERSHIP

» Generated $800 million in cash since 2009

» Right-sized the business to be a smaller future contributor

» Disciplined capital allocation

» Best in class product and sales

» Drives new SPG members and loyalty

ST. REGIS BAL HARBOUR

» 307 residential units

» Iconic 210+ room St. Regis hotel

» #1 most anticipated hotel opening of 2012 according to Forbes
KEY TAKEAWAYS TODAY

» A revolution in global travel underway, a long term secular trend
  - Rising middle classes
  - Rapid urbanization
  - Expanding infrastructure (roads, airports, hotels)

» Global travel is a high growth industry, a long term secular trend
  - Domestic travel in growth markets
  - Expanding regional travel patterns
  - Outbound travel into developed markets

» Starwood - Best positioned lodging company to capture this opportunity
  - Best global high end lodging brands
  - Largest footprint in key growth markets
  - Industry leading pipeline
  - Superior on the ground infrastructure (operations, distribution, sales)
  - Experienced “locally smart” teams