



For Immediate Release

STARWOOD CAPITAL GROUP, MELIA ACQUIRE SPANISH RESORTS THROUGH NEW JOINT VENTURE

GREENWICH, CT and MALLORCA, SPAIN – February 26, 2015 – Starwood Capital Group, a leading global private investment firm, and leading Spanish hotel operator Meliá Hotels International announced today that they have established a joint venture that has agreed to acquire a collection of hotels across key resort locations in Spain.

The initial portfolio for the joint venture consists of seven well-established beachfront hotels representing 2,933 keys that are currently owned by Meliá Hotels International and will continue to be managed by Meliá upon completion of the transaction. The properties will be acquired by the joint venture in a transaction valued at €176 million (\$198 million), subject to the approval of the European Union Merger Control Office.

Included in the initial portfolio are the Sol Príncipe in Malaga, the Sol Lanzarote and Meliá Gorriones (Fuerteventura) in the Canary Islands, the Sol Ibiza and Sol Pinet Playa in Ibiza, and the Sol Mirlos and Sol Tordos (Palmanova, Mallorca). The hotels will all be fully refurbished, after which the Sol Príncipe, Sol Lanzarote, Sol Mirlos and Sol Tordos will continue to operate under the new Sol Hotels brand, with the Sol Mirlos and Sol Tordos being renamed as the Sol Palmanova. Sol Ibiza will become Sol Beach House Ibiza and Sol Pinet Playa will be renamed Sol House Pinet Ibiza. The main portion of the Meliá Gorriones property will continue to operate under the Meliá brand, and the current annex will be rebranded as Sol Beach House Fuerteventura.

A controlled affiliate of Starwood Capital will own 80% of the joint venture company, while Meliá Hotels International will own the remaining 20%. The joint venture plans to seek out opportunities to integrate additional properties into the portfolio.

“We are delighted to be partnering with Meliá on this transaction, and to build on the strong relationship we have already established with the company’s executive team,” said Keith Evans, Vice President, European Hotels at Starwood Capital Group. “With their irreplaceable locations, strong cash flow-producing businesses and consistent operating track records, these properties present an attractive portfolio with significant potential still to be realized. We look forward to investing in these properties and leveraging Starwood Capital Group’s hospitality expertise to help drive growth in the future.”

The joint venture represents Starwood Capital Group’s second transaction in Spain over the last several months. In late October, the Firm completed the acquisition, through a controlled affiliate, of a portfolio of loans from BFA-Bankia Group that included a significant number of real estate properties as underlying collateral. Starwood Capital Group has acquired more than \$63 billion of real estate assets globally since its inception in 1991, including approximately 2,300 hotels and resorts.

About Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on global real estate. Headquartered in Greenwich, CT, the Firm maintains 12 offices in six countries around the world. Starwood Capital Group has raised more than \$31 billion of equity capital since its inception in 1991, and currently manages over \$42 billion in assets. The Firm has invested in virtually every class of real estate on a global basis, opportunistically shifting geographies and changing positions in the capital stack as risk-reward dynamics evolve. For more than two decades, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises around real estate portfolios in both the private and public markets. Additional information can be found at starwoodcapital.com.

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