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**STARWOOD HOTELS & RESORTS COMPLETES SALE  
OF ST. REGIS HOTEL, WASHINGTON, D.C.**

*Grande Dame of the Nation's Capital to Remain in the St. Regis Portfolio*

WHITE PLAINS, NY – August 10, 2005 – Starwood Hotels & Resorts Worldwide, Inc. (NYSE:HOT) announced today that it has completed the sale of the 193-room St. Regis Hotel, Washington, D.C. to a joint venture between Brickman Associates and New Valley Corporation for \$47 million. The hotel will continue to be managed by St. Regis Hotels & Resorts and will remain in the St. Regis brand portfolio. Built in the style of an Italian Renaissance palace and richly appointed with European antiques, the hotel has been a stopping place for visiting royalty, presidents, and international dignitaries since its opening in 1926. A multi-million dollar renovation of the hotel is planned by the new owners subsequent to the sale.

St. Regis Hotel, Washington, D.C. is located two blocks from The White House and is convenient to galleries, museums, monuments, and other Capital attractions. Condé Nast has awarded the hotel to its Gold List four years in a row.

Since 2003, Starwood has sold more than \$1.5 billion worth of assets. The proceeds from this hotel combined with other asset sales since 2004 totals more than \$470 million, part of the \$500 million the Company intends to sell by the end of 2005. The Company expects to use proceeds for share repurchase and for general corporate purposes.

St. Regis Hotels & Resorts includes the most celebrated properties in the world. As the landmark St. Regis Hotel, New York celebrates its 100th anniversary, the company will unveil highly anticipated St. Regis properties in San Francisco (November 2005), Fort Lauderdale (2006), Anguilla (2007), Deer Valley, UT (2007), Mexico City (2007), Punta Mita (2007), Singapore (2007) and Bal Harbour (2008) that will further extend the brand's legacy as the preeminent hotel group. A common thread unites St. Regis: an unrelenting pursuit of excellence in flawless, anticipatory service and

amenities, enviable locations and luxuriously localized design. For more information on St. Regis Hotels & Resorts, please visit [stregis.com](http://stregis.com).

Starwood Hotels & Resorts Worldwide, Inc. is one of the leading hotel and leisure companies in the world with approximately 750 properties in more than 80 countries and 120,000 employees at its owned and managed properties. With internationally renowned brands, Starwood® corporation is a fully integrated owner, operator and franchisor of hotels and resorts including: St. Regis®, The Luxury Collection®, Sheraton®, Westin®, Four Points® by Sheraton, and W®, Hotels and Resorts as well as Starwood Vacation Ownership, Inc., one of the premier developers and operators of high quality vacation interval ownership resorts. For more information, please visit [www.starwoodhotels.com](http://www.starwoodhotels.com)

New Valley is currently engaged in the real estate business and is seeking to acquire additional operating companies and real estate properties. New Valley has a 50% ownership interest in Douglas Elliman Realty, LLC, which operates the largest residential real estate brokerage company in the New York Metropolitan area.

Brickman Associates is a real estate operating and investment company that owns hospitality, office and residential properties throughout the United States. The firm operates from its headquarters in Manhattan.

**\*\* Please contact Starwood's new, toll-free media hotline at (866) 4-STAR-PR (866-478-2777) for photography or additional information.\*\***