



## **Host Hotels & Resorts, Inc. Announces the Closing of the Sale of its Interest in the European Joint Venture**

December 21, 2018

BETHESDA, Md., Dec. 21, 2018 (GLOBE NEWSWIRE) -- Host Hotels & Resorts, Inc. (NYSE: HST), the nation's largest lodging real estate investment trust (the "Company"), today announced that it closed on the previously announced agreement to sell its 33% interest in the European joint venture to its partners. The gross asset value of its interest is approximately €700 million and equates to an EBITDA multiple of 17x on 2018 forecasted results.<sup>1</sup> After accounting for fund level debt, net proceeds to the Company will be €435 million. The Company will use a portion of the proceeds to repay approximately €207 million draw on the credit facility.

"The closing of this sale represents the successful completion of one of my key initiatives set early on in my tenure as CEO to focus our attention back to the U.S., where we have the greatest scale and competitive advantage. This sale signifies the end of a successful platform at an attractive price and we are grateful to our partners for helping to build a strong business in Europe. We can now focus our attention on our investment activity in the U.S. as less than 2% of our EBITDA will come from hotels outside the country with only two hotels in Canada and three hotels in Brazil," said James F. Risoleo, President and Chief Executive Officer. "The proceeds continue to strengthen our investment grade balance sheet and enhance our ability to make strategic investments that ultimately drive long-term value creation for our stockholders."

<sup>1</sup> The €435 million net proceeds represent a multiple of 42 times 2018 forecasted GAAP net income from the joint venture, excluding the gain on sale. The difference between net income and EBITDA is interest expense, depreciation, and tax of €9 million, €19 million, and €3 million, respectively.

#### **About Host Hotels & Resorts**

Host Hotels & Resorts, Inc. is an S&P 500 company and is the largest lodging real estate investment trust and one of the largest owners of luxury and upper-upscale hotels. The Company currently owns 88 properties in the United States and five properties internationally totaling approximately 52,000 rooms. The Company also holds non-controlling interests in 3 domestic joint ventures. Guided by a disciplined approach to capital allocation and aggressive asset management, the Company partners with premium brands such as Marriott®, Ritz-Carlton®,

Westin®, Sheraton®, W®, St. Regis®, Le Méridien®, The Luxury Collection®, Hyatt®, Fairmont®, Hilton®, Swissôtel®, ibis® and Novotel®, as well as independent brands in the operation of properties in over 50 major markets. For additional information, please visit the Company's website at [www.hosthotels.com](http://www.hosthotels.com).

Note: This press release contains forward-looking statements within the meaning of federal securities regulations. These forward-looking statements include forecast results and are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "plan," "predict," "project," "will," "continue" and other similar terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to: changes in national and local economic and business conditions and other factors such as natural disasters, pandemics and weather that will affect occupancy rates at our hotels and the demand for hotel products and services; the impact of geopolitical developments outside the U.S. on lodging demand; volatility in global financial and credit markets; operating risks associated with the hotel business; risks and limitations in our operating flexibility associated with the level of our indebtedness and our ability to meet covenants in our debt agreements; risks associated with our relationships with property managers and joint venture partners; our ability to maintain our properties in a first-class manner, including meeting capital expenditure requirements; the effects of hotel renovations on our hotel occupancy and financial results; our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; risks associated with our ability to complete acquisitions and dispositions and develop new properties and the risks that acquisitions and new developments may not perform in accordance with our expectations; our ability to continue to satisfy complex rules in order for us to remain a REIT for federal income tax purposes; risks associated with our ability to effectuate our dividend policy, including factors such as operating results and the economic outlook influencing our board's decision whether to pay further dividends at levels previously disclosed or to use available cash to make special dividends; and other risks and uncertainties associated with our business described in the Company's annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K filed with the SEC. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of the date of this release, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

\* This press release contains registered trademarks that are the exclusive property of their respective owners. None of the owners of these trademarks has any responsibility or liability for any information contained in this press release.



Host Hotels & Resorts, Inc.