



Host Hotels & Resorts Announces Acquisition of Hotel Arts Barcelona by Its European Joint Venture

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BETHESDA, Md., July 24 /PRNewswire-FirstCall/ -- Host Hotels & Resorts, Inc. (NYSE: HST) today announced that its joint venture in the Netherlands with Stichting Pensioenfonds ABP, the Dutch pension fund, and Jasmine Hotels Pte Ltd, an affiliate of GIC Real Estate Pte Ltd, the real estate investment company of the Government of Singapore Investment Corporation Pte Ltd, entered into an agreement to purchase the Hotel Arts Barcelona, a Ritz-Carlton hotel. The hotel, which is located on the shores of the Mediterranean Sea in Barcelona, Spain, contains 483 luxuriously-appointed guestrooms, including 28 luxury duplex apartments. The property, which recently underwent a comprehensive guestroom renovation that was completed in June 2006, also features 24,000 square feet of meeting space including the largest ballroom in Barcelona, five high-quality restaurants and a full-service spa with eight treatment rooms. The transaction also includes the purchase of an approximate 80,000 square-foot casino that is leased to a third-party operator.

Christopher J. Nassetta, president and chief executive officer, stated, "We are very pleased to be acquiring the Hotel Arts, one of the finest and most unique hotels in Europe at what we believe will be very attractive yields to the joint venture."

The purchase price for the property is approximately euro 417 million, including the assumption of approximately euro 280 million of debt with an interest rate under 5%. The hotel's Earnings Before Interest Expense, Taxes, Depreciation and Amortization (EBITDA) for the first 12 months of ownership is forecast to be approximately euro 32 million (EBITDA equals forecasted GAAP operating profit of approximately euro 17 million plus depreciation expense of approximately euro 15 million). The purchase is subject to customary closing conditions and is expected to close in August.

About Host Hotels & Resorts

Host Hotels & Resorts, Inc. is a lodging real estate company that currently owns or holds controlling interests in 129 luxury and upper upscale hotel properties primarily operated under premium brands such as Marriott(R), Westin(R), Sheraton(R), Ritz-Carlton(R), Hyatt(R), W(R), Four Seasons(R), St. Regis(R), The Luxury Collection(R), Fairmont(R), Hilton(R) and Swissotel(R)*. For further information please visit the Company's website at <http://www.hosthotels.com>.

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(Note: This press release contains forward-looking statements within the meaning of federal securities regulations. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will," "continue" and other similar terms and phrases, including references to assumption 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: national and local economic and business conditions, including the potential for terrorist attacks, that will affect occupancy rates at our hotels and the demand for hotel products and services; operating risks associated with the hotel business; risks associated with the level of our indebtedness and our ability to meet covenants in our debt agreements; relationships with property managers; our ability to maintain our properties in a first-class manner, including meeting capital expenditure requirements; our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; changes in travel patterns, taxes and government regulations which influence or determine wages, prices, construction procedures and costs; our ability to complete pending acquisitions and dispositions; and our ability to continue to satisfy complex rules in order for us to qualify as a Real Estate Investment Trust for federal income tax purposes and other risks and uncertainties associated with our business described in the Company's filings 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 July 24, 2006, 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.)

SOURCE Host Hotels & Resorts, Inc.

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