

## **STARHOTELS. THE GROUP. FIGURES, ALLIANCES AND STRATEGIES FOR THE FUTURE.**

Florence, May 2010

*Thirty years of passion, initiative and courage. Non-stop. Thirty years of quality, in every sense, in Italy and abroad, at the service of our clientele,* says Elisabetta Fabri, Vice Chairman and CEO of the Group which has 22 hotels in the heart of the world's most beautiful cities. Twenty 4-star hotels in Italy, one deluxe hotel in New York, a boutique hotel in Paris, 24 restaurants, 3,725 rooms, 143 conference halls with a capacity of almost 10,000, and around 1,300,000 business clients per year.

Over the last thirty years, Starhotels has established itself as *the* Italian business chain. In addition to its business strategy, today Starhotels is also positioning itself in a higher market segment with 5 hotels of particular prestige, situated in even more refined buildings in even more exclusive locations. For this purpose, in 2010 Starhotels strengthened its partnership with Preferred Hotels & Resorts, known the world over for promoting luxury hotels.

This year Preferred Hotels & Resorts has added three new hotels to its collection which already includes the Castille Paris and The Michelangelo in New York: the Rosa Grand in Milan, the Savoia Excelsior Palace in Trieste and the Splendid Venice in Venice.

*2009 was a complicated year for the Starhotels Group. But we're satisfied with how we reacted, managing to avoid the effects of complex and often uncontrollable events,* comments Elisabetta Fabri.

Starhotels S.p.A. ended the 2009 financial year with a dip in revenue of 9.7% compared to 2008 and an EBITDAR of 27% of overall revenue compared to 29.2% in 2008.

The consolidated financial statement, including the controlled company in Paris, registered a dip in revenue of 10.2% compared to 2008 with an EBITDAR of 27.1% compared to 29.2% in 2008.

Despite the international crisis, the Group continued investing substantially, assigning a budget of 19 million euros for the completion of the renovation of the Rosa Grand in Milan and the Savoia Excelsior Palace in Trieste. Moreover, 15 million euros were budgeted for the acquisition of real estate in Rue Cambon for the restyling of sixteen suites in the Castille in Paris.

Over 50% of these investments, it should be noted, were funded by the cash flow produced during the financial year. The consolidated net worth as of 31st Dec. 2009 is 390 million euros.

*%We are cautiously optimistic for 2010.+*

In the first four months of the year, Starhotels S.p.A. has already increased its revenue by 9.7% with an EBITDAR increase of 19.4%.

The Castille in Paris has registered a revenue increase of 17.6% against 2009 revenue and EBITDAR growth of 126%.

*%In 2010, Starhotels intends to confirm its investment plan with respect to property renovation, particularly in relation to the Starhotels Michelangelo in Florence and the Starhotels Splendido in Milan. In parallel, it intends to proceed with its development plan, with special focus on London and other European cities.*

*Whilst continuing to develop our portfolio of hotels through new acquisitions and management schemes, we have made significant changes in our organizational structure. The recent arrival of Fabrizio Gaggio as Managing Director has triggered a series of important innovations within the company, including the reinforcement of our international commercial network, the development of a new management structure, the updating of our IT and the design of a new website.*

*The strategy adopted over the last thirty years has been fundamental in steering the company through such a problematic international economic downturn.*

*The goals that have been achieved so far allow us to view the future positively and the values established within the company will stand us in good stead in the next phases of our growth.*

*We have always focussed on improving quality and developing resources with the primary objective of increasing the real value of the Group... and we will keep on doing this, well aware of the fact the future is full of unprecedented opportunities for growth,+concludes Elisabetta Fabri.*