To The Former Stockholders of Vistana, Inc.

On behalf of the Board of Directors and management, I cordially welcome you as a stockholder of Starwood Hotels & Resorts Worldwide, Inc.

On October 1, 1999, Vistana, Inc. merged with a subsidiary of Starwood and became a wholly owned subsidiary of Starwood. As a result of the Merger, each Vistana share has been converted into $5.00 in cash and .4667 of a unit of Starwood stock. Each unit of Starwood stock consists of one share of common stock of Starwood Hotels & Resorts Worldwide, Inc. and one class B share of Starwood Hotels & Resorts, a subsidiary of Starwood Hotels & Resorts Worldwide, Inc., which are attached and trade together as a unit on the New York Stock Exchange (NYSE: HOT).

Certificates for the Starwood units into which your Vistana shares have been converted and payment of the cash amount pursuant to the Merger Agreement will be sent upon surrender of your Vistana shares and a properly completed letter of transmittal. If you have any questions concerning the procedures for converting your Vistana certificates or receiving your Starwood certificate or your payment check, please call ChaseMellon Shareholder Services, L.L.C. at (800) 369-5274.

For federal income tax purposes, the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. As a result, a portion of any gain you may have realized on the exchange of your Vistana shares for the cash and Starwood units may not be required to be recognized. Additionally, losses realized on the exchange cannot be recognized.

The amount of gain you will recognize on the exchange of each share of Vistana common stock will be equal to the lesser of (a) the gain realized on the exchange (i.e., the amount by which $15.23, representing the sum of the cash (excluding any cash received in lieu of a fractional share of Starwood common stock) and the fair market value of the partial unit of Starwood stock that you receive for each share of Vistana stock, exceeds your adjusted tax basis in each share of Vistana stock that you exchange) or (b) $6.98, representing the amount of cash and the fair market value of the partial class B share you receive for each share of Vistana stock, plus any cash received in lieu of a fractional class B share. The gain recognized will be treated as capital gain if your Vistana shares were held as a capital asset. The fair market value of each Starwood unit received is $21.91 which is comprised of a value, based on our best estimate, of $17.66 and $4.25 for each share of Starwood common stock and class B share, respectively.

The foregoing is provided for informational purposes only and is not tax advice. It may not address your particular tax situation or special rules that may apply to you. Vistana stockholders are urged to consult with their tax advisors concerning the tax consequences of the merger.

Once again, it is my pleasure to welcome you as a stockholder of Starwood. The Board of Directors and management are committed to enhancing the value of your investment.
Sincerely,
Barry S. Sternlicht
Chairman and Chief Executive Officer
Starwood Hotels & Resorts Worldwide, Inc.