



YOTEL announces \$250 million strategic partnership with Starwood Capital Group

LONDON and MIAMI, Fl., 26 September 2017 – YOTEL announced today that a fund affiliated with Starwood Capital Group (“Starwood”), a leading global private investment firm, has committed to making a strategic investment of \$250 million in YOTEL, including acquiring a 30 percent stake in the company and investing in real estate acquisitions for new build, hotel conversion and adaptive reuse properties as YOTEL expands its international scale.

Starwood’s investment in and ongoing partnership with YOTEL will further enable [YOTEL’s rapid worldwide expansion](#), with a specific focus on Europe, North America and Asia. It also will help YOTEL strengthen its brand identity, expand geographically and enhance YOTEL’s innovative guest experience. Starwood have already secured city centre sites in Edinburgh, Glasgow and Amsterdam which are expected to open as YOTELs by 2019.

“This strategic partnership and investment highlights Starwood’s longstanding passion and commitment to invest in innovative hospitality platforms. YOTEL is an exciting brand focused on technology, smart design and a distinct guest experience at an affordable price, which is the right strategy amid the current wave of digital disruption,” said Barry Sternlicht, Chairman and CEO of Starwood Capital Group. “YOTEL has global appeal and can be easily scaled up with key strategic acquisitions and developments in desired city centre and airport locations.”

Cody Bradshaw, Managing Director, Head of European Hotels at Starwood Capital Group and Sarah Broughton, Senior Vice President, Starwood Capital Group will join the YOTEL board of directors, alongside representatives of the company’s major shareholders including the Al-Bahar Group, IFA Hotels & Resorts, United Investment Portugal and Kuwait Real Estate Company (AQARAT) which jointly own 65% stake in the company.

Talal Al Bahar, Chairman of YOTEL and the lead investor said, “We are delighted to announce a new institutional investor into YOTEL alongside our existing shareholders. Starwood Capital Group’s investment validates the company’s strategy, provides strength and stability at a critical expansion stage and opens up new horizons for YOTEL to become the leading affordable luxury hotel brand.”

Hubert Viriot, CEO of YOTEL commented, “YOTEL is growing rapidly with 15 hotels currently at various stages of development. We look forward to leveraging Starwood’s investment, design, operational and technological expertise to expand our platform, attract talent and enter additional markets whilst continuing to work closely with our existing partners and fostering new relationships as we take our brand to the next level.”

The partnership with Starwood Capital Group comes as YOTEL celebrates its 10th anniversary, a year of significant growth that includes the openings of YOTEL Boston and YOTEL San Francisco in North America and YOTEL Singapore, which will open on 1 October and will be YOTEL’s first hotel in Asia.

Bank of America Merrill Lynch advised Starwood Capital Group on the transaction.

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About Starwood Capital Group

Starwood Capital Group is a private alternative investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 10 offices in four countries around the world, and currently have more than 3,400 employees. Starwood Capital Group has raised over \$42 billion of equity capital since its inception in 1991, and currently manages more than \$54 billion in assets. The Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Over the past 26 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at starwoodcapital.com.

About YOTEL

Inspired by the luxury of first class travel and uncompromisingly designed around guests, YOTEL takes the essential elements of luxury hotels into smaller, smart spaces and deliver a sense of community with areas for co-working, social gatherings and exercise. Premium Cabins include YOTEL's signature adjustable SmartBed™ with rejuvenating monsoon rain showers and a Technowall with adjustable mood lighting and smart TVs, multi power points and easy connectivity.

YOTEL currently operates four airport hotels under the YOTELAIR brand in London Gatwick, London Heathrow, Amsterdam Schiphol and Paris, Charles de Gaulle airports; and three city hotels in New York, Boston and Singapore. YOTEL is expanding rapidly with new hotels under development globally, including a YOTELAIR in Singapore Changi Airport and new city hotels in San Francisco, London Clerkenwell, Dubai, Edinburgh, Miami and Amsterdam.

To see YOTEL's evolution visit: <http://www.yotel.com/evolution>

YOTEL's major shareholders include the Al-Bahar Group, IFA Hotels & Resorts, Starwood Capital Group, United Investment Portugal and Kuwait Real Estate Company (AQARAT).

YOTEL was created by YO! founder Simon Woodroffe OBE, who inspired by first class travel, translated the language of luxury airline travel into a small but luxurious cabin(www.yo.co.uk).

For more information or to book a stay at YOTEL New York, Boston, Singapore, San Francisco or YOTELAIR properties at London Heathrow, London Gatwick, Amsterdam Schiphol and Paris Charles de Gaulle visit: www.YOTEL.com