



STARWOOD ENERGY GROUP GLOBAL CLOSES FIRST FUND AT \$433 MILLION

GREENWICH, CT – June 20, 2008 – Starwood Energy Group Global, L.L.C. (“Starwood Energy”), a private equity firm specializing in the energy and power sectors, today announced the final closing of its Starwood Energy Infrastructure Fund, L.P. (the “Fund”) with total capital commitments of \$433 million, exceeding the \$400 million target established for the Fund. The Fund, which principally targets investments in generation and transmission assets in North America, has already committed over \$250 million of equity to specific projects exceeding \$1 billion in cost. The Fund attracted commitments from various investors, including endowments and foundations, pension plans, banks, insurance companies and high net worth individuals.

Starwood Energy is an affiliate of Starwood Capital Group Global, L.L.C. (“Starwood Capital”), a real-estate focused private equity investment firm based in Greenwich, CT.

“We are very pleased with the response from the investor community for the Fund,” said Barry Sternlicht, Chairman and CEO of Starwood Capital. “The Fund is the result of a focused business strategy that we have been pursuing in the extremely vibrant North American power generation and transmission sector for several years. Our investors have responded to the strategy, to the potential to earn very attractive risk adjusted returns, to our experienced team, and to Starwood Capital’s strong 16-year investment track record as a firm.”

Starwood Energy actively pursues attractive, risk-adjusted returns from both opportunistic acquisitions and from development-stage funding of energy infrastructure assets. “Starwood Energy targets investments in hard assets with strong cash flows that offer superior equity returns upon exit. Starwood Energy believes that this approach reduces downside potential, provides financial flexibility, and broadens exit alternatives,” noted Brad Nordholm, Starwood Energy’s CEO and Managing Director.

Starwood Energy also targets both greenfield and brownfield development opportunities where it can add value through its development and financial expertise. Madison Grose, Starwood Energy’s Vice Chairman, added: “On the development side, we are, in effect, delivering ‘build to suit’ assets for long term credit counterparty ‘tenants.’ The high-quality nature of the cash flows in our projects has allowed us continued access to the debt capital markets in these turbulent times, while facilitating an investment thesis that seeks balanced returns between current yield and residual gains.”

Starwood Energy seeks to enhance value by pursuing negotiated transactions when possible. To identify such opportunities, Starwood Energy executives leverage long-standing relationships with owners of energy assets and their advisors. “Our executives have a demonstrated history of successfully originating transactions through proprietary channels rather than through agent-led auctions. We continue to enjoy a strong pipeline of investment opportunity driven by industry fundamentals and an evolving regulatory environment. We are pleased by the confidence that our investors have placed in us,” says Steve Zaminski, Starwood Energy’s Executive Vice President and Managing Director.

591 West Putnam Avenue
Greenwich, CT 06830

Telephone 203.422.7700
Facsimile 203.422.7827

Current assets in the Fund include:

- Starwood-Midway, a 120 MW simple-cycle natural gas peaking plant located 60 miles west of Fresno, California which is currently under development.
- Thermo Ft. Lupton Facility, a 272 MW combined cycle natural gas power plant and associated greenhouse steam-host located approximately 25 miles northeast of Denver, Colorado. The transaction is expected to close in the near future.
- Minority interest in the Mead-Phoenix project which is a 1,296 MW, 500 kV AC transmission line extending 202 miles from southern Nevada to southern California, and the Mead-Adelanto project which is a 1,300 MW, 500 kV AC transmission line that extends 256 miles from the southern Arizona to central Arizona.
- Hudson Transmission Partners, a 660 MW transmission line currently under development between Ridgefield, New Jersey and midtown Manhattan.
- Green Line, a 660 MW undersea transmission line currently under development between Maine and Boston, Massachusetts.

The Fund seeks to maximize returns to, and achieve liquidity for, its investors through regular cash distributions and the proceeds from the sale or other disposition of assets.

Media Contact:
Tom Johnson
Abernathy MacGregor Group
(212) 371-5999