



STRATEGIC

Hotels & Resorts

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**FOR IMMEDIATE RELEASE
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STRATEGIC HOTELS & RESORTS DECLARES FOURTH QUARTER DIVIDENDS

Chicago, IL – December 4, 2006 – Strategic Hotels & Resorts, Inc. (NYSE: BEE) announced today that it declared a quarterly dividend of \$0.23 per share of common stock. The dividend will be paid on January 10, 2007, to shareholders of record on December 26, 2006.

The company also announced today that it declared a quarterly dividend of \$0.53125 per share on its 8.5 percent Series A Cumulative Redeemable Preferred Stock payable on December 29, 2006, to shareholders of record on December 15, 2006. Additionally, the company announced a quarterly dividend of \$0.51563 per share on both its 8.25 percent Series B Cumulative Redeemable Preferred Stock and 8.25 percent Series C Cumulative Redeemable Preferred Stock payable on December 29, 2006, to shareholders of record on December 15, 2006.

About the Company

Strategic Hotels & Resorts, Inc. is a real estate investment trust (REIT) which owns and asset manages high-end hotels and resorts. The company has ownership interests in 20 properties with an aggregate of 10,000 rooms. For further information, please visit the company's website at www.strategichotels.com.