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BANYAN TREE'S HALF YEAR PROFITS UP 55% ON 23% REVENUE GAIN.

Highlights:

- 1H07 Revenue increased by 23% to S\$187.9 million
- 1H07 Profit After Tax increased by 55% to S\$23.9million
- Strong contribution from Hotel Operations.

1H07 Results Snapshot (in S\$million) :

	1H07	1H06	Change (%)
Revenue	187.9	152.2	23 ↑
Operating Profit*	52.2	52.8	1 ↓
PBT [#]	33.1	25.5	30 ↑
PAT [@]	23.9	15.4	55 ↑
PATMI [^]	14.3	8.4	70 ↑

2Q07 Results Snapshot (in S\$million) :

	2Q07	2Q06	Change (%)
Revenue	83.0	71.4	16 ↑
Operating Profit*	15.5	18.9	18 ↓
PBT [#]	5.7	1.1	430 ↑
PAT [@]	4.3	(2.0)	310 ↑
PATMI [^]	3.2	(2.7)	218 ↑

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- Banyan Tree Seychelles

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* Operating Profit = EBITDA (Earnings before interest, tax, depreciation & amortization)

PBT = Profit Before Taxation

@ PAT = Profit After Taxation

^ PATMI = Profit After Taxation and Minority Interest

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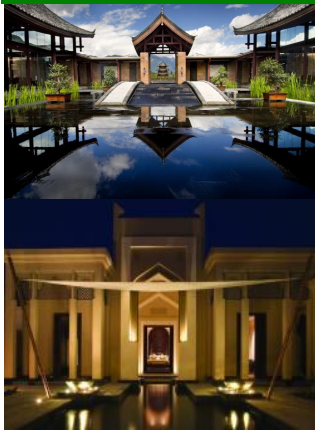
Singapore, August 14, 2007 – Main-Board listed Banyan Tree Holdings Limited (“Banyan Tree” or the “Group”), a leading manager and developer of premium resorts, hotels, spas and galleries, announced today its half year result which show a 55% increase in profit after taxation to S\$23.9 million on the back of a 23% increase in revenue to S\$187.9 million, largely driven by its Hotel operations.

Mr Ho KwonPing, Executive Chairman of Banyan Tree said, “We are pleased to report the continued growth of our businesses particularly in our hotel operations. Also, the recent launches and exhibitions of our Banyan Tree Hotel Residences global portfolio in 5 locations showed encouraging responses which we believe will translate into sales in the 2nd half of the year.”

The Group’s total operating expenses increased 36% largely due to higher operating supplies and sales and marketing expenses which were in line with the increase in revenue. Administrative expenses had also increased due to foreign exchange fluctuations. There were also increases in staff strength to support the Group’s new hotel operations in Banyan Tree Lijiang, the re-branded Angsana Velavaru, new spa operations, and increased activities in its existing operations.

The Group’s overall cash and cash equivalents decreased by 57% to S\$48.1 million largely due to various acquisitions, construction and renovation projects and payment of dividend to shareholders.

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- Banyan Tree Al Areen

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Business Segments Review

The Group reported revenue of S\$187.9 million in HY07, an increase of S\$35.7 million (23%) compared to HY06.

Hotel Investment revenue increased by 30% from S\$33.7 million in 2Q06 to S\$44.0 million in 2Q07. This increase was due to better performance from Laguna Phuket resorts after extensive renovations which were completed late last year, revenue contribution from Banyan Tree Lijiang which officially opened in October 2006, and Angsana Velavaru where the renovated rooms were able to command higher room rates. EBITDA increased by 86% to S\$9.4 million in 2Q07 due mainly to higher revenue from hotel performance.

Hotel Management 2Q07 revenue was 162% higher than 2Q06 with management fees contribution from Banyan Tree Private Collection, Banyan Tree Bahrain and Royal Hayat. Banyan Tree Private Collection is Asia's first fully asset-backed destination club offering perpetual and transferable membership. The club was launched late last year and response has been encouraging. In addition, there was a better performance from Colours of Angsana Maison Souvannaphoum which led to an increase in management fees. EBITDA in 2Q07 was S\$0.3 million, a positive turnaround from a loss of S\$0.4 million reported in the corresponding period last year.

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For the Group's Spa segment, revenue decreased marginally from S\$6.0 million in 2Q06 to S\$5.6 million in 2Q07. This was largely because last year's figure included compensation fees of S\$1.2 million received for the termination of lease for the site occupied by Banyan Tree Spa Hakone Japan. Excluding this one off item, Spa revenue increased by S\$0.8 million or 16%. The higher revenue was contributed by spa outlets in Phuket, where our hotels reported higher occupancies and contribution from new spa outlets in Dubai, Egypt and Sri Lanka. Excluding the compensation fees received for termination of lease for BT Spa Hakone last year, EBITDA saw a 5% increase compared to the corresponding period last year.

Property Sales segment revenue increased from S\$14.9 million in 2Q06 to S\$16.7 million in 2Q07. The increase was mainly pushed by higher sales of holiday vacation club especially from our Phuket sales deck and the newly opened sales deck in Chiang Mai and Cha Am.

Hotel Residences segment revenue decreased from S\$9.3 million in 2Q06 to S\$3.5 million in 2Q07. This was mainly due to the complete sell-out of two-bedroom Double Pool Villas (DPV) in Banyan Tree Phuket at the end of 2006. Plans have been made for these existing one-bedroom DPVs to be converted by adding another bedroom. From past experience, sales of Hotel Residences are typically made during the high season of the resorts when they attract a higher level of guest profile mix. EBITDA decreased from S\$4.5 million to S\$0.8 million, in line with the lower revenue.

Design Fees and Others segment revenue increased significantly by S\$3.6 million from S\$3.8 million in 2Q06 to S\$7.4 million in 2Q07. This was mainly due to recognition of design fees from several new projects during this period and higher income from golf operations as a result of higher hotel occupancies and increase in average green fees. In line with higher revenue, EBITDA increased by 163% from S\$1.3 million in 2Q06 to S\$3.5 million in 2Q07.

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Outlook

We remain optimistic on the performance of the Group. There is a strong pipeline of new projects opening over the next 2 years, plus steady contributions from existing hotels which will augur well for our hotel investment and management segments. Also, as a result of the recent exhibitions and property launches, we have seen encouraging responses to the branded Hotel Residences portfolio, especially from buyers in China, and this is likely to continue. The current uncertainty in Thai politics which, while not deterring tourists nor interest in property sales, has caused interested buyers to hold back from full commitment to purchase until the high season when many have indicated their interest to purchase the properties.

New Developments

1. Rights Issue by listed subsidiary, Laguna Resorts and Hotels (“LRH”)

On 4 July 2007, LRH’s shareholders in Thailand approved the allotment of 127,005,215 new ordinary shares at the par value of Baht 10 each to be offered by way of rights issue to the existing shareholders at the ratio of 1 existing share to 1.5 new ordinary shares at the offering price of Baht 10 per share (“Rights Issue”).

We have subscribed for our full entitlements under the Rights Issue and now hold 65.75% of the paid-up capital of LRH. The increase in our shareholding in LRH was solely due to some shareholders not subscribing to their allotments.

On a proforma basis, the impact on the earnings per share (EPS) and net tangible assets (NTA) per share of the Company for the financial year ended 31 December 2006 is an additional 0.69¢ EPS per share and an additional S\$0.06 NTA per share. This would have resulted in an 18% increase in EPS (excluding a one-off 57% increase in EPS due to an exceptional gain from negative goodwill arising on consolidation to be booked in the coming quarter) and 14% increase in NTA respectively.

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2. Memorandum of Understanding (“MOU”) on an adjacent prime land to Laguna Phuket

LRH has just signed a non-binding MOU with a third party on an adjacent prime land to Laguna Phuket which potentially can be developed for residential, hotel and commercial use. The net land size is approximately 5 million square feet or 19% the size of Laguna Phuket. The potential revenue contributions from this development could be approximately S\$400 million to be realized over a medium term period. More information will be announced and provided once a full agreement is reached with the third party.

Hotel Operations

In general, hotel bookings for the traditionally soft season remain healthy.

For Banyan Tree Seychelles, we have completed the construction for phase 3, which resulted in additional 13 villas (28%) to the resort inventory. As of 30 June 2007, we have 60 villas in our inventory compared to 47 villas in the corresponding period last year, increasing revenue potential from this very strong destination/resort.

Banyan Tree Lijiang which officially opened on October 28th 2006 with 55 keys has shown significant improvement when June 2007 occupancy hit a record 79% while maintaining a healthy average rate above S\$550.

The rebranded Angsana Velavaru has started the second phase of renovation in mid May 2007 and therefore experience decreasing occupancy. The renovation during second quarter which is the traditional low season is planned to prepare the resort to capture for high season traffic in the last quarter of 2007.

Banyan Tree Madivaru will open in August 2007.

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The group has finalized the acquisition of 7 Riads (traditional Moroccan houses) in Marrakech and in Essaouira. These will form the exclusive and unique Angsana Riads Collection and are expected to be launched by third quarter 2007. This will contribute positively to the results in the 2nd half of the year. We are currently in the midst of acquiring one more Riad in Morocco.

Hotel Residence Sales / Property Sales

The current order book for sale of properties -- defined as properties for which instalment payments are already being paid -- remains strong and already accounts to an equivalent of around 66% of total sale of properties of last financial year.

In June this year, we launched in London and Hong Kong our global portfolio of Banyan Tree Hotel Residences located in Phuket, Lijiang, Bintan, Seychelles and Bangkok. The reservations received for the properties during these launches were encouraging and we hope to convert a significant number of reservations into sales in the 2nd half of this year.

Management, Spa and Design Services

The outlook is positive with strong pipeline of new management contracts coming on-stream in the next few years.

In the beginning of April 2007, Banyan Tree Al Areen, Bahrain was opened in time for the Formula One race held there. However, the owner of the resort has currently decided to make the resort a 'dry' hotel, ie. no alcoholic beverages will be served. This will limit the ability of the resort to attract a greater number of guests. This issue is currently being discussed with the owner.

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About Banyan Tree Holdings Limited

Banyan Tree Holdings Limited (“Banyan Tree” or the “Group”) is a leading manager and developer of premium resorts, hotels and spas in the Asia Pacific, with 22 resorts and hotels, 59 spas, 69 galleries and two golf courses. The Group manages and/or have ownership interests in niche resorts and hotels. The resorts each typically has between 50 and 100 rooms and commands room rates at the high end of each property’s particular market.

Banyan Tree has seven operating business segments: hotel investment, hotel residence sales, hotel management, spa operations, gallery operations, property sales, design fees and others (design and project management, golf course operations and other businesses).

The Group’s primary business is the management, development and ownership of resorts and hotels. This is centred around two award-winning brands: Banyan Tree and Angsana, of which the latter includes the Colours of Angsana product line. Banyan Tree also operates the leading integrated resort in Thailand – Laguna Phuket, through the Group’s subsidiary, Laguna Resorts & Hotels Public Company Limited.

As a leading operator of spas in the Asia Pacific, Banyan Tree’s spas are one of the key features in their resorts and hotels. Banyan Tree galleries, which complement their resorts, hotels and spas, help to extend the reach and scope of their brands.

Since the launch of the first Banyan Tree resort, Banyan Tree Phuket, in 1994, Banyan Tree has received over 300 awards and accolades for the resorts, hotels and spas that the Group manages. The Group has also received recognition for its commitment to environmental protection and emphasis on corporate social responsibility.

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DBS Bank Ltd and UBS AG, acting through its business group, UBS Investment Bank, were the joint global co-ordinators and bookrunners of the initial public offering of the shares in Banyan Tree Holdings Limited.



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