



BANYAN TREE HOLDINGS LIMITED
(Company Registration Number: 200003108H)



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- Banyan Tree Madivaru
- Banyan Tree Lijiang

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FULL YEAR OPERATING PROFITS UP 10% TO S\$122.5 MILLION

Highlights:

- FY2007 Revenue up 26% to S\$421.9 million
- 4Q07 Revenue up 33% to S\$151.4 million
- 4Q07 Operating profits up 22% to S\$51.4 million
- Strong performance by hotel operations
- Increased contribution from property sales segments

FY2007 Results Snapshot (in S\$million) :

	FY2007	FY2006	Change (%)
Revenue	421.9	335.3	26 ↑
Operating Profit*	122.5	111.4	10 ↑
PBT [#]	126.5	66.9	89 ↑
PAT [@]	102.4	42.4	142 ↑
PATMI [^]	81.9	27.1	202 ↑

4Q07 Results Snapshot (in S\$million) :

	4Q07	4Q06	Change (%)
Revenue	151.4	114.0	33 ↑
Operating Profit*	51.4	42.1	22 ↑
PBT [#]	40.5	33.8	20 ↑
PAT [@]	28.2	22.7	24 ↑
PATMI [^]	18.4	14.7	26 ↑

* 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, 28 February 2008 – 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 full year result. Driven by its hotel operations and property sales segments, coupled with a one-off negative goodwill exceptional gain arising from its subsidiary’s rights issue in July 2007, the Group posted a 142% increase in profit after taxation to S\$102.4 million on the back of a 26% increase in revenue to S\$421.9 million.

Mr Ho KwonPing, Executive Chairman of Banyan Tree said, “We are pleased with the strong growth of our businesses while we continue to enlarge our global footprint as part of our strategy to grow our revenue base and diversify geographically. Our financial results for 2007, especially in the fourth quarter, underscore our accelerated growth as most business segments performed better than the previous year. We are hopeful that the positive trend will continue into 2008, supported by the strong pipeline of new hotel projects and encouraging responses to property and hotel residences sales”.

The Group’s total operating expenses increased 34% largely due to higher operating supplies, administrative costs, and sales and marketing expenses, which is in line with increased revenue. There were also increases in staff strength as the Group expanded its’ new hotel operations (Banyan Tree Lijiang) and other new spa operations.

The Group’s overall cash and cash equivalents increased by 42% to S\$115.7 million, mainly due to proceeds from the issuance of Medium Term Notes in the fourth quarter of 2007, but were offset by various investments, construction and renovation projects and payment of dividends to shareholders during the year.

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(A) BUSINESS SEGMENTS REVIEW

1 Revenue increased by 33% from S\$114.0 million in 4Q06 to S\$151.4 million in 4Q07. With the exception of Design Fees and Others segment, most business segments showed positive growth with Hotel Investment, Hotel Residences and Property sales contributing 95% or S\$35.6 million of the overall increase for the quarter. For the full year, the Group saw a healthy sales growth of 26% from S\$335.3 million in 2006 to S\$421.9 million in 2007.

2 Hotel Investment

Revenue increased by 21% from S\$51.6 million in 4Q06 to S\$62.7 million in 4Q07. This increase was due to better performance in Laguna Phuket resorts and higher revenue contribution from Banyan Tree Lijiang. EBITDA increased by 7% from S\$17.4 million in 4Q06 to S\$18.6 million in 4Q07, in line with the higher revenue. For the year ended 31 December 2007, revenue increased by 27% from S\$169.6 million to S\$215.0 million. EBITDA of S\$63.2 million was S\$13.5 million or 27% above last year.

3 Hotel Management

Revenue increased by 23% from S\$2.9 million in 4Q06 to S\$3.5 million in 4Q07. EBITDA improved by S\$0.2 million against the same period last year. This was mainly due to additional management fees contributed from Banyan Tree Bahrain which soft opened in April 2007, coupled with higher management fees received from Maison Souvannaphoum and Banyan Tree Seychelles. The latter was attributed to seven units of beachfront spa pool villas and six units of two-bedroom double pool beachfront villas added to the inventory. For the year ended 31 December 2007, revenue increased by 110% from S\$7.0 million to S\$14.7 million. EBITDA increased by S\$2.2 million to S\$1.3 million in 2007, a turnaround from the loss of S\$0.9 million last year.

4 Spa Operations

Revenue increased by 22% from S\$5.8 million in 4Q06 to S\$7.0 million in 4Q07. EBITDA of S\$1.7 million was S\$0.3 million or 25% higher compared with the corresponding period last year. This was mainly due to contributions from new spas in China and higher revenue from spa outlets in Phuket and the Middle East.

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- Banyan Tree Maldives

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For the year ended 31 December 2007, revenue increased by 13% from S\$22.1 million to S\$24.9 million. EBITDA for the year decreased by S\$1.3 million to S\$5.6 million as 2006 results was distorted by a one-off compensation fee of S\$1.3 million for closure of one outlet in Hakone, Japan, as the owner sold the premises. Excluding this once-off compensation, EBITDA was in line with last year.

5 Property Sales

This segment recorded a revenue growth of 30% or S\$7.8 million in 4Q07 and 38% or S\$23.6 million for the full year ended 31 December 2007. This was mainly due to percentage of revenue recognition from sales of Laguna Village Villas, Townhomes and Bungalows coupled with higher sales of holiday club membership. As a result of the higher revenue, EBITDA increased by S\$2.7 million or 22% in 4Q07 and by S\$5.4 million or 19% for the full year ended 31 December 2007.

6 Hotel Residences

Sales of branded Hotel Residences recorded a revenue growth of 88% or S\$16.8 million in 4Q07 due to sales and recognition of 21 units of Dusit Pool Villas at Laguna Phuket and 3 units of BT Villas and Townhouses at Lijiang, China. However for the full year ended 31 December 2007, revenue was lower by 2% or S\$1.0 million. We have sold several units of the 2 Bedrooms Pool Villas from our Phase Two developments in Banyan Tree Phuket and Villas in Banyan Tree Lijiang but were not able to fully recognize revenue as yet for these units sold as construction work has just commenced.

7 Design Fees and Others

Revenue decreased by 6% from S\$5.6 million in 4Q06 to S\$5.2 million in 4Q07, due to lower design fees billed in 4Q07. For the full year ended 31 December 2007, revenue increased by 50% from S\$16.1 million to S\$24.2 million mainly attributed to recognition of several new projects during the year and higher income from golf operations as a result of higher hotel occupancies and increase in average green fees. EBITDA increased by 21% from S\$2.3 million in 4Q06 to S\$2.8 million in 4Q07 and 74%, from S\$5.6 million in 2006 to S\$9.8 million in 2007 mainly due to higher revenue and income from write-back of impairment on land.

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(B) OUTLOOK

1 We are pleased with the continued strong growth of our businesses and expect to see the positive trend from the strong fourth quarter in 2007 to sustain into the first quarter of 2008, which have traditionally been the high seasons of the year for hotel operations. With a strong pipeline of new projects opening, this augurs well for hotel investment, hotel management, spa and design segments. We have received encouraging responses to Property Sales and the branded Hotel Residences portfolio, of which we have seen positive sales, especially in Lijiang, China and Phuket, Thailand.

There has so far been no perceptible, negative impact of the US subprime crisis and liquidity crunch, on our hotel or property operations. The US market accounts for only less than 2% of our business. We remain cautiously optimistic on the performance of the Group for 2008 unless the US subprime crisis and liquidity crunch adversely affect the global economy.

2 New Developments

Banyan Tree Indochina Hospitality Fund

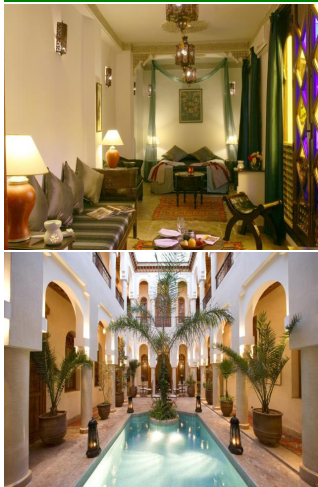
We are in the advanced stage of preparation on the documentation of the Banyan Tree Indochina Hospitality Fund. A separate announcement will be made shortly.

3 Hotel Operations

Banyan Tree Lijiang which officially opened in October 2006 with 55 keys, saw its first full operating year in 2007. The performance was boosted by the stronger brand recognition through greater marketing initiatives and several awards and accolades received for the resort. A Phase 2 extension is currently in progress and will add an additional 67 keys to the inventory by next year.

The rebranded Angsana Velavaru had finished the final phase of renovation of its land villas and reopened in December 2007. The completed resort is expected to contribute positively in 2008 with its renovated villas.

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In December 2007, the Group launched the Angsana Riads Collection in Morocco. These exclusive and unique riads (traditional Moroccan houses) in Marrakech are expected to raise the bar on riad experience with the quality of the Angsana standards and services.

In second half of 2008, Dusit Laguna Phuket will have an additional 28 two bedroom pool villas added to its existing inventory.

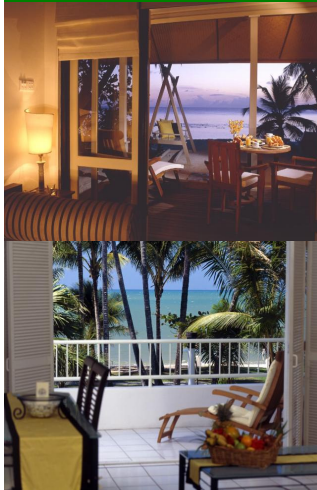
4 Hotel Residence Sales / Property Sales

We saw Hotel Residences/Property sales picked up in the fourth quarter of 2007 and is expecting the trend to sustain into the first quarter of 2008, which is still the high season of the resorts when they attract a higher level of guest profile mix. The response to our sales of developments of Banyan Tree Residences in Phuket and Lijiang and new developments in Laguna Village Townhouses and Bungalows have been positive.

For Hotel Residences segment, we have sold several units of the 2 Bedrooms Pool Villas from our Phase Two developments in Banyan Tree Phuket and Villas and Townhouses in Banyan Tree Lijiang but were not able to fully recognize revenue as at 31 December 2007 for these units sold as construction work has just commenced. Unrecognized revenue as at 31 December 2007 from units sold amounted to S\$58.4 million. Including Property Sales segment, we have a total unrecognized revenue of S\$81.0 million as at 31 December 2007. We will be progressively recognizing revenue on a percentage of completion basis as construction progresses in 2008. As at 31 December 2007, we have a total inventory of 217 Hotel Residences and Property Sales units available for sales within the next 12 months.

Due to the success of Hong Kong and Singapore exhibitions in 2007, we will plan a repeat of these events in 2008. Furthermore, we will target other new markets such as Scandinavia, Middle East, India and China, particularly Beijing. Advertising efforts will be timed to coincide with these exhibitions for maximum effect.

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- Angsana Great Barrier Reef

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5 Management, Spa and Design Services

Within the next 12 months, this segment should continue its strong performance on the back of the strong pipeline of projects. All these new projects and some openings will contribute to hotel and spa management fees and design fees.

In 2008, we expect to see the opening of Banyan Tree Sanya (Hainan) and Angsana Hotel & Suites, Dubai (UAE). Banyan Tree Sanya (Hainan), located at the southernmost tip of the Chinese Island in the bay of Luhuitou, is scheduled to open 61 villas in 2008. Angsana Hotel & Suites, Dubai (UAE) is a mixed development comprising of both hotel and service residences apartment. It is a twin-tower 48-storey complex featuring 781 units of serviced residences in Tower I and luxury hotel suites in Tower II. Tower I is scheduled to open in 2008 and Tower II in first half of 2009.

Banyan Tree Ungasan, a 73 keys resort, is expected to soft open later part of 2008. The all pool villa resort is located on the cliff of Bali's southernmost peninsula, with panoramic views of the Indian Ocean.

Banyan Tree Mayakoba is the Group's first foray in the Caribbean luxury tourism industry. Situated in the Mexican Riviera Maya, it is scheduled to open in December 2008 and will be part of an integrated resort complex comprising four other international luxury hospitality names. Designed by our architectural arm, Architrave, the resort comprises over 100 units of villas and terrace houses.

Banyan Tree Ras Al Khaimah resort will feature 101 tented villas in the middle of the desert, all air conditioned and each with its private pool. It is located in the northernmost emirate in the UAE. It borders Oman and is a 50-min drive away from Dubai. The resort is slated to open in later part of 2008.

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6 New Projects

Our business development efforts continue to bear fruit as approximately 50 more resorts and hotels are slated to be opened by 2011 which we have already announced in previous quarters. In recent months, we have also signed the following contracts:

Middle East: Banyan Tree and Angsana Sifah Oman, comprise of more than 210 villas and suites, and are projected to complete in 2010.

Banyan Tree Saraya Islands in Ras Al Khaimah (UAE), will have 150 suites and is expected to complete in late 2010.

Caribbeans: Angsana Samana Bay in Dominican Republic, a 200 suites resort scheduled to complete by 2010.

Asia: Banyan Tree and Angsana resorts at Dinaran Island, Philippines, a US\$70 million project targeted for completion in 2010.

(C) DIVIDENDS

The directors are pleased to recommend a final tax exempt (one tier) dividend of 2 cents per share (2006: 1.78 cents per share) in respect of the financial year ended 31 December 2007. This is subject to shareholders' approval at the next Annual General Meeting to be convened on 28 April 2008.

A total dividend of S\$15.2 million will be paid out when approved.

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- The World Spa

For further information please contact:

Communications Department

Charlotte Shalgosky
Director

T +65 68495816
charlotte.shalgosky@banyantree.com

Angelina Hue
Manager

T +65 68495748
angelina.hue@banyantree.com

www.banyantree.com

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 23 resorts and hotels, 64 spas, 65 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. Banyan Tree also operates the leading integrated resort in Thailand – Laguna Phuket, through the Group’s subsidiary, Laguna Resorts & Hotels Public Company Limited.

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.



BANYAN TREE

BANYAN TREE HOLDINGS LIMITED

(Company Registration Number: 200003108H)
211 Upper Bukit Timah Road Singapore 588182
Tel: (65) 6849-5888
Fax: (65) 6462-0186
Website: <http://www.banyantree.com>