



BANYAN TREE

Banyan Tree Holdings Limited

2Q14 & 1H14 Results Briefing



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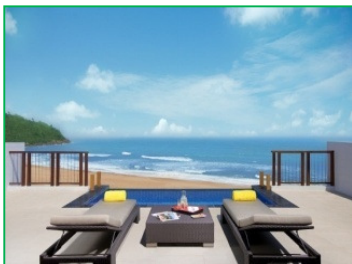
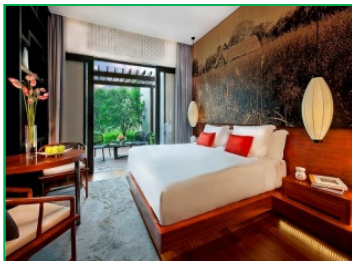
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Overview

Group Financial Highlights

	2Q14	2Q13	Change*
Revenue (S\$m)	68.9	81.7	16% ↓
EBITDA (S\$m)	4.2	13.1	68% ↓
PATMI (S\$m)	(3.5)	1.7	NM

➔ **Revenue ↓ 16% mainly due to:**

- ↓ revenue from operations in Thailand due to political unrest.
- ↓ revenue from Property Sales segment due to lower contribution of property sales units completed and recognised.
- ↓ architectural and design fees from projects in China.

Partially cushioned by:

- ↑ revenue from hotel operations in Maldives and Seychelles.

➔ **EBITDA ↓ 68% due to:**

- ↓ revenue and low season period.

➔ **LATMI of S\$3.5m vs profit of S\$1.7m:**

- Lower EBITDA, but partially offset by ↓ income tax expenses.

* Note: Variance is computed based on figures to the nearest thousands & in line with announcement in SGXNet.

Group Financial Highlights

	1H14	1H13	Change*
Revenue (S\$m)	162.8	178.6	9% ↓
EBITDA (S\$m)	23.4	46.3	49% ↓
PATMI (S\$m)	0.6	15.9	96% ↓

- ➔ **Revenue ↓ 9% mainly due to:**

 - ↓ revenue from operations in Thailand due to political unrest.
 - ↓ revenue from Property Sales segment due to lower contribution of property sales units completed and recognised.

Partially cushioned by:

 - ↑ revenue from hotel operations in Maldives and Seychelles.

- ➔ **EBITDA ↓ 49% due to:**

 - Lower revenue.
 - ↓ other income due to absence of one-off gain from sale of Angsana Velavaru hotel in 1Q13.

- ➔ **PATMI ↓ 96% due to:**

 - Lower EBITDA, but partially offset by ↓ depreciation and ↓ income tax expenses.

* Note: Variance is computed based on figures to the nearest thousands & in line with announcement in SGXNet.

Outlook

- ➔ USA and Europe economic recovery continue to gain momentum.
- ➔ Thai military coup is expected to continue to affect our operations.
- ➔ Hotel forward bookings (same store) for 3Q14 for owned hotels are currently below last year.
 - Thailand ↓ 28%.
 - Non Thailand in line with 3Q13.
 - Overall ↓ 16%.
- ➔ Property outlook:
 - Sales momentum remained strong in 2Q14:
 - 29 units (S\$15.6m) sold in 2Q14 vs 16 units (S\$11.4m) in 2Q13, 36% increase in value terms.
 - At 1H14, achieved 2013 full year sales of S\$64m.
 - Unrecognised revenue ↑ 2-fold to S\$121.2m. Profit recognition mainly in 2015.
- ➔ 3Q14, also a low season period, may record a lower operating profit compared to 3Q13.
- ➔ FY14 performance is expected to be below last year.

Key Financial Ratios

Income Statement	2Q14	2Q13	1H14	1H13
EBITDA margin	6.1%	16.0%	14.4%	25.9%
PAT margin	-7.9%	0.4%	0.1%	9.4%
Earnings per share (cents)	-0.45	0.22	0.07	2.09
Balance Sheet			As at 30/06/14	As at 31/12/13
Tangible Net Worth (TNW) (S\$mil)			647.6	667.1
Net Debt/Equity ratio			0.46	0.40
Net Asset Value/share (S\$)			0.70	0.72

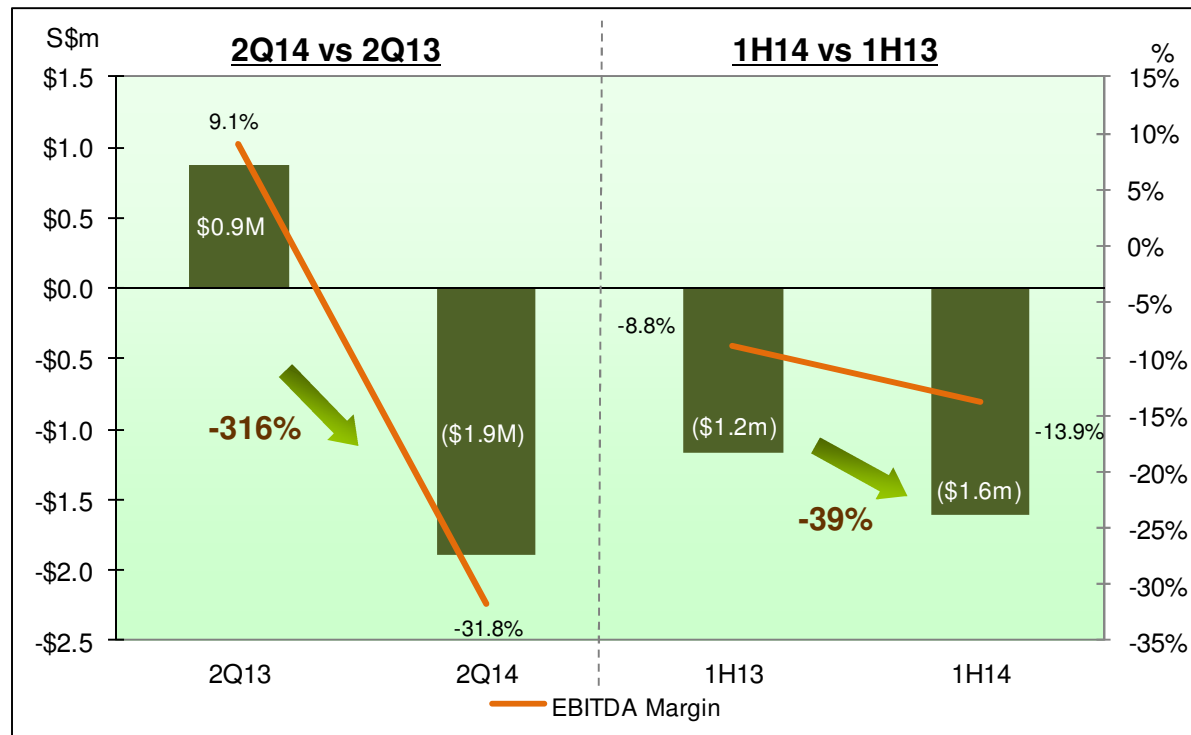


Property Business

Property Business – Financial Performance



EBITDA



1. Variance is computed based on figures to the nearest thousands.

Highlights

2Q14 vs 2Q13

↘ EBITDA ↓ 316% and EBITDA margin ↓ 41% points for 2Q14 due to:

- ↓ contribution of property sales units completed and recognised (3 units vs 7 units)

1H14 vs 1H13

↘ EBITDA ↓ 39% and EBITDA margin ↓ 5% points due to:

- ↓ contribution of property sales completed and recognised (7 units vs 9 units).

Property Business – Hotel Residences



Sales Progress

	Units Sold 2Q	Total Value 2Q	Units Sold* 1H	Total Value 1H	Sales Recognized for units sold 1H	Avg Price 1H	Unrecognized revenue as at 30 June
		S\$'Mil		S\$'Mil	S\$'Mil	S\$'Mil	S\$'Mil
Dusit Laguna Phuket	1	0.9	2	1.8	1.8	0.9	-
BT Phuket	5	7.9	5	7.9	-	1.6	7.9
BT Lijiang	-	-	-	-	-	-	2.5
BT Bintan	-	-	-	-	-	-	1.0
2014	6	8.8	7	9.7	1.8	1.4	11.4

BT Phuket / BT BKK / BT Lijiang / BT Bintan	5	5.8	7	8.5	3.6	1.2	5.0
Units Exchanged / Cancellations	(3)	(3.9)	(2)	(3.0)	-	1.5	-
2013	2	1.9	5	5.5	3.6	1.1	5.0
Variance %	↑200%	↑363%	↑40%	↑76%	↓50%	↑27%	↑128%

Highlights

2Q14 vs 2Q13

- ➔ In 2Q14, there were 6 units sold vs 5 in 2Q13.
- ➔ However, 3 units were cancelled in 2Q13.

1H14 vs 1H13

- ➔ 7 units were sold, similar to 1H13.
- ➔ Nil cancelled units in 1H14 vs 2 in 1H13.
- ➔ As at 30 June 2014, we have unrecognised revenue of S\$11.4 mil, 128% above 1H13.

* Units sold and cancelled in the same period will be netted off and not shown separately as units sold and units cancelled.

Property Business – Laguna Property Sales



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Sales Progress

	Units Sold 2Q	Total Value 2Q	Units Sold* 1H	Total Value 1H	Sales Recognized for units sold 1H	Avg Price 1H	Unrecognized revenue as at 30 June
		S\$'Mil		S\$'Mil	S\$'Mil	S\$'Mil	
<u>New Launch*</u>							
Cassia Phuket	18	4.2	40	9.7	-	0.2	42.2
Laguna Park	(3)	0.4	62	29.5	-	0.5	52.8
Cassia Bintan	6	1.3	37	9.7	-	0.3	9.8
Condominium	2	0.9	5	2.1	1.2	0.4	0.9
Bungalows	-	-	2	2.8	-	1.4	4.1
2014	23	6.8	146	53.8	1.2	0.4	109.8
Condominiums/ Townhomes/ Bungalows	11	5.6	73	24.5	2.6	0.3	45.9
Units Exchanged / Cancellations	(1)	(0.7)	-	-	-	-	-
2013	10	4.9	73	24.5	2.6	0.3	45.9
Variance %	↑130%	↑39%	↑100%	↑120%	↓54%	↑33%	↑139%

Highlights

2Q14 vs 2Q13

- In 2Q14, 23 units were sold vs 11 units in 2Q13.
- 1 unit was cancelled in 2Q13.

1H14 vs 1H13

- In 1H14, a total of 146 units were sold, vs 73 units in 1H13.
- As at 30 June 14, we have unrecognised revenue of S\$109.8 mil, 139% above 1H13.

* Units sold and cancelled in the same period will be netted off and not shown separately as units sold and units cancelled.

Property Business - Outlook



- ➔ **Sales momentum remained strong in 2Q14 and expected to continue.**
 - 29 units (S\$15.6m) in 2Q14 vs 16 units (S\$11.4m) in 2Q13
 - 153 units (S\$63.5m) in 1H14 vs 80 units (S\$33.0m) in 1H13
- ➔ **Achieved FY13 sales of S\$64 million at half year mark.**
- ➔ **Unrecognised revenue: S\$121.2m (1H13: S\$50.9m)**
 - Recognition mainly in 2015



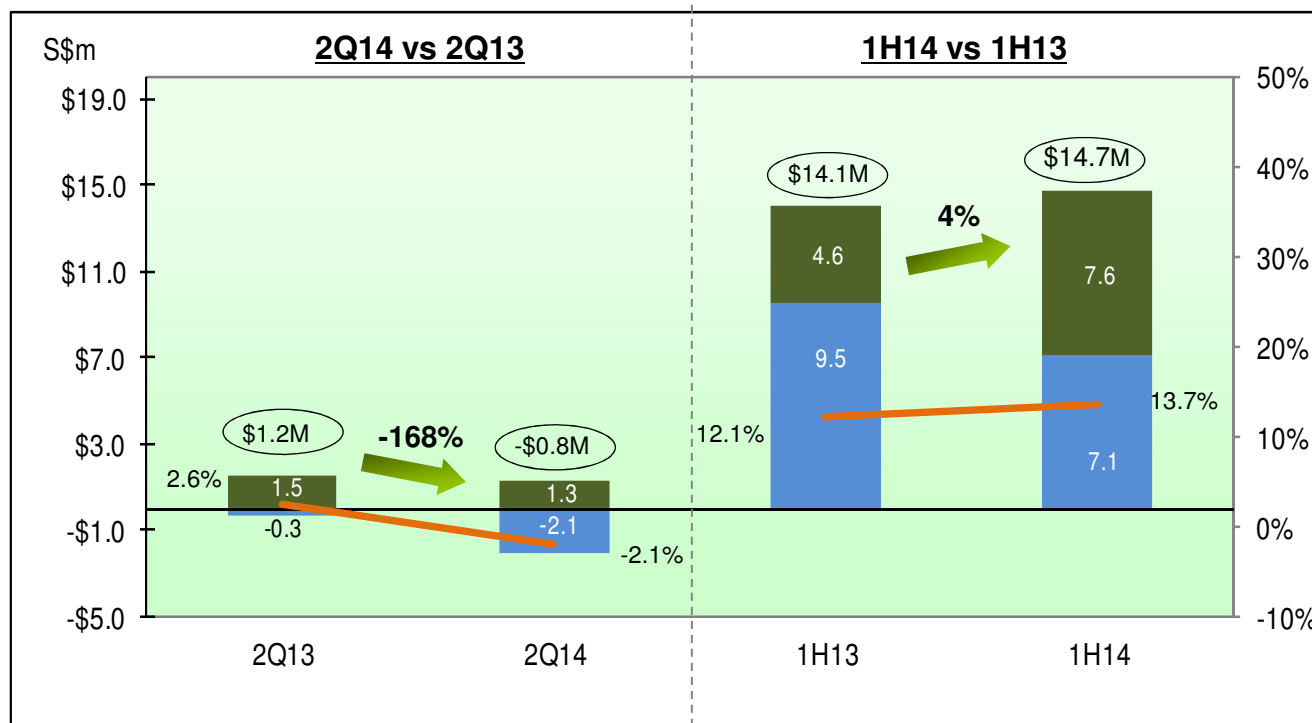
Hotel & Fee-Based Business

Hotel Investments – Financial Performance



EBITDA Owned Hotels¹

Highlights



Non-Thailand
 Thailand
 EBITDA Margin

2Q14 vs 2Q13

⬇ EBITDA ↓ 168% & EBITDA margin ↓ 5% point, due to:

- ↓ contribution from Thailand due to political unrest.
- ↓ contribution from China as tourist arrivals to Yunnan was affected by earthquakes and fires in Lijiang Town.

Partially cushioned by:

- ↑ contribution from Maldives and Seychelles due to strong demand from the leisure market.

1H14 vs 1H13

⬆ EBITDA ↑ 4% & EBITDA margin ↑ 2% points, due to:

- ↑ contribution from Maldives and Seychelles.

Partially offset by:

- ↓ contribution from Thailand.

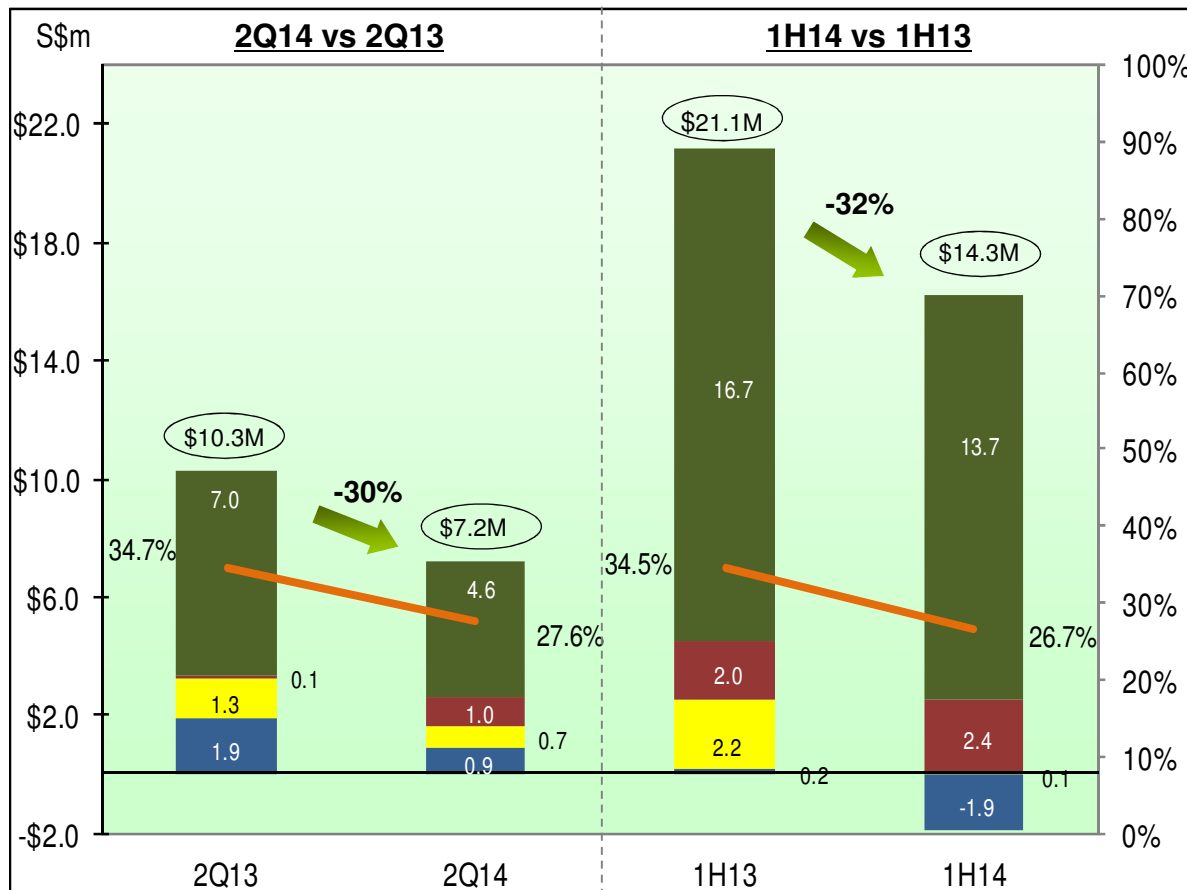
1. Hotel management fees attributed for hotels managed and owned by BTH was allocated to hotel management segment.
 2. Variance is computed based on figures to the nearest thousands.

Fee-Based Business – Financial Performance



EBITDA

Highlights



1. Hotel management fees attributed for hotels managed and owned by BTH was allocated to hotel management segment.
 2. Hotel management revenue includes royalty fees.
 3. Variance is computed based on figures to the nearest thousands.

2Q14 vs 2Q13

- EBITDA ↓ 30% and EBITDA margin ↓ 7% points, mainly due to ↓ revenue:
 - Lower spa and gallery revenue mainly due to Thai political unrest.
 - Lower architectural and design fees from new projects in China.
 - Lower resorts development management fees from China Fund as projects are near completion.
 - Lower royalty fees from sale of BT Signature Pavilion units in Kuala Lumpur.

Partially cushioned by:

- Hotel management fees from newly opened resorts in China.
- Control of operating expenses in spa operation.

1H14 vs 1H13

- EBITDA ↓ 32% and EBITDA margin ↓ 8% points due to:
 - Lower revenue from spa/gallery operations and fund management business as mentioned above.

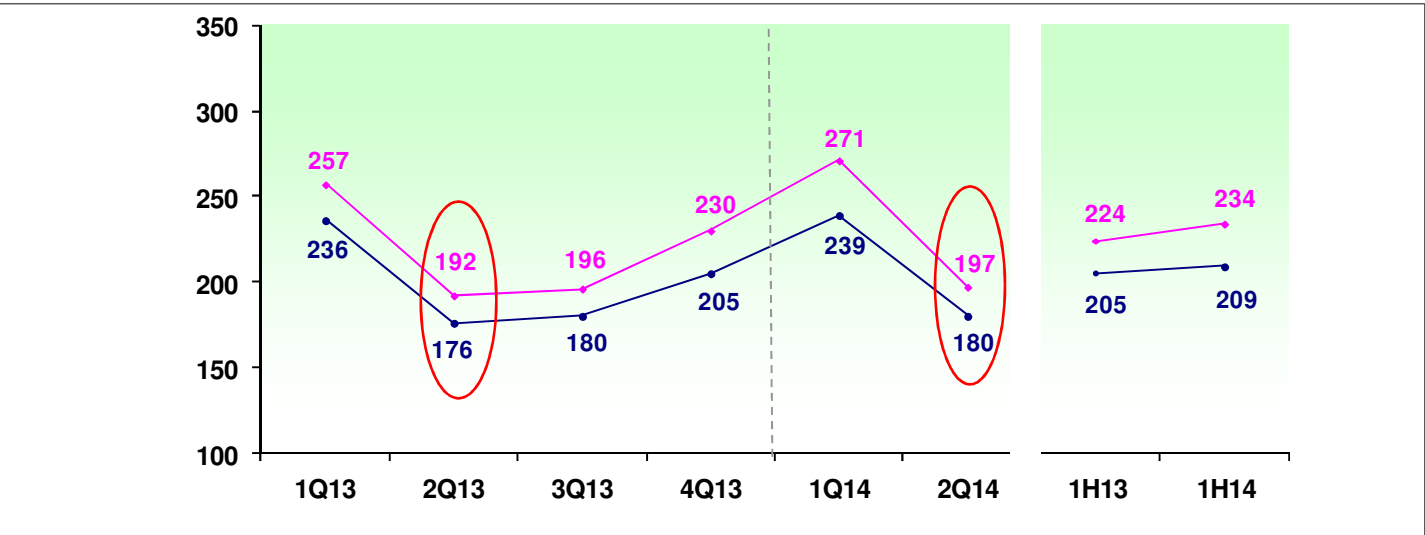
Partially cushioned by:

- Hotel management fees from newly opened resorts in China.
- Control of operating expenses in spa operation.

Hotel Operating Performance – REVPAR (S\$)



Total Hotels¹

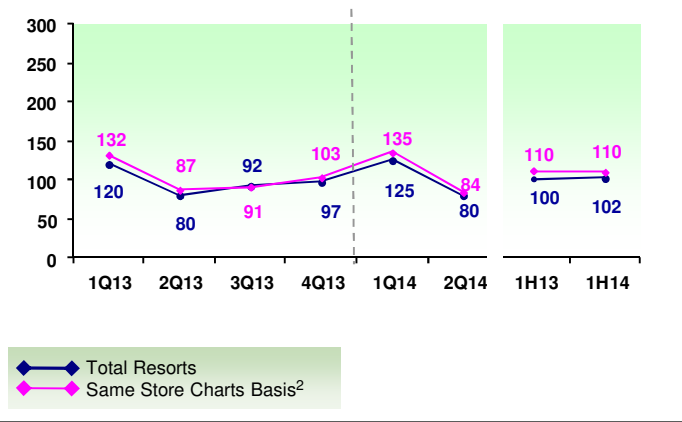


Highlights

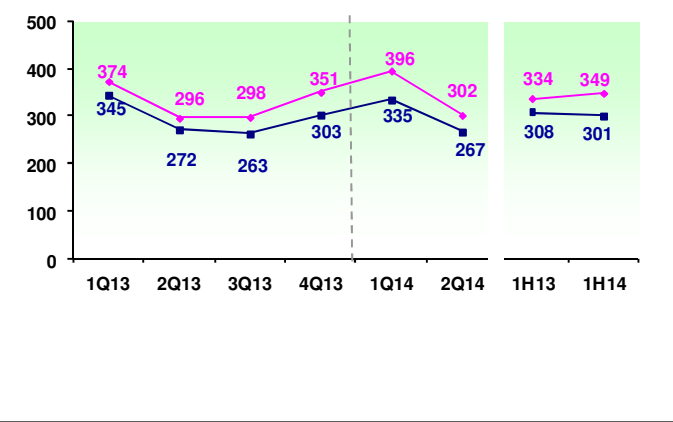
2Q14 vs 2Q13

- Groupwide RevPAR ↑ 2% and on “Same Store” basis ↑ 3%, mainly from higher ARR but partially offset by lower occ.
- Banyan Tree resorts’ RevPAR on “Same Store” basis ↑ 2%. All resorts recorded higher RevPAR, except for Thailand and Indonesia.
- Angsana resorts’ RevPAR on “Same Store” basis ↓ 3% mainly due to resorts in Thailand.

Angsana Resorts



Banyan Tree Resorts



1H14 vs 1H13

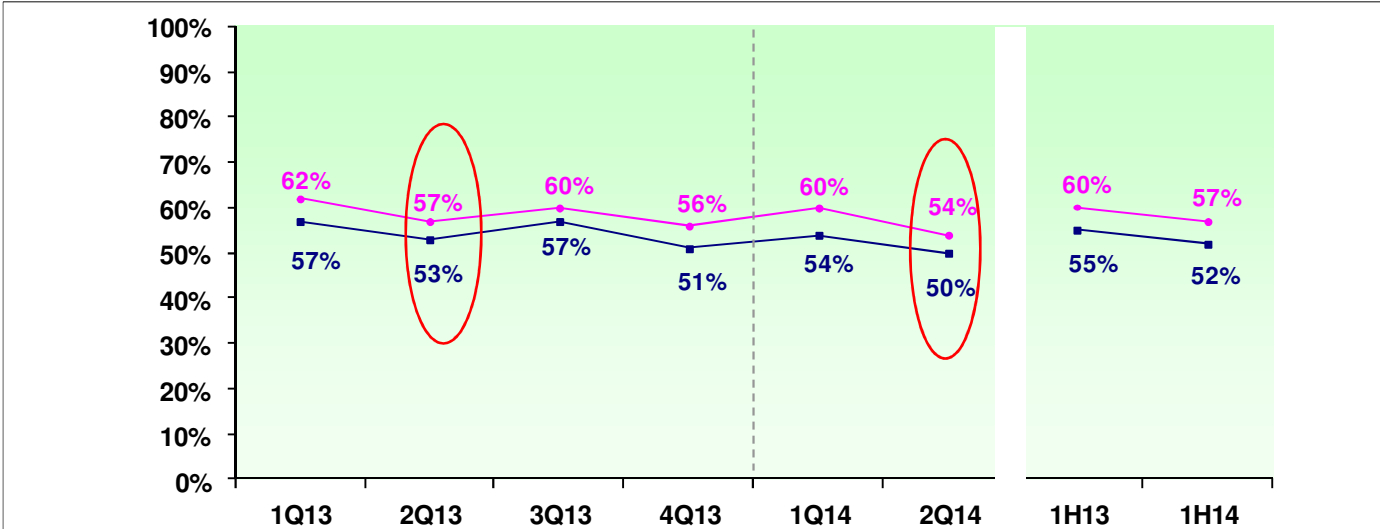
- Groupwide RevPAR ↑ 2% and on “same store” basis ↑ 4%, mainly due to higher ARR but partially offset by lower occ.

1. Total hotels refer to company total including hotels in Banyan Tree & Angsana Resorts.
 2. Same Store Concept exclude all new resort opened/rebranded in the past 2 yrs: BT Macau, BT Shanghai On The Bund, BT Lang Co, BT Tianjin Riverside, BT Chongqing Beibei, AN Hangzhou, AN Balaclava, AN Laguna Phuket (previously Sheraton Grande), AN Lang Co, AN Tengchong Hot Spring Village and abnormal hotel: BT Ringha (open for 6 mths). Comparatives for Same Store concept for prior periods have been adjusted to include BT Cabo Marques, BT Club & Spa Seoul, BT Samui and AN Fuxian Lake.

Hotel Operating Performance – Ave Occupancy (%)



Total Hotels¹



Highlights

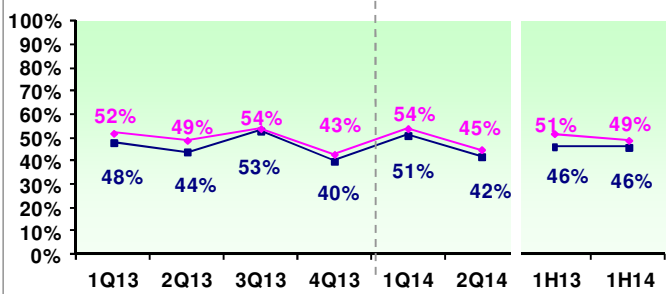
2Q14 vs 2Q13

- Groupwide occ and on “Same Store” basis ↓ 3% mainly from our three resorts in Thailand due to political unrest.
- Banyan Tree Resorts’ occ and Angsana resorts’ occ on “Same Store” basis ↓ 5% points and 4% points respectively, mainly due to resorts in Thailand.

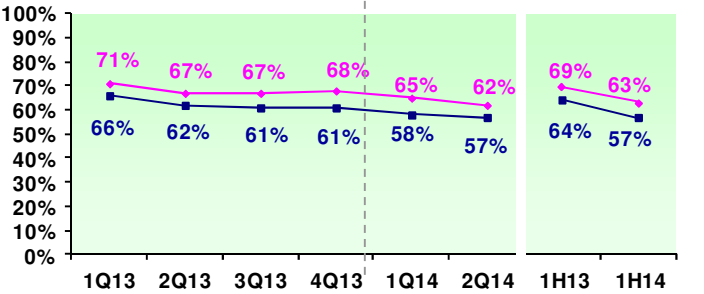
1H14 vs 1H13

- Groupwide occ and on “Same Store” basis occ ↓ 3% points, mainly due to resorts in Thailand.

Angsana Resorts



Banyan Tree Resorts



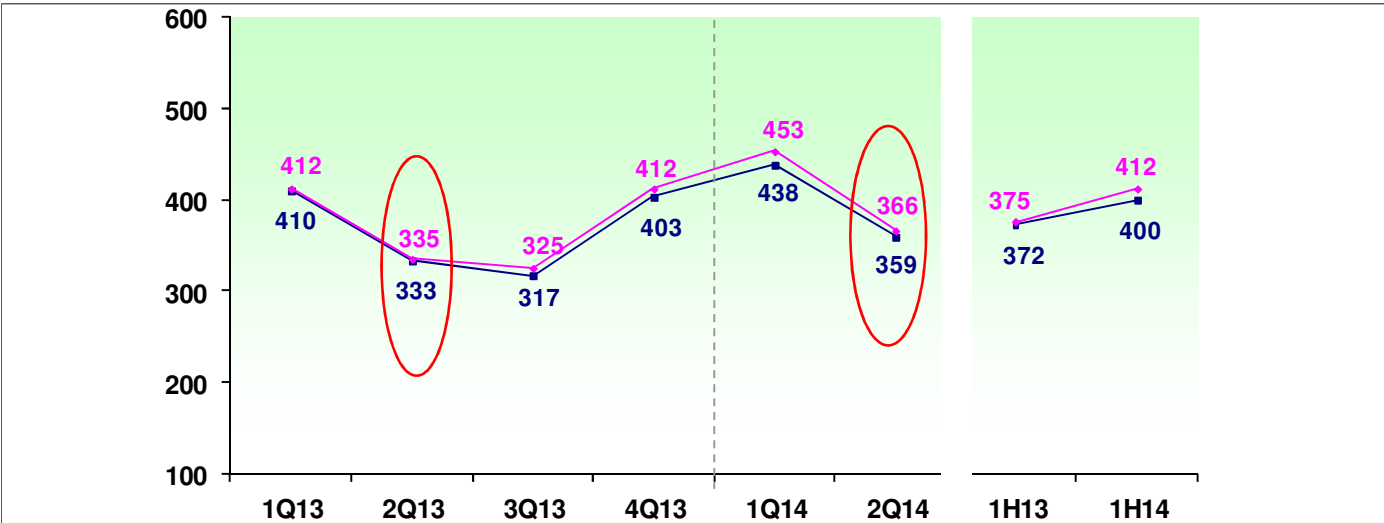
◆ Total Resorts
◆ Same Store Charts Basis²

1. Total hotels refer to company total including hotels in Banyan Tree & Angsana Resorts.
 2. Same Store Concept exclude all new resort opened/rebranded in the past 2 yrs: BT Macau, BT Shanghai On The Bund, BT Lang Co, BT Tianjin Riverside, BT Chongqing Beibei, AN Hangzhou, AN Balaclava, AN Laguna Phuket (previously Sheraton Grande), AN Lang Co, AN Tengchong Hot Spring Village and abnormal hotel: BT Ringha (open for 6 mths). Comparatives for Same Store concept for prior periods have been adjusted to include BT Cabo Marques, BT Club & Spa Seoul, BT Samui and AN Fuxian Lake.

Hotel Operating Performance – Ave room rates (S\$)



Total Hotels¹



Highlights

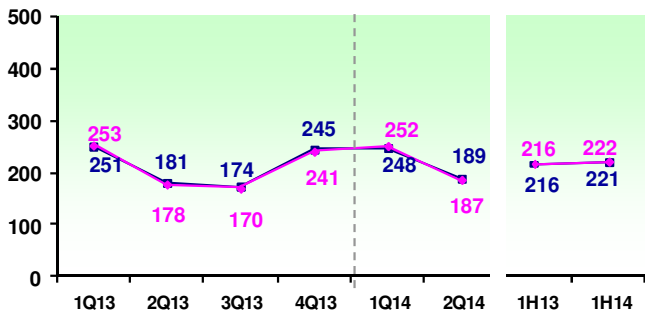
2Q14 vs 2Q13

- Groupwide ARR ↑ 8% and on “Same Store” basis ↑ 9%. All resorts recorded higher ARR except for resorts in Indonesia and India.
- Banyan Tree resorts’ ARR on “Same Store” basis ↑ 10%. All resorts recorded higher ARR except for resorts in Indonesia.
- Angsana resorts’ ARR on “Same Store” basis ↑ 5%. All resorts recorded higher ARR except for resorts in Indonesia, India and Thailand.

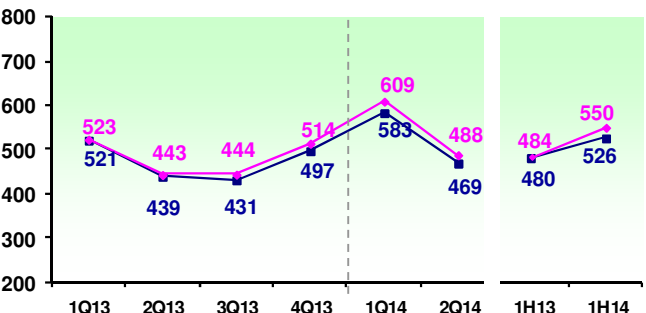
1H14 vs 1H13

- Groupwide ARR ↑ 8% and on “Same Store” basis ↑ 10%. Except for Indonesia and Bangalore, all resorts recorded higher ARR.

Angsana Resorts



Banyan Tree Resorts



◆ Total Resorts
◆ Same Store Charts Basis²

1. Total hotels refer to company total including hotels in Banyan Tree & Angsana Resorts.
 2. Same Store Concept exclude all new resort opened/rebranded in the past 2 yrs: BT Macau, BT Shanghai On The Bund, BT Lang Co, BT Tianjin Riverside, BT Chongqing Beibei, AN Hangzhou, AN Balaclava, AN Laguna Phuket (previously Sheraton Grande), AN Lang Co, AN Tengchong Hot Spring Village and abnormal hotel: BT Ringha (open for 6 mths). Comparatives for Same Store concept for prior periods have been adjusted to include BT Cabo Marques, BT Club & Spa Seoul, BT Samui and AN Fuxian Lake.

Hotel Business - Outlook



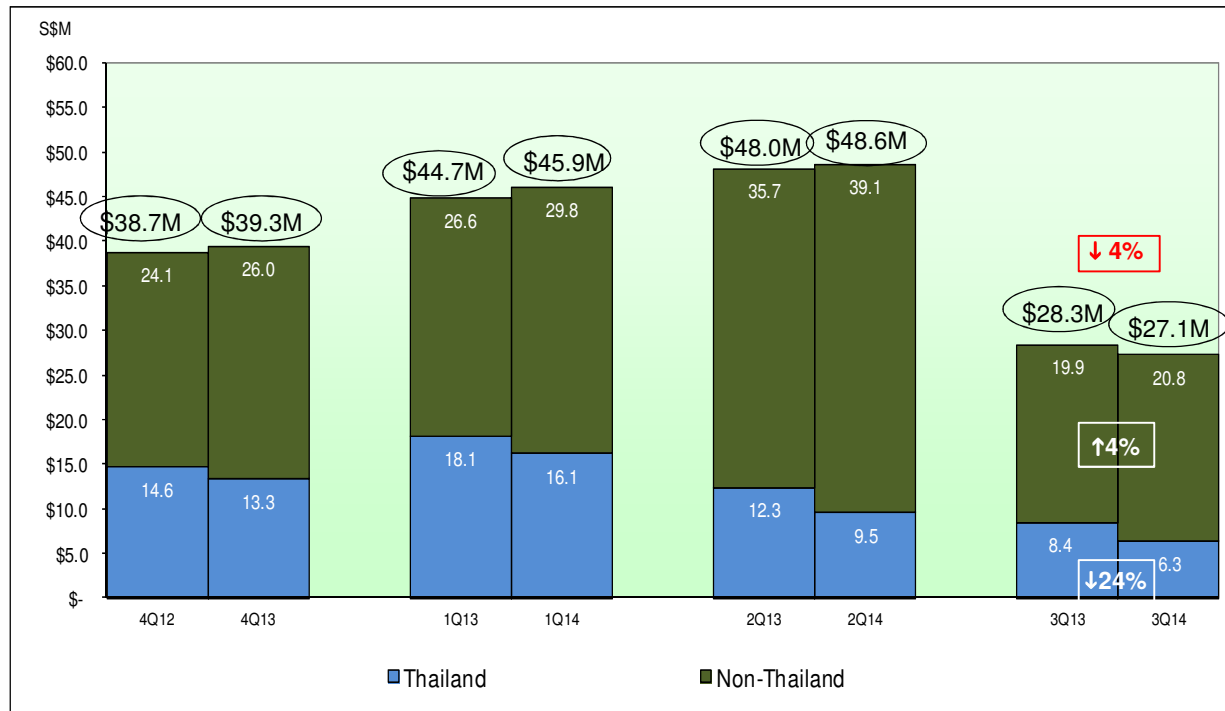
- ➔ **USA and European economies are on track for further recovery.**
- ➔ **Thai military coup is expected to continue to affect our operations.**
- ➔ **Demand from China market will continue to be strong:**
 - China nationals visiting our resorts outside China ↑ 14% in 2Q14 vs 2Q13.
 - Overall contribution to room revenue ↑ 8% in 2Q14 vs 2Q13.
- ➔ **Forward bookings (same store) for 3Q14 weighed down by Thailand.**
- ➔ **We expect to open 4 resorts within 12 months.**
 - i. Banyan Tree Yangshuo, Guilin, China
 - ii. Banyan Tree Huangshan, Anhui, China
 - iii. Banyan Tree Tamouda Bay, Tetouan, Morocco
 - iv. Angsana Xian Lintong, Shaanxi, China
- ➔ **We expect to launch 6 new spa outlets in the next 12 months.**

Hotel Business - Outlook



TOTAL HOTELS*(Same Store) On-The-Book (“OTB”) Room Revenue

Highlights



- ➔ Overall On-the-book (“OTB”) room revenue for 3Q14 vs 3Q13 :
 - Thailand OTB ↓ 24%.
 - Non-Thailand OTB ↑ 4%.
 - Overall ↓ 4%.

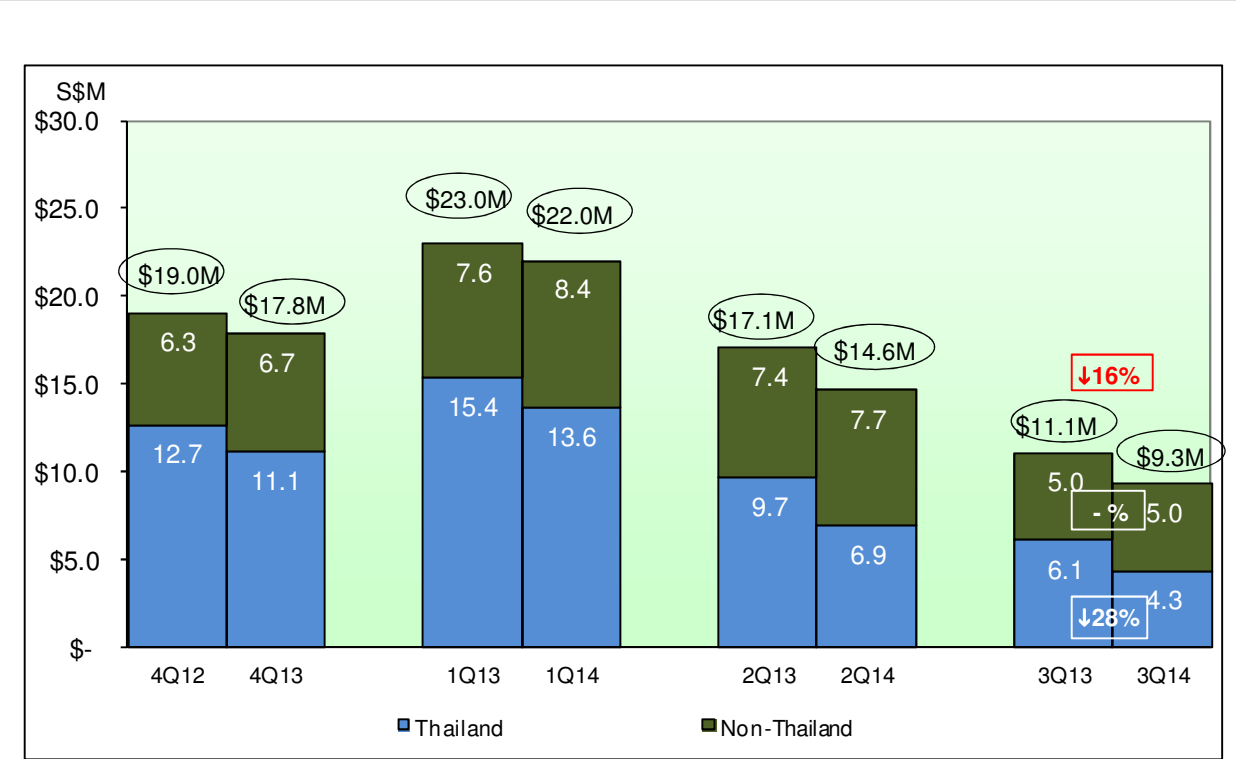
* Total Hotels refer to company total including hotels in Laguna Phuket, Banyan Tree & Angsana Resorts.
 ** Based on OTB at end July 2014.

Hotel Business - Outlook



OWNED HOTELS* (Same Store) On-The-Book ("OTB") Room Revenue

Highlights



➔ For those hotels we owned, OTB room revenue for 3Q14 vs 3Q13 :

- Thailand OTB ↓ 28%.
- Non-Thailand OTB in line with 3Q13.
- Overall OTB ↓ 16%.

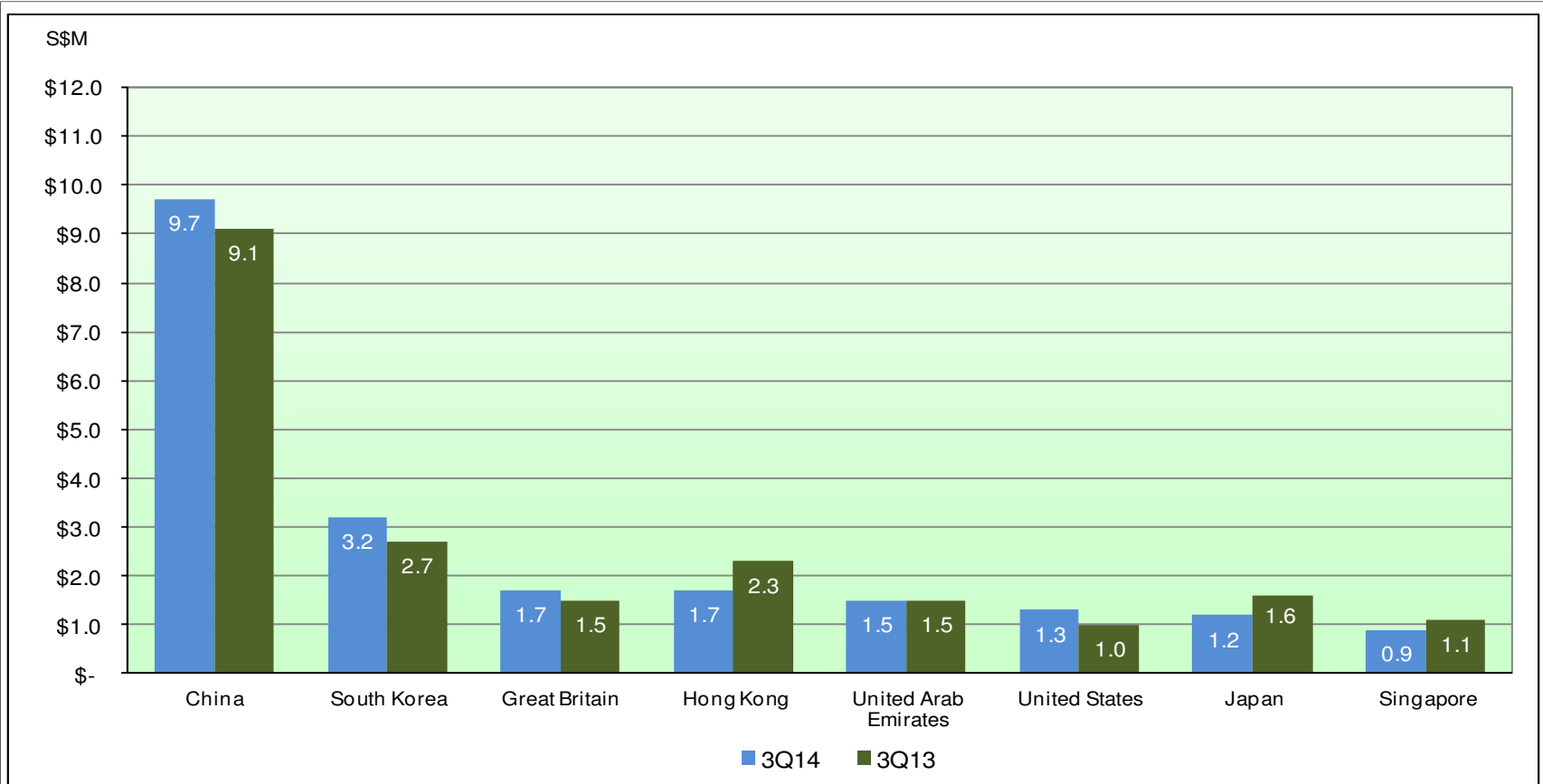
* Hotel Investments refers to hotels we have ownership interest in.

** Based on OTB at end July 2014.

Hotel Business – Outlook



On-The-Books by COR* by Room Revenue (3Q14 vs 3Q13)



* COR represents country of residence

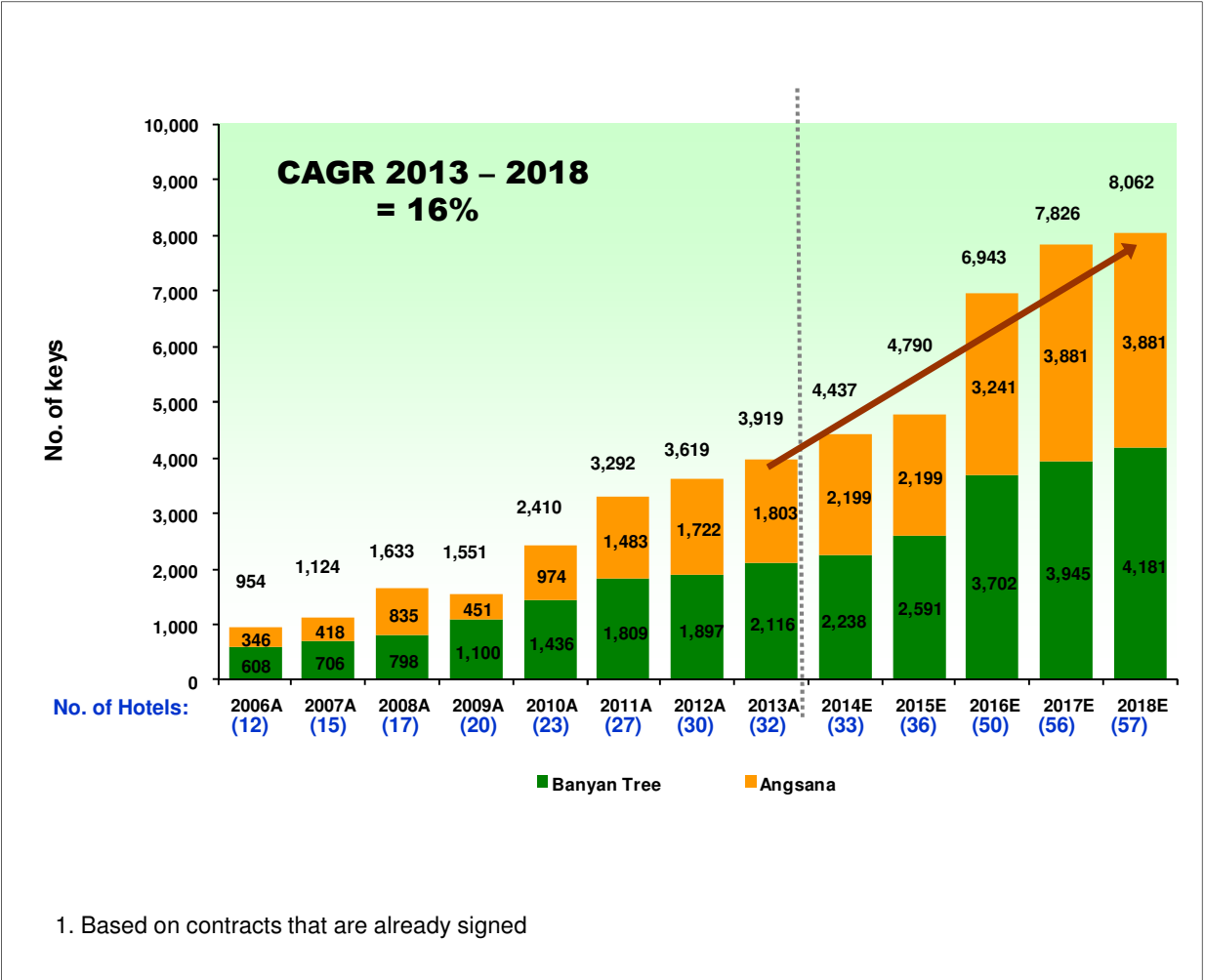
** Based on OTB at end July 2014.

Hotel Business - Outlook



BANYAN TREE

STEADY PIPELINE GROWTH No. of keys – Banyan Tree and Angsana hotels¹



Highlights

- CAGR of 16% based on contracts completion dates.
- Room keys to grow more than 2 folds to almost 8,000.
- More than 90% of additional keys is managed only with no equity.

Mission Statement



“ We want to build globally recognised brands which by inspiring exceptional experiences among our guests, instilling pride and integrity in our associates and enhancing both the physical and human environment in which we operate, will deliver attractive returns to our shareholders. ”