



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Second Quarter and Half Year ended 30 June 2016

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Notes	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
		2016 (\$'000)	2015 (\$'000)	Incr/ (Decr) %	2016 (\$'000)	2015 (\$'000)	Incr/ (Decr) %
<b>Revenue</b>	1	65,862	68,329	-4%	165,673	166,088	0%
Other income		1,394	1,601	-13%	2,116	3,763	-44%
<b>Costs and expenses</b>							
Cost of operating supplies		(5,186)	(6,482)	-20%	(12,987)	(13,891)	-7%
Cost of properties sold		(7,479)	(4,066)	84%	(17,554)	(8,043)	118%
Salaries and related expenses		(26,400)	(24,590)	7%	(52,943)	(55,338)	-4%
Administrative expenses		(12,740)	(13,248)	-4%	(29,484)	(28,845)	2%
Sales and marketing expenses		(4,659)	(3,596)	30%	(9,651)	(8,244)	17%
Other operating expenses		(14,153)	(14,709)	-4%	(30,590)	(31,926)	-4%
<b>Total costs and expenses</b>	2	(70,617)	(66,691)	6%	(153,209)	(146,287)	5%
<b>(Loss)/Profit before interests, taxes, depreciation and amortisation ("EBITDA")</b>	3	(3,361)	3,239	<i>nm</i>	14,580	23,564	-38%
Depreciation of property, plant and equipment		(5,461)	(5,343)	2%	(10,897)	(10,613)	3%
Amortisation expense		(666)	(610)	9%	(1,350)	(1,232)	10%
<b>(Loss)/Profit from operations and other gains</b>		(9,488)	(2,714)	250%	2,333	11,719	-80%
Finance income	4	1,018	476	114%	2,080	892	133%
Finance costs		(7,263)	(7,102)	2%	(14,619)	(13,106)	12%
Share of results of associates		4	(62)	<i>nm</i>	21	(36)	<i>nm</i>
<b>Loss before taxation</b>		(15,729)	(9,402)	67%	(10,185)	(531)	<i>nm</i>
Income tax credit/(expense)		439	245	79%	(1,998)	(3,321)	-40%
<b>Loss after taxation</b>	5	(15,290)	(9,157)	67%	(12,183)	(3,852)	216%
<b>Attributable to:</b>							
Owners of the Company	7	(14,363)	(7,283)	97%	(13,828)	(3,255)	325%
Non-controlling interests	6	(927)	(1,874)	-51%	1,645	(597)	<i>nm</i>
<b>Loss for the Period</b>		(15,290)	(9,157)	67%	(12,183)	(3,852)	216%



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1(a)(ii) Statement of Comprehensive Income

	Notes	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
		2016 (S\$'000)	2015 (S\$'000)	Incr/ (Decr) %	2016 (S\$'000)	2015 (S\$'000)	Incr/ (Decr) %
<b>Loss for the Period</b>		(15,290)	(9,157)	67%	(12,183)	(3,852)	216%
<b>Other comprehensive income:</b>							
<b><u>Items that may be reclassified subsequently to profit or loss:</u></b>							
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	8	(18,916)	(29,290)	-35%	(28,560)	4,601	nm
Net change in fair value adjustment reserve, net of deferred tax	9	832	(471)	nm	2,292	1,771	29%
Total comprehensive (expense)/income for the Period		(33,374)	(38,918)	-14%	(38,451)	2,520	nm
<b>Attributable to:</b>							
Owners of the Company		(28,654)	(29,298)	-2%	(36,631)	2,327	nm
Non-controlling interests		(4,720)	(9,620)	-51%	(1,820)	193	nm
		(33,374)	(38,918)	-14%	(38,451)	2,520	nm

1(a)(iii) Additional Disclosures

Adjustments for under or over provision of tax in respect of prior years

Included in the tax expense was adjustments for underprovision of tax relating to prior years of S\$462,000 (2Q15: underprovision of S\$468,000) and underprovision of S\$352,000 for 1H16 relating to prior years (1H15: underprovision of S\$294,000).

	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
	2016 (S\$'000)	2015 (S\$'000)	Incr/ (Decr) %	2016 (S\$'000)	2015 (S\$'000)	Incr/ (Decr) %
<b>Profit from operations and other gains is stated after charging/(crediting):</b>						
Allowance for doubtful debts	725	1,043	-30%	226	2,029	-89%
Allowance for/(Write back of) inventory obsolescence	3	23	-87%	8	(11)	nm
Exchange loss/(gain)	1,317	(25)	nm	4,001	(1,869)	nm
Loss on disposal of property, plant and equipment	25	15	67%	40	240	-83%



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**1(a)(iv) Explanatory notes on performance for 2Q16**

1. Revenue

Revenue decreased by S\$2.4 million from S\$68.3 million in 2Q15 to S\$65.9 million in 2Q16 mainly due to lower revenue from Fee-based segment but partially cushioned by higher revenue from the Property Sales segment.

For the Fee-based segment, lower revenue was mainly due to lower hotel/fund management fees, as well as reduced architectural and design fees earned from projects in China based on project milestones.

For the Property Sales segment, higher revenue was mainly due to the completion of Cassia Phuket and Laguna Park which were progressively handed over to the buyers since 4Q15. In 2Q16, we recognized 24 units as compared to 10 units in the same period last year.

2. Total costs and expenses

Total costs and expenses increased by S\$3.9 million from S\$66.7 million in 2Q15 to S\$70.6 million in 2Q16. This was largely attributable to increase in cost of properties sold, higher salaries and related expenses, as well as increase in sales and marketing expenses, which were partially offset by decrease in cost of operating supplies, other operating expenses and administrative expenses.

Cost of properties sold increased by S\$3.4 million was in line with higher properties sales revenue recognized during the period.

Salaries and related expenses increased by S\$1.8 million mainly due to higher provision of severance payments arising from the group-wide restructuring exercise carried out in late 2015 to streamline business processes and structures.

Sales and marketing expenses increased by S\$1.1 million mainly due to higher marketing expenses incurred on new property development projects where revenue have yet to be recognized and higher property sales commission.

Cost of operating supplies decreased by S\$1.3 million in line with the decrease in revenue from Spa/Gallery operations.

Other operating expenses decreased by S\$0.6 million mainly due to lower travelling expenses as well as lower repairs and maintenance.

Administrative expenses decreased by S\$0.5 million mainly due to lower legal and professional fees and lower training and recruitment expenses, which was partially offset by higher foreign exchange loss.

3. (Loss)/Profit before interests, taxes, depreciation and amortisation ("EBITDA")

EBITDA decreased by S\$6.6 million from a profit of S\$3.2 million in 2Q15 to a loss of S\$3.4 million in 2Q16. This was largely due to lower EBITDA from Fee-based segment as a result of lower revenue and higher foreign exchange loss. Foreign exchange loss, which was largely unrealised, was due to restating U.S. dollar and Chinese renminbi denominated receivables to period end rate which had depreciated against Singapore dollar.



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**1(a)(iv) Explanatory notes on performance for 2Q16**

4. Finance income

Finance income increased by S\$0.5 million mainly due to increase in the number of the Cassia Phuket and Laguna Park's properties sold under the deferred installment plans.

5. Loss after taxation

Loss after taxation increased by S\$6.1 million from S\$9.2 million in 2Q15 to S\$15.3 million in 2Q16. This was mainly due to lower EBITDA as mentioned earlier, but partially cushioned by higher finance income.

6. Non-controlling interests

Non-controlling interests' share of loss decreased by S\$1.0 million from S\$1.9 million in 2Q15 to S\$0.9 million in 2Q16 mainly due to lower losses in Laguna Resorts & Hotels Public Company Limited ("LRH") during the period.

7. Loss attributable to owners of the Company

As a result of the foregoing, loss attributable to owners of the Company increased by S\$7.1 million from S\$7.3 million in 2Q15 to S\$14.4 million in 2Q16.

8. Exchange differences arising from consolidation of foreign operations and net investment in foreign operations

For both 2Q15 and 2Q16, the exchange loss on translation of foreign operations' net assets was mainly due to the depreciation of Thai baht, U.S. dollar and Chinese renminbi against Singapore dollar.

9. Net change in fair value adjustment reserve, net of deferred tax

Net change in fair value adjustment reserve, net of deferred tax of S\$0.8 million in 2Q16 was mainly due to fair value adjustment on investment in Thai Wah Public Company Limited.



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**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Notes	Group As at			Company As at		
		30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)	Incr/ (Decr) %	30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)	Incr/ (Decr) %
<b>Non-current assets</b>							
Property, plant and equipment	1	634,977	657,348	-3%	2	6	-67%
Investment properties		65,645	67,612	-3%	-	-	-
Intangible assets		33,618	34,965	-4%	2,498	2,524	-1%
Land use rights		10,610	11,411	-7%	-	-	-
Subsidiaries		-	-	-	497,467	501,395	-1%
Associates		160	160	0%	869	869	0%
Long-term investments		106,516	106,750	0%	-	-	-
Deferred tax assets		19,339	18,276	6%	-	-	-
Prepaid island rental		21,836	22,995	-5%	-	-	-
Prepayments		3,563	3,447	3%	-	-	-
Long-term trade receivables		29,439	31,117	-5%	-	-	-
Other receivables		7,179	4,722	52%	-	-	-
		<b>932,882</b>	<b>958,803</b>	<b>-3%</b>	<b>500,836</b>	<b>504,794</b>	<b>-1%</b>
<b>Current assets</b>							
Property development costs	2	327,580	335,823	-2%	-	-	-
Inventories		9,720	10,573	-8%	-	-	-
Prepayments and other non-financial assets		19,905	20,809	-4%	160	160	0%
Trade receivables	3	47,061	66,226	-29%	-	-	-
Other receivables		13,635	13,889	-2%	169	147	15%
Amounts due from subsidiaries		-	-	-	194,180	198,317	-2%
Amounts due from associates		38	38	0%	-	-	-
Amounts due from related parties		19,502	18,642	5%	-	-	-
Investment securities		-	2,512	-100%	-	-	-
Cash and short-term deposits		151,992	165,663	-8%	71,059	69,121	3%
		<b>589,433</b>	<b>634,175</b>	<b>-7%</b>	<b>265,568</b>	<b>267,745</b>	<b>-1%</b>
<b>Total assets</b>		<b>1,522,315</b>	<b>1,592,978</b>	<b>-4%</b>	<b>766,404</b>	<b>772,539</b>	<b>-1%</b>
<b>Current liabilities</b>							
Tax payable		6,034	8,683	-31%	-	-	-
Unearned income		11,804	8,747	35%	-	-	-
Other non-financial liabilities		37,115	41,385	-10%	125	462	-73%
Interest-bearing loans and borrowings	4	97,884	89,750	9%	42,608	32,608	31%
Notes payable	5	48,881	-	100%	48,881	-	100%
Trade payables	6	15,584	24,186	-36%	-	-	-
Other payables	7	34,695	41,069	-16%	4,766	5,170	-8%
Amounts due to subsidiaries		-	-	-	51,541	50,812	1%
Amounts due to associates		10	32	-69%	-	-	-
Amounts due to related parties		692	1,102	-37%	-	-	-
		<b>252,699</b>	<b>214,954</b>	<b>18%</b>	<b>147,921</b>	<b>89,052</b>	<b>66%</b>
<b>Net current assets</b>		<b>336,734</b>	<b>419,221</b>	<b>-20%</b>	<b>117,647</b>	<b>178,693</b>	<b>-34%</b>



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	Notes	Group As at			Company As at		
		30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)	Incr/ (Decr) %	30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)	Incr/ (Decr) %
<b>Non-current liabilities</b>							
Deferred income		8,050	8,654	-7%	-	-	
Deferred tax liabilities		95,466	97,823	-2%	-	-	
Defined and other long-term employee benefits		2,930	3,055	-4%	-	-	
Deposits received		1,699	1,699	0%	-	-	
Other non-financial liabilities		3,865	3,844	1%	-	-	
Interest-bearing loans and borrowings	4	153,463	171,144	-10%	28,875	30,179	
Notes payable	5	343,464	391,772	-12%	343,464	391,772	
Other payables		572	572	0%	-	-	
		609,509	678,563	-10%	372,339	421,951	
<b>Total liabilities</b>		862,208	893,517	-4%	520,260	511,003	
<b>Net assets</b>		660,107	699,461	-6%	246,144	261,536	
<b>Equity attributable to owners of the Company</b>							
Share capital		199,995	199,995	0%	199,995	199,995	
Treasury shares		(235)	(463)	-49%	(235)	(463)	
Reserves		312,299	349,260	-11%	46,384	62,004	
		512,059	548,792	-7%	246,144	261,536	
Non-controlling interests		148,048	150,669	-2%	-	-	
<b>Total equity</b>		660,107	699,461	-6%	246,144	261,536	



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### **Explanatory notes on Balance Sheet**

1. Property, plant and equipment

Property, plant and equipment decreased by S\$22.4 million to S\$635.0 million as at 30 June 2016. The decrease was mainly due to downward foreign exchange adjustments on the opening balances due to the depreciation of Thai baht against Singapore dollar, and depreciation charge during the period. It was partially offset by on-going purchases of furniture, fittings and equipment.

2. Property development costs

Property development costs decreased by S\$8.2 million to S\$327.6 million as at 30 June 2016. This was mainly due to transfers to costs of properties sold following revenue recognition of Cassia Phuket and Laguna Park properties during the period. It was partially offset by the progressive land and development costs incurred on projects in Wenjiang, Brisbane, Phuket and Bintan.

3. Trade receivables

Trade receivables decreased by S\$19.2 million to S\$47.1 million as at 30 June 2016. This was largely attributable to higher collections from the customers during the period, which was partially offset by higher property sales billings in relation to property development projects in Thailand and lower provision for doubtful debts.

4. Current and non-current interest-bearing loans and borrowings

Current and non-current interest-bearing loans and borrowings decreased by S\$9.5 million to S\$251.3 million as at 30 June 2016 mainly due to scheduled loan repayments but partially offset by drawdown of additional loans.

5. Current and non-current notes payable

Total current and non-current notes payable was S\$392.3 million as at 30 June 2016 of which S\$50 million will mature in May 2017 and has been reclassified to current liabilities.

6. Trade payables

Trade payables decreased by S\$8.6 million to S\$15.6 million as at 30 June 2016 mainly due to settlement of trade payables following the completion of Cassia Phuket and Laguna Park's properties, as well as lower purchases for hotel operations.

7. Other payables

Other payables decreased by S\$6.4 million to S\$34.7 million as at 30 June 2016 mainly due to the settlement of accrued operating expenses and sundry creditors.



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**1(b)(ii) Aggregate amount of the group's borrowings and debts securities**

	Group As at	
	30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)
<b>Amount repayable in one year or less, or on demand:-</b>		
Secured	47,884	54,313
Unsecured	98,881	35,437
<b>Sub-Total 1</b>	<b>146,765</b>	<b>89,750</b>
<b>Amount repayable after one year:-</b>		
Secured	133,463	148,144
Unsecured	363,464	414,772
<b>Sub-Total 2</b>	<b>496,927</b>	<b>562,916</b>
<b>Total Debt</b>	<b>643,692</b>	<b>652,666</b>

**Details of any collateral**

The secured bank loans are secured by assets with the following net book values:

	Group As at	
	30-Jun-16 (S\$'000)	31-Dec-15 (S\$'000)
Freehold land and buildings	313,783	265,552
Investment properties	23,606	24,225
Property development costs	38,576	50,700
Leasehold land and buildings	38,571	44,795
Other assets	13,303	14,181
	<b>427,839</b>	<b>399,453</b>





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**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group 3 months ended 30 Jun		Group 6 months ended 30 Jun	
	2016 (S\$'000)	2015 (S\$'000)	2016 (S\$'000)	2015 (S\$'000)
<b>Cash flows from operating activities</b>				
Loss before taxation	(15,729)	(9,402)	(10,185)	(531)
Adjustments for:				
Share of results of associates	(4)	62	(21)	36
Depreciation of property, plant and equipment	5,461	5,343	10,897	10,613
Loss on disposal of property, plant and equipment	25	15	40	240
Finance income	(1,018)	(476)	(2,080)	(892)
Finance costs	7,263	7,102	14,619	13,106
Amortisation expense	666	622	1,350	1,256
Allowance for doubtful debts	725	1,043	226	2,029
Allowance for/(Write back of) inventory obsolescence	3	23	8	(11)
Provision for employee benefits	64	121	123	236
Provision for share-based payment expenses	84	(65)	(4)	87
Currency realignment	(3,297)	(5,855)	(4,395)	(1,548)
Operating (loss)/profit before working capital changes	(5,757)	(1,467)	10,578	24,621
(Increase)/Decrease in inventories	(311)	745	455	1,268
Increase in property development costs	(1,315)	(26,370)	(675)	(90,560)
Decrease in trade and other receivables	12,003	6,505	24,363	6,282
Increase in amounts due from related parties	(380)	(440)	(1,258)	(1,657)
Decrease in trade and other payables	(1,934)	(7,924)	(12,280)	(8,815)
	8,063	(27,484)	10,605	(93,482)
<b>Cash flows generated from/(used in) operating activities</b>	2,306	(28,951)	21,183	(68,861)
Interest received	1,068	466	2,138	896
Interest paid	(10,599)	(8,691)	(14,655)	(12,700)
Tax paid	(3,935)	(3,088)	(6,311)	(4,219)
Payment of employee benefits	(62)	(29)	(171)	(160)
Payment of cash settled share grants	(66)	(155)	(66)	(155)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(11,288)</b>	<b>(40,448)</b>	<b>2,118</b>	<b>(85,199)</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(2,232)	(3,619)	(7,516)	(7,886)
Proceeds from disposal of property, plant and equipment	8	-	12	32
Acquisition of non-controlling interest	-	-	-	(66)
Deferred cash settlement on acquisition of subsidiaries	-	(6,500)	-	(6,500)
<b>Net cash flows used in investing activities</b>	<b>(2,224)</b>	<b>(10,119)</b>	<b>(7,504)</b>	<b>(14,420)</b>
<b>Cash flows from financing activities</b>				
Proceeds from bank loans	6,960	19,858	27,299	42,480
Repayment of bank loans	(9,367)	(12,073)	(31,634)	(21,265)
Proceeds from issuance of notes payable	-	100,000	-	100,000
Payment of dividends				
- by subsidiaries to non-controlling interests	(801)	(294)	(801)	(294)
- by Company to shareholders	-	(989)	-	(989)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(3,208)</b>	<b>106,502</b>	<b>(5,136)</b>	<b>119,932</b>
Net (decrease)/increase in cash and cash equivalents	(16,720)	55,935	(10,522)	20,313
Net foreign exchange difference	(1,595)	(1,764)	(2,962)	1,690
Cash and cash equivalents at beginning of Period/Year	170,307	136,032	165,476	168,200
<b>Cash and cash equivalents * at end of the Period</b>	<b>151,992</b>	<b>190,203</b>	<b>151,992</b>	<b>190,203</b>

\* made up of cash and short-term deposits, less bank overdrafts



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### **Explanatory notes on Consolidated Cash Flow**

The Group's cash and cash equivalents decreased by S\$38.2 million or 20% from S\$190.2 million as at 30 June 2015 to S\$152.0 million as at 30 June 2016.

#### **2Q16**

For the three months ended 30 June 2016, net cash flows used in operating activities was S\$11.3 million. This was mainly due to loss before taxation of S\$15.7 million, net interest paid of S\$9.5 million as well as income tax payments of S\$3.9 million, which was partially cushioned by adjustments for non-cash items of S\$10.0 million (mainly net finance costs of S\$6.2 million, depreciation and amortisation expenses of S\$6.1 million) and net increase in cash generated from working capital of S\$8.1 million.

Net cash flows used in investing activities was S\$2.2 million mainly due to on-going purchases of furniture, fittings and equipment by the resorts for their operations.

Net cash flows used in financing activities amounted to S\$3.2 million. This was mainly due to scheduled repayment of bank borrowings of S\$9.4 million and payment of dividends by subsidiary to non-controlling interests of S\$0.8 million, which was partially cushioned by additional bank borrowings of S\$7.0 million.

#### **1H16**

For the six months ended 30 June 2016, net cash flows generated from operating activities was S\$2.1 million. This was mainly due to adjustments for non-cash items of S\$20.8 million (mainly net finance costs of S\$12.5 million, as well as depreciation and amortisation expenses of S\$12.2 million) and net increase in cash generated from working capital of S\$10.6 million. These cash inflows were partially offset by loss before taxation of S\$10.2 million, net interest paid of S\$12.5 million and income tax payments of S\$6.3 million.

Net cash flows used in investing activities was S\$7.5 million, mainly due to on-going purchases of furniture, fittings and equipment by our resorts for their operations and renovation works.

Net cash flows used in financing activities amounted to S\$5.1 million. This was mainly due to scheduled repayment of bank borrowings of S\$31.6 million and payment of dividends by subsidiary to non-controlling interests of S\$0.8 million, which was partially cushioned by additional bank borrowings of S\$27.3 million.



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1(d)(i) A statement (for the issuer and the group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non- controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2016</b>	199,995	(463)	8,316	9,898	155,462	(31,862)	(9,716)	217,162	548,792	150,669	699,461
Profit after taxation	-	-	-	-	-	-	-	535	535	2,572	3,107
Other comprehensive income for the Period	-	-	-	-	-	(9,472)	960	-	(8,512)	328	(8,184)
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	(9,472)	960	535	(7,977)	2,900	(5,077)
<b><u>Contributions by and distributions to owners</u></b>											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(146)	-	-	-	-	-	(146)	-	(146)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(146)	-	-	-	-	-	(146)	-	(146)
<b><u>Other changes in equity</u></b>											
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(21)	-	-	21	-	-	-
<b>Total other changes in equity</b>	-	-	-	-	(21)	-	-	21	-	-	-
<b>Balance as at 31 March 2016</b>	199,995	(463)	8,170	9,898	155,441	(41,334)	(8,756)	217,718	540,669	153,569	694,238

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non- controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 April 2016</b>	<b>199,995</b>	<b>(463)</b>	<b>8,170</b>	<b>9,898</b>	<b>155,441</b>	<b>(41,334)</b>	<b>(8,756)</b>	<b>217,718</b>	<b>540,669</b>	<b>153,569</b>	<b>694,238</b>
Loss after taxation	-	-	-	-	-	-	-	(14,363)	(14,363)	(927)	(15,290)
Other comprehensive income for the Period	-	-	-	-	-	(14,838)	547	-	(14,291)	(3,793)	(18,084)
<b>Total comprehensive income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,838)</b>	<b>547</b>	<b>(14,363)</b>	<b>(28,654)</b>	<b>(4,720)</b>	<b>(33,374)</b>
<b><u>Contributions by and distributions to owners</u></b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	228	(197)	-	-	-	(31)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	44	-	-	-	-	-	44	-	44
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(85)	-	-	-	-	85	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>228</b>	<b>(238)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31)</b>	<b>85</b>	<b>44</b>	<b>-</b>	<b>44</b>
<b><u>Other changes in equity</u></b>											
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(801)	(801)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(89)	-	-	89	-	-	-
Transfer to legal reserve	-	-	-	1	-	-	-	(1)	-	-	-
<b>Total other changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(89)</b>	<b>-</b>	<b>-</b>	<b>88</b>	<b>-</b>	<b>(801)</b>	<b>(801)</b>
<b>Balance as at 30 June 2016</b>	<b>199,995</b>	<b>(235)</b>	<b>7,932</b>	<b>9,899</b>	<b>155,352</b>	<b>(56,172)</b>	<b>(8,240)</b>	<b>203,528</b>	<b>512,059</b>	<b>148,048</b>	<b>660,107</b>

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non- controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2015</b>	199,995	(947)	8,628	9,825	151,528	(36,327)	(5,757)	245,657	572,602	151,702	724,304
Profit after taxation	-	-	-	-	-	-	-	4,028	4,028	1,277	5,305
Other comprehensive income for the Period	-	-	-	-	-	26,127	1,470	-	27,597	8,536	36,133
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	26,127	1,470	4,028	31,625	9,813	41,438
<b><u>Contributions by and distributions to owners</u></b>											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	89	-	-	-	-	-	89	-	89
<b>Total contributions by and distributions to owners</b>	-	-	89	-	-	-	-	-	89	-	89
<b><u>Changes in ownership interests in subsidiary</u></b>											
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	(254)	-	(254)	188	(66)
<b>Total changes in ownership interests in subsidiary</b>	-	-	-	-	-	-	(254)	-	(254)	188	(66)
<b>Total transactions with owners in their capacity as owners</b>	-	-	89	-	-	-	(254)	-	(165)	188	23
<b>Balance as at 31 March 2015</b>	199,995	(947)	8,717	9,825	151,528	(10,200)	(4,541)	249,685	604,062	161,703	765,765

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non- controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 April 2015</b>	199,995	(947)	8,717	9,825	151,528	(10,200)	(4,541)	249,685	604,062	161,703	765,765
Loss after taxation	-	-	-	-	-	-	-	(7,283)	(7,283)	(1,874)	(9,157)
Other comprehensive income for the Period	-	-	-	-	-	(21,721)	(294)	-	(22,015)	(7,746)	(29,761)
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	(21,721)	(294)	(7,283)	(29,298)	(9,620)	(38,918)
<b><u>Contributions by and distributions to owners</u></b>											
Dividends paid on ordinary shares	-	-	-	-	-	-	-	(989)	(989)	-	(989)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	484	(365)	-	-	-	(119)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(141)	-	-	-	-	-	(141)	-	(141)
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(108)	-	-	-	-	108	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	-	484	(614)	-	-	-	(119)	(881)	(1,130)	-	(1,130)
<b><u>Other changes in equity</u></b>											
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	(294)	(294)
Transfer to legal reserve	-	-	-	30	-	-	-	(30)	-	-	-
<b>Total other changes in equity</b>	-	-	-	30	-	-	-	(30)	-	(294)	(294)
<b>Balance as at 30 June 2015</b>	199,995	(463)	8,103	9,855	151,528	(31,921)	(4,954)	241,491	573,634	151,789	725,423

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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1(d)(i) A statement (for the issuer and the group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2016</b>	199,995	(463)	8,316	4,741	48,947	261,536
Total comprehensive income for the Period	-	-	-	-	(8,901)	(8,901)
<b><u>Contributions by and distributions to owners</u></b>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(146)	-	-	(146)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(146)	-	-	(146)
<b>Balance as at 31 March 2016</b>	199,995	(463)	8,170	4,741	40,046	252,489
<b>Balance as at 1 April 2016</b>	199,995	(463)	8,170	4,741	40,046	252,489
Total comprehensive income for the Period	-	-	-	-	(6,389)	(6,389)
<b><u>Contributions by and distributions to owners</u></b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	228	(197)	(31)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	44	-	-	44
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(85)	-	85	-
<b>Total transactions with owners in their capacity as owners</b>	-	228	(238)	(31)	85	44
<b>Balance as at 30 June 2016</b>	199,995	(235)	7,932	4,710	33,742	246,144

\* Other reserves are made up of capital reserve and gain or loss on reissuance of treasury shares.



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COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2015</b>	<b>199,995</b>	<b>(947)</b>	<b>8,628</b>	<b>4,860</b>	<b>14,468</b>	<b>227,004</b>
Total comprehensive income for the Period	-	-	-	-	1,613	1,613
<b><u>Contributions by and distributions to owners</u></b>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	89	-	-	89
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>89</b>
<b>Balance as at 31 March 2015</b>	<b>199,995</b>	<b>(947)</b>	<b>8,717</b>	<b>4,860</b>	<b>16,081</b>	<b>228,706</b>
<b>Balance as at 1 April 2015</b>	<b>199,995</b>	<b>(947)</b>	<b>8,717</b>	<b>4,860</b>	<b>16,081</b>	<b>228,706</b>
Total comprehensive income for the Period	-	-	-	-	10,834	10,834
<b><u>Contributions by and distributions to owners</u></b>						
Dividends paid on ordinary shares	-	-	-	-	(989)	(989)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	484	(365)	(119)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(141)	-	-	(141)
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(108)	-	108	-
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>484</b>	<b>(614)</b>	<b>(119)</b>	<b>(881)</b>	<b>(1,130)</b>
<b>Balance as at 30 June 2015</b>	<b>199,995</b>	<b>(463)</b>	<b>8,103</b>	<b>4,741</b>	<b>26,034</b>	<b>238,410</b>

\* Other reserves are made up of capital reserve and gain or loss on reissuance of treasury shares





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- 1(d)(ii) 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

As at 30 June 2016, there are 345,500 (2Q15: 680,500) shares held as treasury shares against the total number of issued shares excluding treasury shares of 761,056,780 (2Q15: 760,721,780).

**Issuance of shares from vesting of share awards**

During the quarter, there was no issuance of shares arising from the vesting of share awards under the Performance Share Plan (2Q15: Nil). 335,000 share awards (2Q15: 712,400) were vested under Restricted Share Plan for initial awards issued for FY2013 and FY2014.

**Grant and cancellation of share awards**

Performance Share Plan

During the quarter, 165,000 share awards were granted (2Q15: 120,000) and 180,000 share awards were cancelled (2Q15: 176,300) under the Banyan Tree Performance Share Plan. As at 30 June 2016, initial awards for 405,000 shares (As at 30 June 2015: 420,000) have been granted under the plan which will vest upon meeting specified performance conditions.

Restricted Share Plan

During the quarter, 393,750 share awards were granted (2Q15: 975,300) and 832,900 share awards were cancelled (2Q15: 461,700) under the Banyan Tree Restricted Share Plan. As at 30 June 2016, initial awards for 502,800 shares (As at 30 June 2015: 1,505,500) have been granted under the plan which will vest upon meeting specified performance conditions.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30-Jun-16 No. of shares</b>	<b>31-Dec-15 No. of shares</b>
Number of issued shares excluding Treasury shares	761,056,780	760,721,780

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	<b>30-Jun-16 No. of shares</b>	<b>31-Dec-15 No. of shares</b>
At 1 January	680,500	1,392,900
Reissued pursuant to Share-based Incentive Plan	(335,000)	(712,400)
	345,500	680,500



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**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the group auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2015.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, the effect of, the change.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 December 2015, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2016. The adoption of the standards and interpretations does not have material impact to the financial statements in the period of initial application.

**6 Earnings per ordinary share of the group for the current financial period reported and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -**

**(a) Based on the weighted average number of ordinary shares on issue; and**

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	3 months ended 30 Jun		6 months ended 30 Jun	
	2016	2015	2016	2015
a) Based on the weighted average number of ordinary shares on issue (cents)	(1.89)	(0.96)	(1.82)	(0.43)
b) On fully diluted basis (cents)	(1.89)	(0.95)	(1.82)	(0.43)

(i) The basic earnings per ordinary share for the 3 months period and the same period last year have been calculated based on the weighted average number of 761,056,780 and 760,721,780 ordinary shares respectively.

The basic earnings per ordinary share for the 6 months period and the same period last year have been calculated based on the weighted average number of 760,889,280 and 760,367,548 ordinary shares respectively.

(ii) For the 3 months and the 6 months period ended 30 June 2016, contingently issuable shares under the Banyan Tree Performance Share Plan had been excluded from the calculation of diluted earnings per share as their effects would be anti-dilutive (i.e. loss per share would have been reduced in the event that dilutive potential shares issued are converted into ordinary shares). Thus, the dilutive earnings per share was the same as the basic earnings per share for 3 months and the 6 months period ended 30 June 2016.



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**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

**(a) current financial period reported on; and**

**(b) immediately preceding financial year.**

	Group As at		Company As at	
	30-Jun-16	31-Dec-15	30-Jun-16	31-Dec-15
Net asset value per ordinary share based on issued share capital* at the end of the Period (S\$)	0.67	0.72	0.32	0.34

\* Ordinary shares in issue as at 30 June 2016 and 31 December 2015 are 761,056,780 and 760,721,780 shares respectively.



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8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A) REVENUE

	Group			
	3 months ended 30 Jun		2016 vs 2015	
	2016 (S\$'000)	2015 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	38,334	38,759	(425)	-1%
Property Sales	14,470	7,807	6,663	85%
- Hotel Residences	5,176	113	5,063	nm
- Laguna Property Sales	9,294	7,694	1,600	21%
Fee-based Segment	13,058	21,763	(8,705)	-40%
- Hotel/Fund/Club Management	4,989	8,402	(3,413)	-41%
- Spa/Gallery Operations	5,007	6,967	(1,960)	-28%
- Design and Others	3,062	6,394	(3,332)	-52%
<b>Revenue</b>	<b>65,862</b>	<b>68,329</b>	<b>(2,467)</b>	<b>-4%</b>

	Group			
	6 months ended 30 Jun		2016 vs 2015	
	2016 (S\$'000)	2015 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	103,092	105,461	(2,369)	-2%
Property Sales	31,689	15,527	16,162	104%
- Hotel Residences	11,919	2,827	9,092	322%
- Laguna Property Sales	19,770	12,700	7,070	56%
Fee-based Segment	30,892	45,100	(14,208)	-32%
- Hotel/Fund/Club Management	11,479	17,341	(5,862)	-34%
- Spa/Gallery Operations	12,434	14,627	(2,193)	-15%
- Design and Others	6,979	13,132	(6,153)	-47%
<b>Revenue</b>	<b>165,673</b>	<b>166,088</b>	<b>(415)</b>	<b>0%</b>



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**B) PROFITABILITY**

	Group			
	3 months ended 30 Jun		2016 vs 2015	
	2016 (S\$'000)	2015 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	(27)	(101)	74	-73%
Property Sales	1,693	5	1,688	nm
- Hotel Residences	591	(874)	1,465	nm
- Laguna Property Sales	1,102	879	223	25%
Fee-based Segment	(3,283)	3,320	(6,603)	nm
- Hotel/Fund/Club Management	(682)	1,141	(1,823)	nm
- Spa/Gallery Operations	(378)	535	(913)	nm
- Design and Others	(2,223)	1,644	(3,867)	nm
Head Office Expenses	(3,138)	(1,586)	1,552	98%
Other income (net)	1,394	1,601	(207)	-13%
<b>Operating (Loss)/Profit (EBITDA)</b>	<b>(3,361)</b>	<b>3,239</b>	<b>(6,600)</b>	<b>nm</b>
<b>Loss attributable to owners of the Company (PATMI)</b>	<b>(14,363)</b>	<b>(7,283)</b>	<b>(7,080)</b>	<b>97%</b>

	Group			
	6 months ended 30 Jun		2016 vs 2015	
	2016 (S\$'000)	2015 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	18,038	18,031	7	0%
Property Sales	3,499	(1,765)	5,264	nm
- Hotel Residences	1,811	(1,336)	3,147	nm
- Laguna Property Sales	1,688	(429)	2,117	nm
Fee-based Segment	(4,148)	9,191	(13,339)	nm
- Hotel/Fund/Club Management	(132)	4,630	(4,762)	nm
- Spa/Gallery Operations	1,105	1,466	(361)	-25%
- Design and Others	(5,121)	3,095	(8,216)	nm
Head Office Expenses	(4,925)	(5,656)	(731)	-13%
Other income (net)	2,116	3,763	(1,647)	-44%
<b>Operating Profit (EBITDA)</b>	<b>14,580</b>	<b>23,564</b>	<b>(8,984)</b>	<b>-38%</b>
<b>Loss attributable to owners of the Company (PATMI)</b>	<b>(13,828)</b>	<b>(3,255)</b>	<b>(10,573)</b>	<b>325%</b>



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## C) BUSINESS SEGMENTS REVIEW

### i) Hotel Investments segment

Hotel Investments segment achieved revenue of S\$38.3 million in 2Q16, a decrease of 1% or S\$0.5 million compared to S\$38.8 million in 2Q15. The decrease in revenue was mainly from Maldives (S\$2.1 million), China (S\$0.7 million) and Seychelles (S\$0.5 million), which was partially cushioned by higher revenue from Thailand (S\$3.0 million).

The macro-economic uncertainties in Europe, as well as economic slowdown in the Chinese market since 3Q15 continued to impact our resorts in Maldives, China and Seychelles in 2Q16. Revenue per available room ("RevPAR") of the Maldives resorts decreased by 25% from S\$326 in 2Q15 to S\$245 in 2Q16. RevPAR of the China resorts decreased by 20% from S\$157 in 2Q15 to S\$125 in 2Q16. RevPAR of the Seychelles resorts decreased by 11% from S\$503 in 2Q15 to S\$450 in 2Q16.

For Thailand, all the hotels had performed better in 2Q16 as compared to 2Q15, with strong recovery for both Banyan Tree Phuket and Angsana Laguna Phuket. Besides that, the opening of Cassia Phuket since 4Q15 and the continued strong performance of Banyan Tree Bangkok had further contributed to the increase in revenue. On a same store basis (excluding Cassia Phuket), RevPAR for Thailand resorts increased by 11% from S\$114 in 2Q15 to S\$127 in 2Q16.

For 1H16, Hotel Investments segment achieved revenue of S\$103.1 million, a decrease of 2% or S\$2.4 million compared to S\$105.5 million in 1H15. The decrease in revenue was mainly from Maldives (S\$5.1 million), China (S\$1.1 million) and Seychelles (S\$1.0 million), which was partially cushioned by higher revenue from Thailand (S\$4.9 million) due to similar reasons mentioned earlier.

Notwithstanding lower revenue, EBITDA for 2Q16 and 1H16 were in line with 2Q15 and 1H15. This was largely due to several cost management initiatives implemented as a result of the group-wide restructuring exercise that had been embarked to streamline business processes and structures.

### ii) Property Sales segment

Revenue from the Property Sales segment increased by S\$6.7 million or 85% to S\$14.5 million in 2Q16. For 1H16, revenue increased by S\$16.2 million or 104% to S\$31.7 million. This was mainly due to completion and progressively handing over of Cassia Phuket condominiums (Phase 1) and Laguna Park townhomes/villas since 4Q15.

In 2Q16, a total of 24 units of Laguna Park townhomes/villas, Cassia Phuket, Banyan Tree Phuket villas were recognized. In comparison, a total of 10 units of Laguna Park townhomes/villas were recognized in 2Q15.

In 1H16, a total of 55 units of Laguna Park townhomes/villas, Cassia Phuket, Dusit villas and Banyan Tree Phuket villas were recognized. In comparison, a total of 13 units of Laguna Park townhomes/villas and Banyan Tree Phuket villas were recognized in 1H15.

There were 30 new units sold with deposits received in 2Q16 compared to deposits for 9 units in 2Q15, a significant increase of 233% and 809% in units and value terms respectively. For 1H16, there were 69 new units sold with deposits received compared to deposits for 42 units in 1H15, an increase of 64% and 186% in units and value terms respectively.

Overall unrecognized revenue as at 30 June 2016 was S\$87.0 million as compared to S\$119.1 million as at 30 June 2015, of which 32% will be progressively recognized in 2<sup>nd</sup> half 2016.

EBITDA increased by S\$1.7 million and S\$5.3 million in 2Q16 and 1H16 respectively mainly due to higher revenue recognized as mentioned earlier.



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**iii) Fee-based segment**

Revenue from the Fee-based segment decreased by S\$8.7 million or 40% to S\$13.1 million in 2Q16. For 1H16, revenue decreased by S\$14.2 million or 32% to S\$30.9 million. This was mainly due to lower hotel/fund management fees, as well as reduced architectural and design fees earned from projects in China based on project milestones.

The economic slowdown in China has affected the performances and hence hotel management fees of several managed hotels in China. In addition, architectural and design fees were also lower as the progress of several third party owners' development projects in China were also affected by this slowdown.

EBITDA decreased by S\$6.6 million to a loss of S\$3.3 million in 2Q16. For 1H16, EBITDA decreased by S\$13.3 million to a loss of S\$4.1 million. This was mainly due to lower revenue as mentioned earlier and higher foreign exchange loss.

If management fees of those resorts which the Group has a majority interest were not eliminated on consolidation, EBITDA would have been a loss of S\$0.4 million in 2Q16 as compared to a profit of S\$6.5 million in 2Q15, and a profit of S\$4.7 million in 1H16 as compared to a profit of S\$18.2 million in 1H15.

**iv) Head Office**

Head office expenses increased by S\$1.6 million or 98% to S\$3.1 million in 2Q16 mainly due to higher foreign exchange loss. For 1H16, head office expenses decreased by S\$0.7 million or 13% to S\$4.9 million mainly due to lower professional fees and staff costs which was partially offset by higher foreign exchange loss.

**v) Loss attributable to owners of the Company**

Loss increased by S\$7.1 million from S\$7.3 million in 2Q15 to S\$14.4 million in 2Q16. This was mainly attributable to lower EBITDA from Fee-based segment and lower non-controlling interests' share of losses. This was partially cushioned by higher EBITDA from Property Sales segment, and higher finance income.

For 1H16, loss increased by S\$10.5 million from S\$3.3 million in 1H15 to S\$13.8 million. This was mainly attributable to lower EBITDA from Fee-based segment, higher finance costs and higher non-controlling interests' share of profits. This was partially cushioned by higher EBITDA from Property Sales segment, higher finance income and lower income tax expense.



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**9 Where a forecast, or prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group's performance in the current quarter was below 1Q16, as anticipated in the 1Q16's results announcement under section 10.

**10 A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The recent vote by the United Kingdom to leave the European Union have increased macro-economic uncertainties globally particularly in Europe, our key source market.

Hotel forward bookings for 3Q16 for Thailand continue to improve but remains weak for hotels outside of Thailand. Overall forward bookings for owned hotels is currently 6% below the same period last year. (Thailand is 19% above and outside of Thailand 25% below).

Our design and project management business where we derive fees from owners in new development projects and hotel management fees from China hotels will continue to be affected by the economic slowdown in China.

For property sales, deposits for 30 units with total sales value of S\$33.7 million were received in 2Q16 as compared to 9 units of S\$3.7 million in 2Q15. As at 2Q16, we have unrecognized revenue of S\$87.0 million with approximately 30% to be recognised in the 2<sup>nd</sup> half of 2016.

Against this backdrop, the operating environment for 3Q16 being also a low season period will remain challenging.

New Openings

We expect to open the following 4 new resorts in the next 12 months:

- i. Banyan Tree Tamouda Bay, Tetouan, Morocco
- ii. Banyan Tree Jiuzhaigou, Sichuan, China
- iii. Banyan Tree Kuala Lumpur, Malaysia
- iv. Cassia Bintan, Indonesia

Also in the next 12 months, we expect to launch 3 spas under management.





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**11 If a decision regarding dividend has been made:-**

**(a) Current financial period reported on. State the amount per share.**

*Any dividend declared for the current financial period reported on? No.*

**(b) Corresponding period of the immediately preceding financial year. State the amount per share.**

*Any dividend declared for the corresponding period of the immediately preceding financial year? No.*

**(c) Whether the dividend is before tax, net of tax, or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books disclosure date**

Not applicable.

**12 If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared in respect of the current financial period.



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**13 Interested Persons Transactions for the 3 months ended 30 June 2016**

	Interested Person Transactions	Aggregate value of all interested person transactions for Q2 (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate) in S\$'000	Aggregate value of all interested person transactions conducted under Shareholders' Mandate for Q2 (excluding transactions less than S\$100,000) in S\$'000
	<b>Transactions with the Tropical Resorts Limited Group ("TRG")</b>		
a	Provision of Resort Management and Related Services to TRG	-	<b>638</b>
b	Provision of Spa Management and Other Related Services to TRG	-	<b>163</b>
c	Rental Income from TRG in respect of units in Banyan Tree Bintan and Angsana Bintan	-	<b>454</b>
	<b>Total</b>	-	<b>1,255</b>



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**14 Confirmation that the issuer has procured undertakings from all its directors and executive officers**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**15 Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual**

The Directors of Banyan Tree Holdings Limited (the "Company") confirm that taking into account the matters announced and publicly disclosed by the Company prior to the date of this confirmation and the prevailing accounting policies adopted by the Company in accordance with the Singapore Financial Reporting Standards, to the best of their knowledge, nothing has come to their attention which may render the second quarter financial results false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Jane Teah  
Company Secretary  
**11 August 2016**