OUTLOOK

BANYAN TREE

Section 3

2ND HALF OUTLOOK

- 1st Half results **in line with our expectations**
- outlook for **2nd half broadly positive**
- general tourism environment remains favourable
- some uncertainties from slower global economic growth, and
- costlier air ticket




2ND HALF OUTLOOK

Hotel Investment

- Full recovery from 2004 tsunami
- 2006 peak season should return to or even exceed pre-tsunami level




2ND HALF OUTLOOK

Hotel Investment (cont'd)

- demand rebounding from expected downturn due to Fifa World Cup

- rebound slightly less than expected, but no cause for concern




2ND HALF OUTLOOK

Hotel Investment (cont'd)

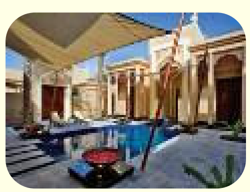
- continuing absence of direct flights from Japan and Hong Kong to Phuket

  → may place capacity constraint on growth

- decision to close Velavaru resort in Maldives in 2Q06 to hasten renovation

  → reopen in 4Q06, instead of 2Q07
  → reduce resort's income in 2Q and 3Q06
  → but increase income in 4Q06 and 1Q07






BANYAN TREE

2ND HALF OUTLOOK

Property Sales

- Property sales remain positive in Phuket
- Unbranded units continue to sell steadily
- New Products (e.g. Dusit Residences) introduced

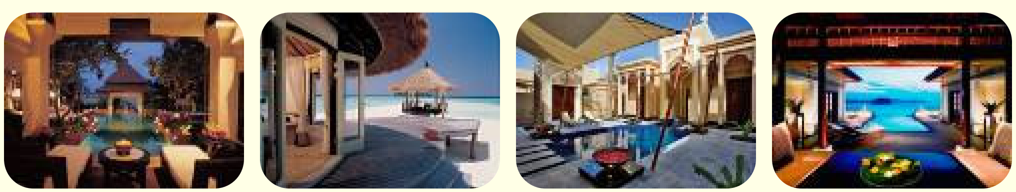
  → good response but revenue recognition mostly in following year




2ND HALF OUTLOOK

Property Sales

- New Ultra luxurious Double Pool Villa under Banyan Tree brand
  - → well received
  - → should continue to sell well though mainly in 4Q06



2^{ND} HALF OUTLOOK

Property Sales

- unclear whether we can start selling Lijiang units in 2H06
- new government restrictions on sale of properties in China
- conversion of office floor to hotel and residential floor in BT BKK to 4Q06 instead of 3Q06
  - → will improve hotel occupancies
  - → but defer property sales income to 07
- Property sales in Banyan Tree Seychelles will commence this years
  - → revenue recognition in 07
- **Impact of above points on BTH's expected income this year, not significant**



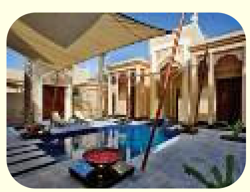

BANYAN TREE

2ND HALF OUTLOOK

Management and Design Services

- Outlook positive
- Growing pipeline of projects
- contributing to hotel and spa management fees, and design fees
- need to hire more staff to support rapid growth
  - → temporary increase pressure or in profit margin






BANYAN TREE

2ND HALF OUTLOOK

Business Development

- outlook for securing new projects remains positive
- a number of projects in advanced stage of negotiation




BANYAN TREE

2ND HALF OUTLOOK

Hotel Developments Timetable

- Development of hotel projects are on track
- No revision in target opening dates, except for Angsana Velavaru, now brought forward to 4Q06




NEW PROJECTS

Banyan Tree Resort and Spa

Karnataka, Chikmagalur, India (2008)	25 keys	
Kerala, India (2009)	100 keys	15% equity

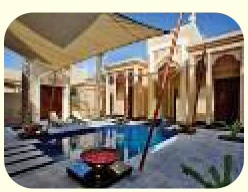
Angsana Resort & Spa

Karnataka, Chikmagalur, India (2008)	50 keys

Angsana Spa

Bunratty Castle Hotel, Ireland (2006)	5 treatment rooms
Sofitel Fizi Tianmu Lake, Jiangsu, PRC (2007)	15 treatment rooms
Gold Coast, Australia (2007)	17 treatment rooms
Gurgaon, India (2008)	15 treatment rooms

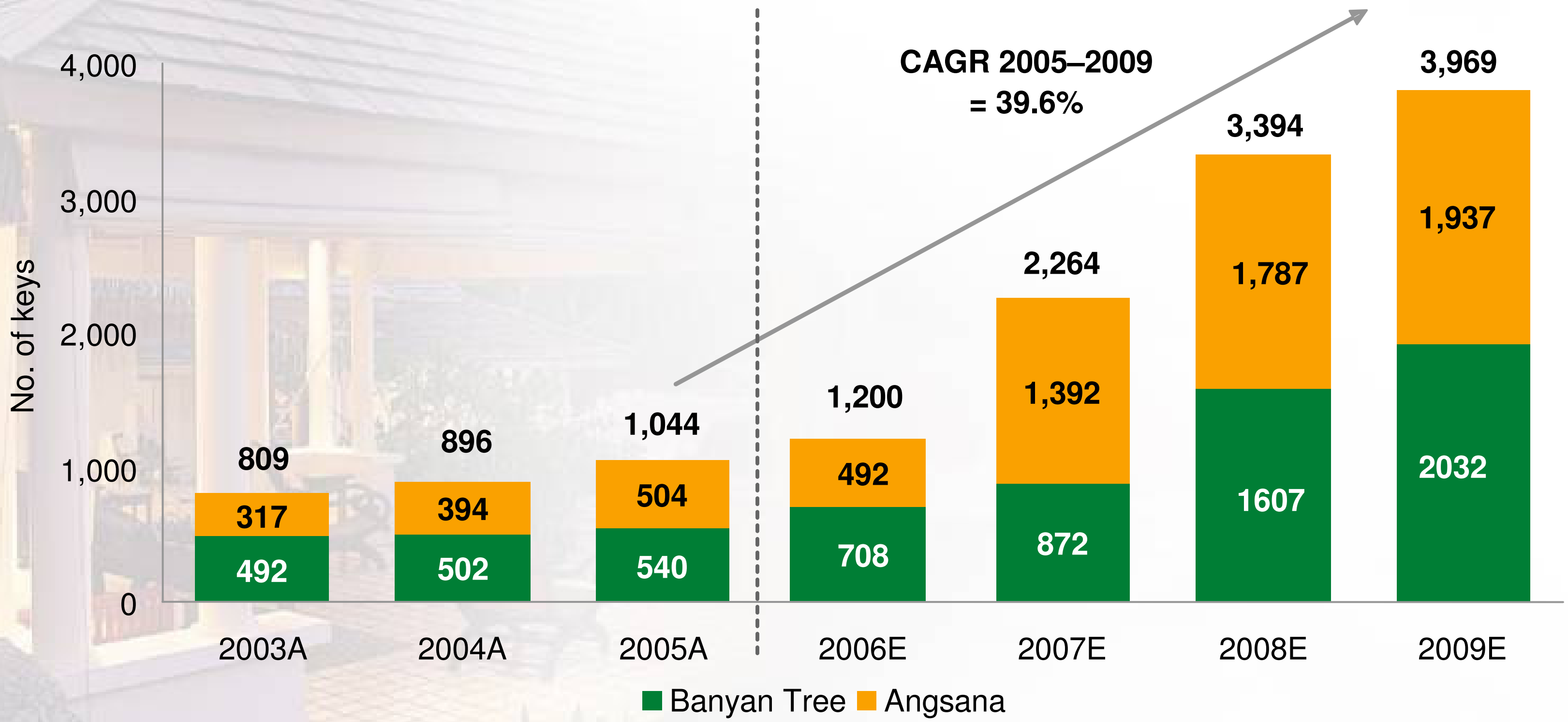





BANYAN TREE

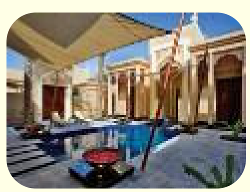
STRONG GROWTH PIPELINE

Total no. of keys—Banyan Tree and Angsana resorts/hotels[1]



Note:

1. Based on contracts that are already signed

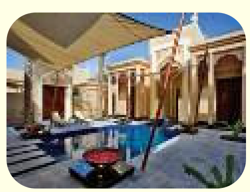


BANYAN TREE

STRONG PIPELINE OF RESORTS / HOTELS

Year	Resort / Hotel	No. of keys	% equity interest	Equity amount (S$m)
2006	Bahrain	78	0%	0
	Velavaru, Maldives	79	77.4%	12
2007	Hainan, PRC	114	0%	0
	Ras Al Khaimah, UAE	50	15.0%	5
	Dubai, UAE	900	0%	0
2008	Barbados, West Indies	50	0%	0
	Koh Samui, Thailand	100	0%	0
	Marine Reserves and Spa Al Gurm, UAE	150	0%	0
	Marrakech, Morocco	50	0%	0
	Mayakoba, Mexico	100	20.0%	10
	Punta Diamante, Mexico	60	15.0%	5
	Pilos Greece	135	0%	0
	Ungasan, Bali	73	0%	0
	Abu Dhabi	150	0%	0
	Adelphi, London	68	0%	0
	Phuket, Thailand	150	51.8%	24
	Swannee, Sri Lanka	70	79.9%	7
	Tepi Kahyangan, Bali	57	0%	0
	Karnataka, India	50	0%	0
	Karnataka, India	25	0%	0
2009	Velavaru, Maldives	20	77.4%	15
	Chiang Mai, Thailand	40	66.2%	10
	Esplanade, Dubai	220	0%	0
	Kerala, India	100	15%	6






STRONG PIPELINE OF SPAS

	2006	2007	2008	2009
	Bahrain	Hainan, PRC	Barbados, West Indies	Velavaru, Maldives
	Bavaria Executive Suites, UAE	Kuwait	Koh Samui, Thailand	Chiang Mai, Thailand
	Crescat City Colombo, Sri Lanka	Ras Al Khaimah, UAE	Marine Reserves and Spa Al Gurm, UAE	Esplanade, Dubai
	El Gouna Golf Club, Egypt	Bentota Beach, Sri Lanka	Marrakech, Morocco	Angsana Spa,Abu Dhabi
	Emirates Hill, UAE	Dubai, UAE	Mayakoba, Mexico	Kerala India
	Velavaru, Maldives	Shinkobe Oriental, Japan	Pilos, Greece	
	Bunratty, Ireland	Shanghai Hongqiao, PRC	Punta Diamante, Mexico	
		Jiangsu, PRC	Ungasan, Bali	
		Gold Coast, Australia	Karnataka, India	
			Adelphi, London	
			Phuket Thailand	
			Swannee, Sri Lanka	
			Tepi Kahyangan, Bali	
			Gurgaon, India	
			Karnataka, India	
TOTAL	7	9	15	5 5



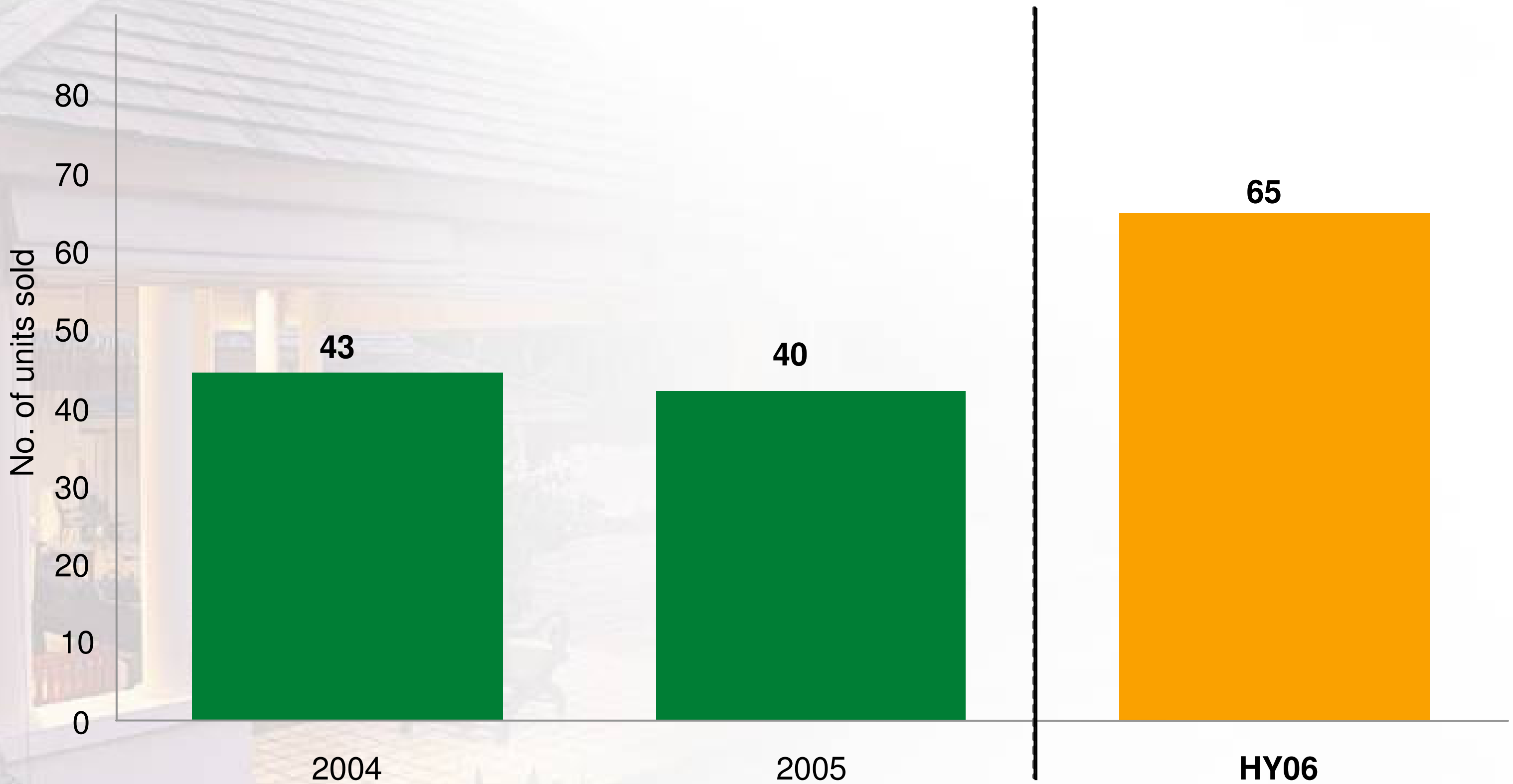

BANYAN TREE

HOTELS / RESORTS WITH PROPERTY SALES

	Equity interest	Management fees	Royalty fees on sale	Property sales income
Abu Dhabi	-	√	-	-
Bangkok	51.8%	√	-	√
Bintan	-	√	-	√
Barbados	-	√	-	-
Chiang Mai	66.2%	√	-	√
Lijiang	66.3%	√	-	√
Mayakoba, Cancun	20.0%	√	√	√
Marrakech	-	√	-	-
Phuket	51.8%	√	-	√
Pilos, Greece	-	√	-	-
Punta Diamante, Acapulco	15.0%	√	√	√
Seychelles	30.0%	√	-	√
Ungasan, Bali	-	√	-	-
Phuket	51.8%	√	-	√
Tepi Kahyangan, Bali	-	√	√	-




STRONG PROPERTY DEMAND IN PHUKET



BANYAN TREE

MISSION STATEMENT

" We want to build a globally recognised brand 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. "




BANYAN TREE