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BANYAN TREE

BANYAN TREE HOLDINGS LIMITED

(Company Registration Number: 200003108H)

(incorporated with limited liability in the Republic of Singapore on 11 April 2000)

**Offering in respect of 380,117,000 Offering Shares (subject to the Over-allotment Options)
The size of the Public Offer is 20,000,000 Offering Shares
Final Offering Price: S\$0.97 per Offering Share**

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SUBSCRIBE FOR AND/OR PURCHASE OFFERING SHARES.

OFFERING PRICE

Following the close of the Offering (as defined in the prospectus of Banyan Tree Holdings Limited (“BTH” or the “Company”) dated 26 May 2006 (the “Prospectus”)) in Singapore on 7 June 2006, BTH, the Vendors (as defined in the Prospectus), DBS Bank Ltd (“DBS Bank”) and UBS AG, acting through its business group, UBS Investment Bank (“UBS” together with DBS Bank, the “Joint Global Co-ordinators”) are pleased to announce that the Offering Price (as defined in the Prospectus) has been fixed at S\$0.97 per Offering Share (as defined in the Prospectus).

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The details of applications for the Public Offer (as defined in the Prospectus) and indications of interest received for the Placement (as defined in the Prospectus) at the close of the Offering are as follows:-

(a) **The Placement**

At the Offering Price of S\$0.97 per Offering Share, the aggregate indications of interest received (excluding subscriptions for the Reserved Shares (as defined in the Prospectus)) from institutional and other investors, as at the close of the book-building exercise at 5.00 p.m. (Singapore Time) on 7 June 2006, was approximately 1.9 times the number of Offering Shares available for subscription and/or purchase under the Placement.

Of the 5,146,000 Reserved Shares, valid applications for 4,051,000 Reserved Shares were received from the Directors, employees and business associates of BTH and others who have contributed to the success and development of BTH (determined by BTH at its sole discretion). In total, application monies received for the Reserved Shares amounted to approximately S\$4.3 million.

(b) **The Public Offer**

At the close of the Public Offer at 12.00 noon (Singapore Time) on 7 June 2006, there were 2,916 valid applications made by way of Application Forms or Electronic Applications (as defined in the instructions booklet on “Terms, Conditions and Procedures for Application for the Offering Shares in Singapore” (the “Instructions”) which forms part of the Prospectus) for a total of 20,068,000 Offering Shares. In total, application monies received pursuant to such valid applications amounted to approximately S\$21.5 million.

ALLOCATION BETWEEN THE PLACEMENT AND THE PUBLIC OFFER

Taking into consideration the applications for Offering Shares and the indications of interest received, and to ensure a reasonable spread of shareholders, the Joint Global Co-ordinators, BTH and the Vendors have decided that the aggregate of 380,117,000 Offering Shares will be allocated as follows:-

- (a) 360,117,000 Offering Shares pursuant to the Placement (inclusive of 4,051,000 Reserved Shares); and
- (b) 20,000,000 Offering Shares pursuant to the Public Offer.

Based on the 360,117,000 Offering Shares allocated to the Placement, the aggregate indications of interest received and applications for the Reserved Shares represent approximately 1.9 times the Offering Shares allocated to the Placement.

Based on the 20,000,000 Offering Shares allocated to the Public Offer and the 20,068,000 Offering Shares applied for, the Public Offer is approximately 1.0 time subscribed.

In addition to the abovementioned allocations, UBS, on behalf of the Joint Global Co-ordinators, has over-allocated 57,017,000 Shares (as defined in the Prospectus), all of which are allocated to the Placement.

To allow, among other things, sufficient time for the allocation of Offering Shares to overseas investors to be completed, an announcement of the allocation and spread of investors in respect of the Placement will be made via SGXNET before the commencement of trading in the Shares (as defined in the Prospectus) on the Singapore Exchange Securities Trading Limited ("SGX-ST") which is expected to be at 9.00 a.m. (Singapore Time) on 14 June 2006.

APPLICATION RESULTS FOR THE PUBLIC OFFER

To ensure a reasonable spread of shareholders, BTH, the Vendors and the Joint Global Co-ordinators have decided that applicants who submitted valid applications for the 20,000,000 Offering Shares under the Public Offer complying in full with the terms and conditions set out in the Prospectus, will be allocated all or a proportion of the Offering Shares for which they have applied. The allocations are as follows:-

- (i) applicants who have submitted valid applications for between 1,000 to 100,000 Offering Shares will receive their full allocation of Shares; and
- (ii) applicants who have submitted valid applications for more than 100,000 Offering Shares will receive a proportion of the Offering Shares for which they have applied, as follows:-

No. of Offering Shares applied for ('000)	Number of Applicants	Number of Offering Shares allocated ('000)
101 to 150	1	132
151 to 200	1	165
201 and above	1	185

Based on the above basis of allocation, there are a total of 2,916 successful applicants from the Public Offer.

APPLICATION RESULTS FOR THE RESERVED SHARES

As disclosed in the Prospectus, 5,146,000 Reserved Shares were reserved for application by the Directors, employees and business associates of BTH and others who have contributed to the success and development of BTH (determined by BTH at its sole discretion). 4,051,000 Reserved Shares were applied for by the eligible Reserved Shares applicants and the remaining 1,095,000 Reserved Shares were made available to satisfy applications for the Offering Shares under the Placement.

Details of the applications received for the 4,051,000 Reserved Shares are as follows:-

Range of Reserved Shares applied for ('000)	Number of Applicants
1 to 9	53
10 to 49	64
50 to 99	8
100 to 499	15
	140

Six Directors of BTH were offered Reserved Shares under the Placement. The number of Reserved Shares which the six Directors had applied for and were allocated are as follows:-

Directors of BTH	Number of Reserved Shares applied for and allocated ('000)
Ariel P Vera	100
Yeow Yew Keong	30
Surapon Supratya	100
Chia Chee Ming Timothy	250
Elizabeth Sam	150
Dilhan Pillay Sandrasegara	250

OVER-ALLOTMENT OPTIONS AND STABILISATION

For the purposes of Regulation 3(2)(f) of the Securities and Futures (Market Conduct)(Exemption) Regulations 2006, it is hereby announced that in connection with the Offering, the Company and certain of the Vendors have granted to UBS, on behalf of the Joint Global Co-ordinators, over-allotment options exercisable by UBS, in consultation with DBS Bank, in full or in part on one occasion no later than the earliest of (i) the date falling 30 days from the commencement of trading of the Shares on the SGX-ST, (ii) the date when UBS has bought on the SGX-ST an aggregate of 57,017,000 Shares representing not more than 15.0 per cent. of the total Offering Shares to undertake stabilising action, and (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price, to purchase up to an aggregate of 57,017,000 Shares (representing not more than 15.0 per cent. of the total Offering Shares) at the Offering Price, solely to cover the over-allotment of the Offering Shares, if any.

In connection with the Offering, UBS (or persons acting on its behalf) may, in consultation with DBS Bank, over-allot Shares or effect transactions which stabilize or maintain the market price of the Shares at levels which might not otherwise prevail in the open market. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations. The number of Shares that UBS may buy on the SGX-ST, in consultation with DBS Bank, to undertake stabilising action, shall not exceed an aggregate of 57,017,000 Shares representing not more than 15.0 per cent of the total Offering Shares. However, there is no assurance that UBS (or persons acting on behalf of UBS) will undertake stabilisation actions. Such transactions, if commenced, may be discontinued at any time and shall not be effected after the earlier of (i) the date falling 30 days from the commencement of trading of the Shares on the SGX-ST, (ii) the date when UBS has bought on the SGX-ST an aggregate of 57,017,000 Shares representing not more than 15.0 per cent. of the total Offering Shares to undertake stabilising action, and (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price. An announcement will be made if and when the Over-allotment Options are exercised.

COMMENCEMENT OF TRADING AND REFUNDS

The Shares are expected to commence trading on the SGX-ST on a “ready” basis at 9.00 a.m. (Singapore Time) on 14 June 2006, subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Shares on a “ready” basis have been fulfilled. It is expected that there will be NO trading on a “when issued” basis.

Unsuccessful applications using printed Application Forms, together with the full amount of the application monies (without interest or any share or revenue or other benefits arising therefrom), are expected to be returned to the applicants by ordinary post, at the applicants’ own risk, within 24 hours after the balloting of applications, in accordance with the procedures set out in the Instructions. For unsuccessful Electronic Applications, it is expected that the full amount of the application monies (without interest or any share or revenue or other benefits arising therefrom) will be credited to the applicants’ accounts with their respective Participating Banks (as defined in the Instructions), at the applicants’ own risk, within 24 hours after the balloting of applications in accordance with the Instructions.

In respect of successful and partially successful applications, any balance of the application monies (including excess monies arising from the difference between the Offering Price and the Maximum Offering Price (as defined in the Prospectus)), is expected to be refunded (without interest or any share or revenue or other benefits arising therefrom) to the applicants, by ordinary post (in the case of applications made using printed Application Forms) or through the crediting of the relevant amount to the applicants’ accounts with their respective Participating Banks (in the case of Electronic Applications) at their own risk within fourteen (14) Market Days (as defined in the Prospectus) after the close of the Public Offer.

Applicants may call The Central Depository (Pte) Limited (“CDP”) at 6535 7511 using their T-PIN and keying in the stock code: **5022** for enquiries on the status of their applications. To sign up for the service, applicants may contact CDP customer service officers for an application form.

The Board of Directors of BTH and the Vendors wish to thank all applicants who have applied for the Offering Shares, the relevant authorities and all who have helped in one way or another in BTH’s initial public offering, for their support and assistance.

Issued jointly by

DBS Bank Ltd and UBS AG, acting through its business group, UBS Investment Bank

For and on behalf of

Banyan Tree Holdings Limited and the Vendors

8 June 2006

This announcement does not constitute an offer of securities for sale in the United States. The shares of BTH have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may only be offered or sold (a) in the United States, to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) in transactions exempt from the registration requirements of the Securities Act pursuant to Rule 144A and in accordance with applicable state securities laws, and (b) outside of the United States, to non-U.S. persons (as defined in Regulation S under the Securities Act) in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.