

BANYAN TREE DOUBLES ITS MEXICAN PORTFOLIO - INVESTS IN PROJECTS WORTH US\$220 MILLION

Singapore, 25 February 2007 – Singapore Main-Board listed Banyan Tree Holdings Ltd (“Banyan Tree”), a leading developer, designer and operator of top tier resorts, hotels and spas worldwide, today announced the doubling of its Mexican portfolio to 4 projects.

In joint venture agreements with leading Mexican entities, Grupo Megaterra and Mexico Inversiones S.A. de C.V., Banyan Tree will invest in, design and operate Banyan Tree Chamela and Banyan Tree Los Cabos. This is in addition to Banyan Tree Punta Diamante (Acapulco) and Banyan Tree Mayakoba (Riviera Maya) which are currently in development.

Banyan Tree has taken approximately the same minority equity positions in each of the 4 projects as joint venture partner. The combined development costs of the 4 projects will exceed US\$220 million.

Banyan Tree will take approximately 20% share in each of Banyan Tree Los Cabos and Banyan Tree Chamela. It also has an option to acquire further about 10% of share in each of the two projects within 18 months of the formal openings of each resort.

Banyan Tree Los Cabos and Banyan Tree Chamela will feature sale of resort residences where buyers can opt to lease back their interests into the resort pool.

“We set out two years ago to enter the North American market by planting our resorts in 2 key destinations in Mexico.” said Executive Chairman, Mr. Ho KwongPing, “Our efforts have started to bear fruit as all 4 of our destinations in Mexico represent some of the very best that Mexico has to offer and we are now set to branch even further out into the Caribbean where we already have a project in Barbados and are actively pursuing several other opportunities there. We are pleased that our North American strategy has proceeded very well and according to plan.”

Banyan Tree will master plan, provide architectural and interior design concepts for both resorts which will include it’s signature pool villas, multi-award winning spa and it’s unique brand of Asian hospitality.

Banyan Tree Los Cabos will reside on 8 hectares of prime beachfront land on the Southern tip of Baja California. The resort will be set against the backdrop of the peaks of the Sierra de la Laguna amidst miles of golden beach, clear blue water and dramatic red rock formations; saguaro cactus, palms with a golden desert landscape within a stone’s throw away.

Banyan Tree Chamela (in the State of Jalisco) will reside within a 200 hectare Banyan Tree branded integrated resort. The integrated resort will offer guests spectacular views of the protected islands around Chamela and will feature world class golf courses and a high-end mix of Banyan Tree branded residences for sale.

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Images from top

- Banyan Tree Chamela
- Banyan Tree Los Cabos

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Completion of both resorts is targeted for end-2009.

This announcement comes almost immediately after Banyan Tree announced 2 weeks ago its breakthrough foray into the luxury city hotel market space with its management projects for Banyan Tree Beijing and Angsana Beijing.

These 2 new projects in Mexico are not expected to have any material financial impact on Banyan Tree's earnings and net tangible assets for 2007.

About Banyan Tree Hotels & Resorts

Banyan Tree offers an intimate retreat experience featuring its own signature blend of romance and Asian sensuality. The philosophy behind the hotels, resorts, spas and galleries is based on providing a place for rejuvenation of the body, mind and soul – a Sanctuary for the Senses.

Banyan Tree resorts are found in Phuket, Thailand (1994), Maldives Vabbinfaru (1995), Bintan, Indonesia (1995), Bangkok, Thailand (2002), Seychelles (2002), Ringha, China (2005) and Lijiang, China (2006). Flagship Banyan Tree Phuket was the first to introduce a tropical garden spa concept.

About Angsana Resorts & Spas

Launched in 2000, Angsana is the sister brand of Banyan Tree, inspired by the exotic Angsana Tree noted for its crown of golden flowers. Angsana resorts are designed as contemporary, chic and vibrant retreats to live life spontaneously and sense the moment.

Angsana resorts are found in Bintan, Indonesia (2000), Great Barrier Reef, Australia (2000), Bangalore, India (2001), Maldives Ihuru (2001) and Maldives Velavaru (2006).

In 2003, Colours of Angsana joined the Angsana portfolio. This boutique hotel collection appeals to the soft adventurer and cultural tourism sector. The current hotels are Gyalthang Dzong (Shangri-La, China), Deer Park Hotel (Giritale, Sri Lanka) and Maison Souvannaphoum (Luang Prabang, Laos).

To date, the Banyan Tree Group manages and/or has ownership interests in 20 resorts and hotels, 56 spas and 65 retail galleries and two golf courses.

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.

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