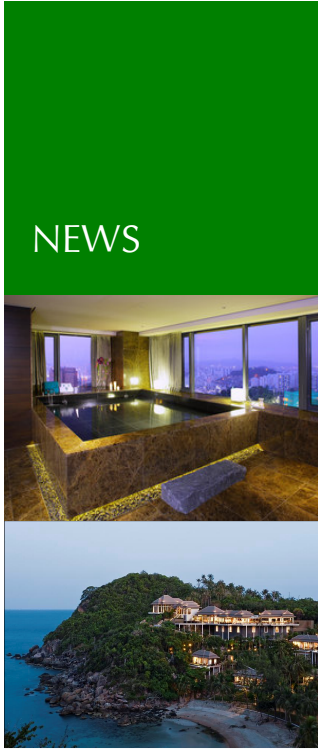




BANYAN TREE HOLDINGS LIMITED
(Company Registration Number: 200003108H)



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- Banyan Tree Club & Spa Seoul
- Banyan Tree Samui

1Q11 PATMI UP 36% ON 8% REVENUE GAIN

Highlights:

- 1Q11 Revenue increased to S\$114.3 million (8%) and EBITDA constant at S\$32.5 million.
- Higher revenue due to:
 - Divestment of a development site partially offset by -
 - Cessation of hotel revenue from Dusit Hotel
 - Lower property sales recognition
- PATMI increased to S\$10.0 million (↑ 36%) due to:
 - Divestment of a development site
 - Lower depreciation

1Q11 Results Snapshot (in S\$' million) :

	1Q11	1Q10 (Restated)	Change (%)
Revenue	114.3	106.3	8% ↑
Operating Profit*	32.5	32.6	0% ↓
PBT#	21.4	19.3	10% ↑
PATMI^	10.0	7.4	36% ↑

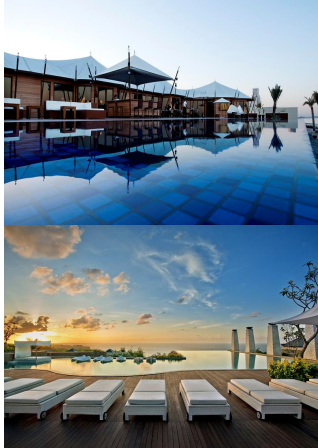
* Operating Profit = EBITDA (Earnings before interest, tax, depreciation & amortization)

PBT = Profit Before Taxation

^ PATMI = Profit After Taxation and Minority Interests



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- Banyan Tree Al Wadi
- Banyan Tree Ungasan

Singapore, 11 May 2011 – Mainboard-listed Banyan Tree Holdings Limited (“Banyan Tree” or the “Group”), a leading manager and developer of premium resorts, hotels, spas and galleries, announced today its first quarter results which shows PATMI increased by 36% to S\$10.0 million mainly due to gain on divestment of a development site.

Mr Ho KwongPing, Executive Chairman of Banyan Tree said, “We are pleased to announce the recent divestment of a development site in Lijiang, China which boosted our performance in the 1st quarter. In addition, we have also completed the sale of Laguna Beach Resort in Laguna Phuket as announced on 10 May 2011. We expect to recognise PBT of approximately S\$18.0 million from this sale in 2Q11. All these are part of our ongoing strategy of rebalancing our asset portfolio and re-deployment of capital to create greater value for the Group.”

The Group’s overall cash and cash equivalents increased by 162% from S\$69.4 million in 1Q10 to S\$182.0 million in 1Q11. The increase in cash flow was largely due to net proceeds received from sale of Dusit in October 2010 and new notes issuance in March 2011.

The Group’s total operating expenses for 1Q11 increased by S\$5.1 million, largely from higher cost of properties sold in line with higher revenue, but partially offset by lower operating expenses due to the cessation of Dusit hotel operation following the sale in October 2010.

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- Banyan Tree Mayakoba
- Banyan Tree Cabo Marques

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BUSINESS SEGMENTS REVIEW

The Group registered revenue of S\$114.3 million in 1Q11, an increase of S\$8.0 million (8%) compared to the same period last year. This was mainly attributable to higher revenue from Property Sales and Fee-based segments, but cushioned by lower revenue from Hotel Investments segment. Notwithstanding a higher revenue, EBITDA of S\$32.5 million in 1Q11 was in line with the same period last year, largely due to one-off other income in 1Q10 pertaining to insurance proceeds from the Tsunami claim.

Hotel Investments

Hotel Investments segment achieved revenue of S\$59.8 million in 1Q11, a decrease of 14% or S\$9.6 million compared to S\$69.4 million in 1Q10. Lower revenue was mainly from Thailand (S\$9.3 million) and Maldives (S\$0.4 million).

Lower revenue from Thailand was mainly due to cessation of hotel revenue from Dusit following the completion of its sale in October 2010. Excluding Dusit, performance of our other Thailand properties was in line with the same period last year. Overall occupancy improved by 4% points to 73%, but was offset by lower ARR by 6% to S\$322.

On the other hand, lower revenue from Maldives was attributable to weaker US\$ against S\$ compared to 1Q10 which resulted in lower S\$ revenue being recorded in 1Q11 when the US\$ revenue were translated to S\$. In US\$ terms, revenue were higher by US\$0.8 million. Overall occupancy remained stable at 83% while ARR increased by 7% to US\$443 in 1Q11.

EBITDA was lower by S\$4.7 million from S\$25.7 million in 1Q10 to S\$21.0 million in 1Q11, mainly due to lower revenue.

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Property Sales segment

Property Sales segment revenue increased by S\$14.0 million or 81% from S\$17.3 million in 1Q10 to S\$31.3 million in 1Q11 largely due to divestment of a development site to China Fund. The higher revenue was partially offset by only 1 unit each of Laguna Village bungalow and Banyan Tree Phuket Double Pool villa being recognized in the current quarter, as opposed to revenue recognition for several units of Laguna Village townhomes/bungalow, Banyan Tree Phuket 2 bed Pool villa and Banyan Tree Bangkok suite in 1Q10.

There were 2 new units sold with deposits received in 1Q11 compared to deposits for 9 units in 1Q10, a decrease of 78% and 59% in units and value terms respectively.

EBITDA increased by S\$8.6 million from S\$6.7 million in 1Q10 to S\$15.3 million in 1Q11 mainly due to higher revenue as explained above.

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- Banyan Tree Hangzhou
- Banyan Tree Sanya

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- Banyan Tree Maldives Madivaru
- Banyan Tree Seychelles

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Fee-based segment

Fee-based segment revenue increased by S\$3.6 million or 19% from S\$19.6 million in 1Q10 to S\$23.2 million in 1Q11 largely due to higher fund management fees, higher hotel management fees and higher revenue from spa / gallery operations.

Higher fund management fees were mainly due to the final close of China Fund in January 2011 with a total fund size of S\$210 million. Higher hotel management fees and higher revenue from Spa and Gallery operations were due to contributions from new resorts in Banyan Tree Cabo Marques (opened in April 2010), Banyan Tree Club and Spa Seoul (opened in June 2010), and Banyan Tree Samui (opened in July 2010), coupled with spa/gallery products sales to upcoming new outlets at Marina Bay Sands and Banyan Tree Macau.

EBITDA increased by S\$0.1 million from S\$2.2 million in 1Q10 to S\$2.3 million in 1Q11, mainly due to higher revenue, but partially offset by higher operating expenses such as sales and marketing expenses, legal and professional fees, and exchange loss.

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- Banyan Tree Bangkok - Saffron Restaurant
- Banyan Tree Phuket - The Watercourt

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New Openings and New Management Contracts

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

- Banyan Tree Macau, China
- Banyan Tree Riverside, Shanghai, China
- Angsana Hangzhou, China
- Angsana Balaclava, Mauritius

Also, in the next 12 months, we expect to launch an estimated 11 spas under management.

We have also signed the following new hotel management contracts in the recent months:

- Banyan Tree Dali, Yunnan, China, located next to the scenic Erhai Lake and overlooking Cangshan Mountain in Dali, China.
- Angsana Hot Spring Tengchong, Yunnan, China, within the Tengchong Yumagu Hot Spring International Tourist Resort.

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- Angsana Fuxian Lake - Pool
- Angsana Velavaru

OUTLOOK

With the Thai political situation continuing to be uncertain pending its upcoming election and coupled with global events such as the weak European economy where a significant portion of our guest markets were from, turmoil in the Middle East and the triple disaster – earthquake, tsunami and nuclear crisis – in Japan, we expect Q2 and Q3 being low seasons of the year to remain challenging.

For our hotel operations, we experienced some slow down in the pick-up of rooms bookings in Thailand. Currently, the hotel's on-the-book ("OTB") rooms revenue (i.e., forward booking reservation) for hotels in Thailand on same store basis for 2Q11 is 11% below the same period last year. However, for hotels outside Thailand, OTB is 27% above and overall OTB is ahead by 15%.

Our property sales in Thailand are expected to remain slow given the negative sentiments towards the country as a result of the current political situation.

Sale of assets in Thailand

As part of the Group's on-going strategy to reduce the concentration of profit contribution from one country, we have signed an agreement to dispose of LRH's share of Laguna Beach Resort in Laguna Phuket for a consideration of S\$31.3 million (Baht 723.6 million) ("Sale") as announced in February 2011. The Sale was completed on 10 May 2011 and we expect to record a profit before tax of approximately S\$18 million from this Sale.

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- Banyan Tree Al Wadi - Gallery
- Banyan Tree Spa Shanghai

About Banyan Tree Holdings Limited

Banyan Tree Holdings Limited (“Banyan Tree” or the “Group”) is a leading manager and developer of premium resorts, hotels and spas in the Asia Pacific, with 29 resorts and hotels, 64 spas, 80 galleries and 3 golf courses. The Group manages and/or has ownership interests in niche resorts and hotels. The resorts each typically has between 50 and 100 rooms and commands room rates at the high end of each property’s particular market.

The Group’s primary business is the management, development and ownership of resorts and hotels. This is centred around two award-winning brands: Banyan Tree and Angsana. Banyan Tree also operates the leading integrated resort in Thailand – Laguna Phuket, through the Group’s subsidiary, Laguna Resorts & Hotels Public Company Limited.



BANYAN TREE

BANYAN TREE HOLDINGS LIMITED

(Company Registration Number: 200003108H)

211 Upper Bukit Timah Road Singapore 588182

Tel: (65) 6849-5888

Fax: (65) 6462-0186

Website: <http://www.banyantree.com>

www.banyantree.com