

BANYAN TREE HOLDINGS LIMITED

(Company Registration Number 200003108H)

PURCHASE OF ADDITIONAL SHARES IN BERUWELA WALK INN PLC

Banyan Tree Holdings Limited ("BTH/the Company") wishes to announce that the Company has purchased additional shares in Beruwela Walk Inn PLC ("BWI"), a subsidiary of BTH, amounting to an additional 13.85% shareholding interest in BWI (the "Purchase"). BWI is incorporated in Sri Lanka and has been delisted from the official list of Colombo Stock Exchange on 24 September 2014.

The Purchase was effected through a voluntary cash offer by BTH for all of the issued ordinary shares of BWI which were not already owned by BTH at an offer price of LKR120 per BWI share (approximately S\$1.15) ("Offer Price") paid entirely in cash ("Offer"). The Offer Price is at approximately 20% premium to the then-prevailing market price per BWI share of LKR100. The book value and the net tangible asset value of the BWI shares which are the subject of the Purchase is a negative net worth of LKR34,208,620 (approximately S\$328,403). BTH was notified of the completion of the transfers of the relevant BWI shares to BTH on 23 September 2014.

BWI owns a hotel located in Beruwala ("Property") which was destroyed by the tsunami that struck on 26 December 2004. BTH considered the privatisation of BWI to be the best option for BTH, as this will enable BTH to facilitate any new potential redevelopment of the Property.

Prior to the Offer, BTH owned a total of 718,634 shares in BWI (representing 79.85% of the issued share capital of BWI). Following the completion of the Offer, BTH now owns a total of 843,314 shares in BWI (representing 93.70% of the issued share capital of BWI).

The aggregate cost of the Purchase was LKR14,961,600 (approximately S\$143,631). The Purchase was entirely funded by BTH's internal resources.

The Purchase is not expected to have any material impact on the earnings per share and net tangible assets per share of BTH and its subsidiaries on a consolidated basis for the financial year ending 31 December 2014.

None of the directors or controlling shareholders of BTH has any interests (other than through their shareholdings in BTH) in the Purchase.

By Order of the Board

Jane Teah
Company Secretary
26 September 2014