

Report of Capital Increase Form
Laguna Resorts & Hotels Public Company Limited
Date 30 May 2007

We, Laguna Resorts & Hotels Public Company Limited (the **Company**), hereby report the resolutions of the Board of Directors' Meeting No. 3/2007 held on 30 May 2007 in the Ficus Room, 11th Floor, The Banyan Tree Bangkok hotel, Thai Wah Tower 2, No. 21/100, South Sathorn Road, Tungmahamek Sub-District, Sathorn District, Bangkok 10120, Thailand from 9.30 a.m. to 10.05 a.m. in relation to the increase of the registered capital and its allotment as follows:

1. Capital increase

The Board of Directors' Meeting resolved to increase the registered capital from Baht 846,701,430 to Baht 2,116,753,580 by issuing 127,005,215 ordinary shares with a par value of Baht 10 each, totalling Baht 1,270,052,150.

2. Allotment of new shares

The Board of Directors' Meeting approved the allotment of 127,005,215 ordinary shares at the par value of Baht 10 each, totalling Baht 1,270,052,150 according to the following details:

2.1 Details of allotment

Allotment	Number of Shares	Ratio (old:new)	Offering Price per Share (Baht)	Subscription and Payment period	Remark
To the existing shareholders by way of rights issue	127,005,215	1:1.5	10.00	The subscription and payment period for the new ordinary shares shall be from 16 to 20 July 2007 (both dates inclusive)	Please see 2.2 and 2.3

2.2 The Group Managing Director is authorised to determine the procedures and processes for the subscription and payment of the new ordinary shares including other necessary details of and actions for the offering so as to facilitate the entire process.

2.3 The Company's plan in the case where there are fractions of shares and shares remaining from the offering.

Any fraction of shares arising from the calculation will be disregarded. Any fraction of shares and shares remaining from the rights issue will not be re-allotted.

3. The date of the Extraordinary General Meeting to consider and approve the capital increase and allotment of new shares

The Extraordinary General Meeting No. 1/2007 will be held on 4 July 2007 at 10.00 a.m. in the Jamjuree Room, 11th Floor, The Banyan Tree Bangkok hotel, Thai Wah Tower 2, No. 21/100, South Sathorn Road, Tungmahamek Sub-District, Sathorn District, Bangkok 10120. The share register book will be closed from 12.00 p.m. on 14 June 2007 until the conclusion of the Shareholders' Meeting to determine the rights of the shareholders for attending the Extraordinary General Meeting No. 1/2007 and to determine the rights of the shareholders for the subscription of the new ordinary shares.

4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

None

5. Purpose of capital increase and the use of funds

The funds raised from the issue of the new ordinary shares are intended to be used in the expansion of the Company's business through investments in project(s) which meet the Company's investment criteria.

6. Benefits obtained by the Company

The Company will have funds available to enable it to undertake new opportunities for suitable projects which are expected to contribute to the overall profitability of the Company in the future.

7. Benefits obtained by the shareholders

7.1 Dividend policy

The present Company's dividend policy is as follows:-

The dividend policy of the Company is structured into 2 components:

- (a) a fixed component amounting to one-third of net earnings for the year attributable to its shareholders; and
- (b) a variable component subject to the Board of Directors' discretion on the availability of cash after taking into account major capital expenditure and debt repayment obligations in the following year.

7.2 The subscribers of new shares for the capital increase will be entitled to receive any future dividends from 2007, if dividends are declared.

8. Other details necessary for shareholders to approve the capital increase and allotment of new shares

None

9. Schedule of action for the capital increase and allotment of new shares

- 9.1 Share register book will be closed from 14 June 2007 at 12.00 p.m. until the conclusion of the Shareholders' Meeting to determine the rights of the shareholders for attending the Extraordinary General Meeting No. 1/2007 and to determine the rights of the shareholders for the subscription of the new ordinary shares.
- 9.2 The Shareholders' Meeting will be held on 4 July 2007 at 10.00 a.m. to consider and approve the capital increase and other relevant matters.

We hereby certify that the above information is true and complete.

Signed by

(Ms. Sirivan Skulkerevathana)
Director