

February 26, 2008

Subject: Dividend Payment and the 2008 Annual General Meeting (“AGM”)

**To: President
The Stock Exchange of Thailand**

**Enclosures 1. Board of Directors as at February 26, 2008
2. New Charter of Remuneration Committee
3. Remuneration Policy of the Company**

The Board of Directors' Meeting of Laguna Resorts & Hotels Public Company Limited (“the Company”) No. 1/2008 held on February 26, 2008 resolved the followings:-

1. Agreed to propose in the AGM to acknowledge the business operations of the Company for the year 2007.
2. Agreed to propose in the AGM to approve the Company's audited balance sheet as at December 31, 2007 and income statement for the year ended December 31, 2007 with the auditor's report thereon.
3. Agreed to propose in the AGM to appropriate the retained earnings for the year ended December 31, 2007 as follows:
 - a. Legal reserve at 5% of the Company's net profit for the year 2007 amounting Baht 34,677,129
 - b. Dividend payment to shareholders whose names appear on the Company's share register book on the closing date of May 6, 2008 at 1200 hrs. in the amount of Baht 2.80 per share for 166,682,701 shares, totaling Baht 466,711,562.80
 - c. Unappropriated retained earnings to be carried forward.

Dividend payment will be made on May 23, 2008.

4. Acknowledged the resignation of Mr. Kuan Chiet, Mr. Niyom Tassaneetipagorn, Ms. Sirivan Skulkerevathana and Ms. Nanchalee Kecharananta from their directorships with effect from February 26, 2008 after the Board of Directors' Meeting No. 1/2008 and approved no replacement for the vacancy in order for the Company to comply with Good Corporate Governance guidelines which provide that the number of independent directors should be at least one-third of total Board members. The Board will therefore, consists of 12 directors as per details in enclosure 1.
5. Approved the amendment to the directors' scope of authority to be read

"Mr. Ho KwonPing, Mr. Ho KwonCjan, Mr. Surapon Supratya, Mr. Ariel P Vera, Mr. Michael Ramon Ayling, Mr. Bernold O. Schroeder and Mr. Stuart David Reading, two of these seven directors can jointly sign with the Company's seal affixed"
6. Agreed to propose in the AGM to re-elect all 4 directors (namely Mr. Ho KwonCjan, Mr. Vudhiphol Suriyabhivadh, Mr. Bernold Olaf Shroeder and Mr. Stuart David Reading) who are due to retire for another term of their directorships.
7. Based on the resolution of the Extraordinary General Meeting no. 1/2006 held on July 20, 2006, the approved Directors' remuneration budget amounts to a total not exceeding Baht 5.0 million per year. The approved budget includes remuneration for Independent Directors of the Board and Independent Directors who serve on the Audit and Risk Committee and Remuneration Committee. The Board agreed to propose in the forthcoming AGM to increase the Directors' remuneration budget from a total not exceeding Baht 5.0 million per year to a total not exceeding Baht 9.4 million per year. The proposed remuneration budget includes remuneration for all Directors of the Board and all Directors who serve on the Audit and Risk Committee and Remuneration Committee."
8. Agreed to propose in the AGM to appoint Ernst & Young Office Limited represented by Ms. Rungnapa Lertsuwankul, C.P.A. No. 3516 and/or Mr. Sophon Permsirivallop C.P.A. No. 3182 and/or Ms. Sumalee Reewarabandith, C.P.A. No. 3970 of Ernst & Young Office Limited to be the Company's auditor for the year 2008 at the audit fees not exceeding Baht 790,000 per year.
9. Agreed to propose in the AGM to certify the minutes of the Extraordinary General Meeting No. 1/2007.

10. Approved for the AGM to be held at 1400 hrs. on Thursday, April 24, 2008 in Persimmon room on the 11th Floor of the Banyan Tree Bangkok located at No. 21/100, Thai Wah Tower II, South Sathorn Road, Tungmahamek Sub-district, Sathorn District, Bangkok 10120, Thailand.
11. Approved for the Company's share register book, for determining the right of shareholders who are eligible to attend the Company's AGM, to be closed for a period commencing 1200 hrs. on April 3, 2008 to the adjournment of the AGM. Also approved for the Company's share register book, for determining the right of shareholders who are eligible to receive dividend, to be closed for a period commencing 1200 hrs. on May 6, 2008.
12. Approved the following agenda for the AGM:
 - (1) To consider and certify the minutes of the Extraordinary General Meeting No. 1/2007
 - (2) To consider and acknowledge the business operations of the Company for the year 2007
 - (3) To consider and approve the Company's audited balance sheet as at December 31, 2007 and income statement for the year ended December 31, 2007 with the auditor's report thereon
 - (4) To consider and approve the payment of dividend
 - (5) To consider and approve matters relating to directorships of the Company
 - (5.1) Election of new directors to succeed those who will be retiring on completion of their terms
 - (5.2) Remuneration for the directors of the Board and directors who are members of the Audit and Risk Committee and Remuneration Committee
 - (6) To consider and approve the appointment of an auditor and determination of its remuneration for the year 2008
 - (7) To consider any other appropriate businesses, if any
13. Approved new charter of the Remuneration Committee as per details in enclosure 2.
14. Approved the Remuneration Policy of the Company as per details in enclosure 3.

Please be informed accordingly.

Sincerely yours,

(Ms. Sirivan Skulkerevathana)
Senior Assistant Vice President - Finance

Enclosure No. 1

Laguna Resorts & Hotels Public Company Limited

Board of Directors as at February 26, 2008

Name	Position
1. Mr. Ho KwonPing	Chairman and Remuneration Committee Chairman
2. Mr. Surapon Supratya	Director
3. Mr. Michael R. Ayling	Director
4. Mr. Ho KwonCjan	Director
5. Mr. Vudhiphol Suriyabhivadh	Independent Director and Audit and Risk Committee Chairman
6. Mr. Udom Vichayabhai	Independent Director, Audit and Risk Committee Member and Remuneration Committee Member
7. Dr. Jingjai Hanchanlash	Independent Director, Audit and Risk Committee Member and Remuneration Committee Member
8. Mr. Satit Rungkasiri	Independent Director
9. Mr. Steven M. Small	Director
10. Mr. Ariel P Vera	Director
11. Mr. Bernold O. Schroeder	Director
12. Mr. Stuart D. Reading	Director

Enclosure No. 2

Remuneration Committee Charter of Laguna Resorts & Hotels Public Company Limited

1. Elements and Qualifications

The Remuneration Committee shall be appointed by the Company's Board of Directors consisting of at least 3 members comprising of one Chairman and at least 2 other Committee Members, two of whom shall be independent directors of the Board of Directors. In addition, the Remuneration Committee shall appoint an appropriate person to be the secretary to the Remuneration Committee.

2. Term of Office

The term of office of a member of the Remuneration Committee shall be two years. A member of the Remuneration Committee who vacates his/her office by rotation may be re-appointed.

In the case of any vacancy occurring in the Remuneration Committee otherwise than by rotation, the Board of Directors of the Company shall appoint a qualified person to be a Committee Member in order that the Remuneration Committee reaches the full number stipulated by the Board of Directors of the Company. The person replacing a Committee Member shall remain in office for the period of time which the Committee Member whom he/she replaces, is entitled.

3. Objectives

- 3.1 To formulate and align HR policies and programs for senior management to business goals and market practices.
- 3.2 To attract and retain the right people for senior management positions in the Company.
- 3.3 To ensure that the Company's senior management remuneration and benefit package remain competitive with the industry's benchmark.

4. Scope of Work

- 4.1 To propose guidelines and make broad recommendations for the annual salary increment and bonus policies for the Company.

- 4.2 To review and if necessary, propose changes to the remuneration of the Company's directors serving on the Board of Directors, Audit Committee and Remuneration Committee.
- 4.3 To review and if necessary, propose changes or additions to senior management welfare, benefit, salary and bonus policies (such as employee stock options and other employee welfare allowances, subsidies and schemes).
- 4.4 To review the Remuneration Committee charter at least once a year and recommend modifications to the Board of Directors as needed.
- 4.5 To report to the Board of Directors on the Remuneration Committee's activities and findings.

The emolument of individual employees shall be determined by the management of the company.

5. Authority of the Remuneration Committee

To assist the Remuneration Committee in achieving its objectives, the Remuneration Committee shall have the discretion to appoint appropriate third party consultants to review existing employee related policies, propose new employee benefit and welfare programs and/or undertake other HR related research and studies.

6. Duties of the Secretary to the Remuneration Committee

- 6.1 To organize Remuneration Committee meetings and prepare all necessary documentations for each meeting.
 - 6.2 To prepare the minutes of the Remuneration Committee meetings and to ensure that the same correctly meets the standards.
 - 6.3 To coordinate with the various working sections and/or consultants of the Company for the purpose of providing relevant information to the Remuneration Committee.
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Enclosure No. 3

REMUNERATION POLICY

Employees' Remuneration

The Group's remuneration policy is built on a transparent appraisal system and formulated to drive performance of its employees, who are its most important asset. The objective of the Group's remuneration policy is to attract, motivate, reward and retain quality staff. The typical compensation package for employees comprises basic salary, variable performance bonus, allowances, as well as benefits. In determining the composition of the package, the nature of the role performed and market practice are taken into consideration. To ensure that its remuneration package is competitive with the industry's benchmark, the Group periodically reviews its base salary ranges and benefits package with comparative groups in the hospitality sector.

The remuneration for the Group's senior management and senior executives aims to motivate them to achieve the Group's annual and long-term goals to ensure that they are aligned with shareholders' interests. Performance-related elements therefore form a part of senior management and senior executives' total remuneration.

The Group's approach to rewarding employees not only helps to attract, retain and motivate talented employees but also fosters a performance-oriented culture across the organization that will help attain the Group's financial objectives.

Directors' Remuneration

The fees for Independent Directors, Non-Executive Directors and Executive Directors reflect the scope and extent of a director's responsibilities and obligations. They are measured against industry benchmarks and are competitive. Directors' fees are subject to shareholders' approval at the AGM. In addition to directors' fees, Independent Directors also receive compensation in kind in terms of goods and services provided at hotels operated by the Group.

On the recommendation of the Remuneration Committee, the Board has decided to propose to Shareholders at the forthcoming AGM to approve the increase in directors' remuneration budget from THB 5.0 million to THB 9.4 million for the year 2008. The significant increase is largely attributed to the reinstatement of director fees and committee chairperson fees for Executive and Non-Executive Directors which were suspended in 2006 and 2007.

Remuneration paid to directors of the Board and management in 2007 is disclosed in the Company's 2007 annual report under the section "Remuneration & Other Benefits of the Directors and Shareholdings of Directors and Executives" and "Management Remuneration".