

February 27, 2007

Subject Change in Accounting Treatment for Investments in Subsidiary and
Associates for Separate Financial Statements

Attention: The President
The Stock Exchange of Thailand

Laguna Resorts & Hotels Public Company Limited "the Company", hereby announces that the Company has adopted a change in accounting treatment of the Company's investment in subsidiary and associates from the current "Equity Method" to "Cost Method" for its separate financial statements only. The change, which requires retroactive adjustments, will be implemented beginning January 1, 2007 in order to be in accordance with the announcement no. 26/2549 of The Federation of Accounting Professions on Accounting Standard no. 44: Consolidated Financial Statements and Accounting Treatment for Investment in Subsidiary.

This accounting treatment change will not affect the Company's consolidated financial statements, which will be using the equity method.

Please be informed accordingly.

Yours sincerely,

Laguna Resorts & Hotels Public Company Limited

(Mr. Stuart D. Reading)
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