

8 Capital Structure

8.1 Securities of the Company

- The Company has a registered and fully paid-up capital of Baht 846,701,430 divided into 84,670,143 ordinary shares at Baht 10 each.
- The Company has no shares of which the rights and conditions are different from the ordinary shares.
- The Company is participating in the Thai Trust Fund Scheme and has consented to the Thai Trust Fund's investment in and holding of the Company's shares in the amount not exceeding 20% of the total issued and paid-up shares of the Company.

As of the latest share register book closing on 30th December 2005, the total shares held by Thai Trust Funds and Thai NVDR Company Limited in the Company's shares are 4,987,866 shares or 5.89% and 490,108 shares or 0.58% of the total issued and paid-up shares of the Company respectively. Pursuant to the provisions of the prospectus of Thai Trust Fund and Thai NVDR Company Limited ("NVDR" = Non-Voting Depository Receipt), they will not attend nor vote in any meeting of shareholders meeting of LRH other than delisting. Then the shares held by Thai Trust Fund and Thai NVDR Company Limited will not be considered for quorum and voting in shareholders' meeting except when LRH wishes to delist its shares from the Stock Exchange of Thailand.

- The Company has not issued any debentures, notes, convertible securities, debt instruments, etc.
- There are no shareholding agreements among the major shareholders, to which the Company is a party, which has an effect on the issue and offer for sale of securities or business operations of the Company.

8.2 Shareholders

Major shareholders as at the last share register book closing on 30th December 2005 [#]

No.	Shareholders	No. of Shareholdings	Total Shareholdings	%
1	Banyan Tree Holdings Pte Ltd Group of Companies		40,969,165	48.39
	(1) Banyan Tree Holdings Pte Ltd	38,230,149		
	(2) Banyan Tree Resorts & Spas (Thailand) Company Limited *	2,317,911		
	(3) Kim Eng Ong Asia Securities (Pte) Ltd **	421,105		
2	Thai Wah Public Company Limited		29,447,324	34.78
3	Thai Trust Funds ***		4,987,866	5.89
4	Goldman Sachs & Co		1,201,500	1.42
5	Mr. Suvit Laohapholwattana		1,000,000	1.18
6	Gerlach & Co-Dimensional Emerging Markets Value Fund, Inc.		545,800	0.64
7	Dusit Thani Public Company Limited		500,000	0.59
8	Thai NVDR Company Limited		490,108	0.58
	Other Minority Shareholders		5,528,380	6.53
	Total		84,670,143	100.00

Note

= Update shareholder information prior to the 2006 Annual General Meeting can be accessed through www.lagunaresorts.com, the Company's corporate website.

* = A company which is under the control of Banyan Tree Holdings Pte Ltd

** = Broker of Banyan Tree Holdings Pte Ltd and its Group of Companies

*** = Banyan Tree Holdings Pte Ltd holds 2,870,106 units in Thai Trust Funds

8.3 Dividend policy of the Company

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

- a fixed component amounting to one third of net earnings for the year attributable to its shareholders; and
- 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.

8.4 8.4 Dividend policy of the subsidiaries

- There is no dividend policy.