

No.L041/2009

November 20, 2009

Subject: Report on Court Case

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

Laguna Resorts & Hotels Public Company Limited (the **Company**) would like to inform that on 8 October 2009, a case has been filed against the Company's subsidiaries, namely Laguna Grande Limited, Bangtao Development Limited, Bangtao (1) Limited and Bangtao (2) Limited, being the 1st to 4th defendants respectively, and former and current directors of those subsidiaries, being the 5th to 14th defendants, totaling 14 defendants, at Phuket Provincial Court with Entry Case No. PhorBor. 2290/2552 by Mrs. Nit Prateeprasein and others totaling 10 plaintiffs. The plaintiffs claimed that the 1st to 4th defendants jointly developed a condominium project called "Allamanda (1)" and breached the Condominium Sale and Purchase Agreement (the **Agreement**) with the 1st to 9th plaintiffs, purchasers of units at the Allamanda (1), by failing to completely deliver the common area as specified in the Agreement. The plaintiffs also claimed that the defendants have wrongfully used land (i.e. the parking area and the main entry of the condominium building), which must be registered as the common area for their interests, without consent from the owners of the condominium to construct the building for restaurants, shops and conference rooms for hotel business of Laguna group companies. Therefore, the plaintiffs requested the defendants to completely deliver the common area as specified by the Agreement by transfer of the land totaling 10 rais 3 ngans 97.1 square wahs to Allamanda (1) Juristic Person, as the 10th plaintiff, or to be jointly liable for the compensation of Baht 131,913,000 in case the transfer of land cannot be made. The plaintiffs also requested for additional compensation for the use of land which the plaintiffs considered that it must be registered as the common area in the amount of Baht 55,685,895. The total claims of this case is Baht 187,598,895 with interest of 7.5 percent per annum commencing from the date on which the action has been filed to the date on which the amount in dispute has been settled plus the court's fees and the lawyer fees. The plaintiffs also claimed that the former and current directors of those subsidiaries as the 5th to 14th defendants were the representatives of the subsidiaries being the 1st to 4th defendants, and therefore must also be jointly liable with those subsidiaries.

The court summons and a copy of a plaint were delivered to the defendants by way of posting on 19 and 25 October 2009. The Company would like to inform you that the Company's subsidiaries and directors being charged in this case have not wrongfully performed in accordance with the complaint at all. Therefore, the Company's lawyer has been appointed to submit a statement of defense and to vigorously defend the case in court.

Please be informed accordingly.

Sincerely yours,

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