

Translation

No. CSO 039/2010

August 10, 2010

Subject: Notification on the Assets Acquisition from Laguna Resorts and Hotels Public Company Limited

To: Directors and Managers of the Stock Exchange of Thailand

As Laguna Resorts and Hotels Public Company Limited (“LRH”) expressed an intention to sell its hotel property Dusit Thani Laguna Phuket via a formal tender process, Dusit Thani Public Company Limited (“the Company”) has decided to participate in the said tender. Given the fact that the hotel property has successfully been managed by the Company for more than 23 years and has eventually become well known in the global markets, the Company strongly believes that, in light of the high potential for tourism of Phuket, this hotel property will help sustain our growth and strengthen our brand network in the southern part of Thailand as proven by the hotel’s financial historical records.

After the first bidding process on July 7, 2010, the Company was selected one of the finalists and therefore proceeded to negotiate in further details with Laguna Resorts and Hotels Public Company Limited to elaborate the final proposal.

On August 5, 2010, the Company has presented the detailed information on price, terms and conditions of the final proposal to the Company’s Audit Committee for consideration. The proposal was later approved from the Board of Directors Meeting, No. 4/2010, held on August 5, 2010, with the resolution to submit the proposal for purchasing the hotel property including its inventories and operating supplies in value of Bt 2,620 million. However, the Company shall bear the burden of the expenses and tax incurred by the transfer of the ownership which is approximately Bt 96 million including the employee transfer (for those who wish to continue their employment with the Company). In total, this investment transaction is worth Bt 2,716 million. The Company has a plan to integrate such property into the property fund of which one-third is invested by the Company. However, the Company has to borrow a short-term loan from financial institutions during the establishment of the property fund.

The Company was, on August 10, 2010, informed of the tender result from Laguna Resorts and Hotels Public Company Limited which the Company won the bidding and was thus entitled to purchase Dusit Thani Laguna Phuket in accordance with the previously proposed price and stipulated terms and conditions.

Such transaction is considered the assets acquisition with the transaction size of 49.47 per cent of the Company’s total asset as of March 31, 2010 according to the Notification of the Stock Exchange of Thailand concerning Disclosure of Information or Acts of Listed Companies. The Company has consequently made the information disclosure document (Type 1) as attached with this notification letter.

Please be informed.

Yours faithfully,

Mrs. Sinee Thienprasiddhi

Company Secretary

Translation
August 11, 2010 (Added)

Detail of the Assets Acquisition from Laguna Resorts and Hotels Public Company Limited

The Board of Directors Meeting of Dusit Thani Public Company Limited (“the Company”) No. 4/2010 held on August 5, 2010 has approved the purchase of Dusit Thani Laguna Resort Phuket from Laguna Resorts and Hotels Public Company Limited, Phuket Resort Development Co., Ltd. and Laguna Grand Co., Ltd. which consist of land area of 33 Rai, 2 Ngan and 83.2 Square Wah and 12 buildings.

1. **Date of transactions:** An agreement is to be signed on August 10, 2010. The expected date of transfer of ownership will be within November 2010 or no later than December 2010.
2. **The Parties involved and relationships**
 - **Purchaser :** Dusit Thani Public Company Limited
 - **Seller :** Laguna Resorts and Hotels Public Company Limited, Phuket Resort Development Co., Ltd. and Laguna Grand Co., Ltd.
 - **Relationships with Listed Company:** The Company is connected to Laguna Resorts and Hotels Public Company Limited as a shareholder with the shareholding ratio accounting for 0.75 per cent of the total shares according to the report of the Stock Exchange of Thailand dated May 10, 2010. The Company possesses no authorization to control and is merely to provide the hotel operation service which shall receive the management fee in return.
3. **The general characteristics of the transactions**
 - **Transaction Category:** Such asset acquisition transaction is concerned with the Acquisition and Disposition of Assets according to Notification of the Capital Market Supervisory Board No.TorChor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets which mentioned by the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004).
 - **Calculation of assets size:** the Company’s total assets which, as of March 31, 2010, is Bt 5,491,177,000.

$$\frac{\text{Total value of acquired assets}}{\text{The Company's total assets}} = \frac{2,716,000,000}{5,491,177,000} = 49.47\%$$

Therefore, the transaction equals to 49.47 per cent of the Company’s total assets which is more than 15 per cent but less than 50 per cent of the Company’s total assets and is consequently classified as item 2 according to Notification of the Stock Exchange of Thailand, Disclosure of Information or Acts of Listed Companies.

- **Transaction Characteristics:** The Company has an intention to purchase the assets which consist of 12 buildings as prescribed in the section 4.
4. **The details of acquisitioned assets:** Land and buildings are located at Srisoontorn Road, Cherngtalay District, Amphur Talang, Phuket, which consist of the followings:

1. 6 parcels of land consist of land Title Deed no. 5917, 11956, 5971 in partial, 42109 and 2 parcels of land which will be partly derived from Title Deed no. 42110. The total land area is 33 Rai 2 Ngan and 83.2 Square Wah as indicated on the Title Deeds. However, the Company has to acknowledge that the actual areas may be less than the indicated area due to the beach erosion on part of the land Title Deed no. 5917 and 42109.

Moreover, some parts of the land will be registered the servitude to Laguna Resorts and Hotels Public Company Limited and Phuket Resort Development Co., Ltd. The total area is 488.25 Square Wah, of which 99.75 Square Wah is a walk way, 67.50 Square Wah is vehicle road and 321 Square Wah is the underground infrastructure system respectively.

2. 12 Buildings include:

- A 3-storey hotel building with 226 hotel rooms and 6 restaurants
- 1 building of Italian restaurant
- 2 buildings of meeting and function rooms
- 1 building of Thai restaurant
- 2 buildings of souvenirs shops
- 3 recreational buildings and swimming pool
- 2 buildings of spa and treatment rooms
- Tennis courts

5. **The total value of the acquired assets:** The total value of the acquired assets is Bt 2,620,000,000. The payment scheme is as follows:
 - The first payment: 10 per cent of the total value or Bt 262,000,000 shall be made within 5 days as from the agreement signing date;
 - The second payment: 89 per cent of the total value or Bt 2,331,800,000 shall be made in September 30, 2010;
 - The last 1 per cent of the total value or Bt 26,200,000 payment shall be made on the transfer date or completion date which is expected to be within November 2010 or no later than December 2010.

Moreover, the Company shall bear the burden of the expenses and tax incurred by the transfer of the ownership which is approximately Bt 96,000,000.

6. **The basis used to determine the value of returns:** The valuation is calculated based on the Discounted Cash Flow of the Assets which shall not exceed 10 per cent of the estimated values appraised by American Appraisal (Thailand) Co., Ltd. , an independent appraiser approved from Thai Valuer Association (TVA), The Valuers Association of Thailand (VAT) and The Securities and Exchange Commission (SEC). This is exclusive of the expenses and tax incurred by the transfer of the ownership.
7. **The benefit expected to be received from the transactions:** To maintain Dusit's hotel group position in Phuket, the province with a high potential for tourism industry as well as to expand the Company's business to ensure the better performance in the future.
8. **The sources of funds and repayment:** The Company has intention to inject such assets into its property fund. However, the deposit payment for the acquired assets will initially be from a short-term loan from bank during the property fund establishment period. In the event that the Company is unable to successfully set up the property fund, the Company shall consider borrowing a long-term loan from the bank and/or issuing debentures.

- 9. Conditions for entering into a transaction:** As being classified item 2 in accordance with the Notification of the Stock Exchange of Thailand, Disclosure of Information or Acts of Listed Companies B.E. 2547 (2004) concerning the Acquisition and Disposition of Assets, such transaction shall be notified to the Stock Exchange of Thailand and its details shall be informed to the shareholders within 21 days as from the first date that the transaction is disclosed to the Stock Exchange of Thailand.
- 10. The opinion of the board of directors concerning a decision to enter into a transaction:** The Company's board of directors and Audit Committee has considered and agreed to invest in such assets since the hotel is located in Phuket, a province with the high potential for tourism industry. In addition the hotel has a long historical record of high performance. The Management has a strong confidence in the hotel's future prosperity which will help the Company in expanding its business. Therefore, the Company's board of directors has unanimously approved the purchase of such assets in all respects.
- 11. The opinion of the audit committee and/or the board of directors disagreeing with the opinion stated in section 10:** none