

9 November 2015

Re. : The establishment of REIT by Subsidiary
Attn. : Director and Manager
The Stock Exchange of Thailand

Following the meeting of the Board of Directors No. 8/2558 of Land and Houses Public Company Limited (the “**Company**”) held on 9 November 2015, the Company would like to inform the key resolutions as follows:

Acknowledged the establishment of LH Hotel Leasehold Real Estate Investment Trust (the “**REIT**”), to invest in the leasehold right of immovable assets and ownership of movable assets of the Grande Centre Point Hotel Terminal 21, currently owned by L&H Property Company Limited, a subsidiary in which the Company holds 60 per cent of the total share capital, having the sales value of not exceeding Baht 4,010 million. At present, it is in the process of establishment and obtaining an approval from the Office of the Securities and Exchange Commission (SEC) in respect of the REIT and it is expected that the REIT will be successfully established within December 2015.

In this connection, Pacific Real Estate Company Limited, a subsidiary in which the Company holds 99.99 per cent of the total share capital, shall invest in 9 per cent of the total trust units of the REIT to be offered in this offering.

The above transaction is considered as an acquisition and a disposition of assets pursuant to the Major Transaction Rules. However, when considering the size of the transactions pursuant to each calculation method prescribed under the Major Transaction Rules and based on the reviewed financial statements of the Company as of 30 June 2015, the lease by L&H Property Company Limited of its assets to the REIT will have a transaction size equalling 4.44 per cent of the total assets which is of the highest value when calculated based on the total consideration paid and when also considering all disposition transactions entered into by the Company and its subsidiaries during the past six months prior to the date of this transaction, the total size of all such disposition transactions is lower than 15 per cent. Therefore, the Company is neither required to prepare and disclose the information memorandum regarding the acquisition and disposition of the assets to the SET, nor to obtain an approval from its shareholders.

Yours sincerely,

Mr. Adisorn Thananan-narapool
Managing Director