

26 December 2004

Dear Partners,

Owing to the earthquake off the west coast of Northern Sumatra there has been associated tidal surges around 10am Island Time. The tide rose quickly, covering the beaches, but stopped short of the main guest areas and immediately receded. Both Huvafen Fushi and Dhoni Mighili experienced only minimal damages and please find a full update below, with photos of several areas that were taken few hours after this incident:

Huvafen Fushi

We have been monitoring the situation and would like to reassure you that all our in-house guests and team are safe and well. We are fortunate not to have had any casualties. There was minor damage to some areas of the resort. The main areas which were affected were the beach and the gym jetty. The beach cleaning operation is currently underway and we are endeavouring to repair the gym jetty as soon as possible.



Celsius Restaurant



Huvafen Fushi – Arrival Jetty

The remaining public areas including the world's first underwater spa, all three restaurants, pool and bar were unaffected and the resort is operating as normal.



Huvafen Fushi – Aquum Spa



Huvafen Fushi – Arrival Jetty and Spa in the distance.



Huvafen Fushi – Beach in front of Beach Bungalows

Guest rooms were not affected, apart from five water bungalows which experienced damage to the lower decks and are currently under repair. Please note that the room interiors were not affected.



Water Bungalow Walkway

All of the guests are in good spirits and are very much enjoying their stay with us, using the resort's many facilities, including UMbar, the pool, the restaurants and the spa.



UMbar



Huvafen Fushi – Lonu Veyo, Salt Water Floatation Pool

While we are taking precautionary measures, we continue to welcome guests. We will, of course, be monitoring the situation and will update you on any major developments.

Dhoni Mighili

Dhoni Mighili escaped the worst of the high tides which occurred around 10am this morning. Although the water did cover the beaches, it did not enter the Beach Bungalows, the spa, restaurant, bar or any other public area. The Dhonis were not affected by the situation and each Dhoni is fully operational.



Dhoni Mighili – looking at arrival jetty

Once the water receded, the team immediately arranged a beach cleaning operation and the beaches are now clear of all driftwood. There has been very minimal disruption to guests and Dhoni Mighili is operating as normal.



Dhoni Mighili – Beach in front of Beach Bungalows



Dhoni Mighili – Dhonis in the lagoon.



We would like to take this opportunity to thank you for your continued support over this past year. We are looking forward to welcoming your guests the rest of the year and in the New Year. We understand that you might have further queries, in which case please don't hesitate to contact me, Nick or Asma as below. Regular updates will be sent over the next few days.

Our contact details are as follows:

Nick Downing – Resort Manager

nick@huvafenfushi.com

Tel: +960 784 300

Asma Rasheed – Director of Business Development

asma@peraquum.com

Mob: +960 782 169

Stacey Dean – Public Relations Manager

stacey@peraquum.com

Mob: +960 792048

Kind regards

Stacey Dean

Public Relations Manager