

AFF015/2006

May 15, 2006

Re: Notification of the Resolutions of the Board of Directors' Meeting No. 2/2006
C.P. Seven Eleven Public Company Limited

To: The President
The Stock Exchange of Thailand

The Board of Directors' Meeting of C.P. Seven Eleven Public Company Limited (the Company) has resolved in the meeting No.2/2006 held on May 15, 2006, 2:00-5:00 pm at the True Tower Board Room, 34/F, Ratchadapisek Road, Huai Khwang, Bangkok and the significant resolutions are as follows:

1. Approved the capital increase of Thai Smart Card Co.,Ltd. (TSC) which the Company holds shares of 37.24 percent. The capital will be increased from Baht 395 million to Baht 800 million for investment in equipment and working capital requirement. The Board of Directors also approved to buy shares under its own proportion of 15,082,000 shares and buy more shares beyond its own right of not more than 19,035,000 shares at Baht 10 per share in case that other shareholders do not intend to inject capital to TSC.
2. Approved for interim financial statement for the period ended March 31, 2006.
3. Approved C.P. Retailing and Marketing Co.,Ltd. (CPRAM) which is the Company's wholly owned subsidiary to engage K.S.P. Equipment Co.,Ltd. (K.S.P.) considered as a connected person to be a contractor refurbishing the office building (Pilot Plant), constructing dried warehouse and walk way of frozen food factory located at Ladlumkaew, Patumthani. Transaction size is Baht 15.50 million and the details appeared in Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transaction enclosed herewith.
4. Approved the compensation of Shanghai Lotus Supermarket Chain Store Co.,Ltd. (SLS), the Company's subsidiary in obtaining financial assistance from Charoen Pokphand Group Co.,Ltd. (CPG) considered as a connected person. Transaction size is approximate Baht 40 million per annum and the details appeared in Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transaction enclosed herewith.

Please be informed accordingly.

Sincerely yours,

(Mr. Kriengchai Boonpoapichart)
Head of Finance and Investor Relations
Authorized to sign on behalf of the Company

C.P. Seven Eleven Public Company Limited
Disclosure on the connected transaction regarding engaging of a contractor for refurbishing the office building and constructing dried warehouse and walk way

The Board of Director Meeting of C.P. Seven Eleven Public Company Limited (“the Company”) has resolved in the meeting No.2/2006 held on May 15, 2006 that C.P. Retailing and Marketing Company Limited (CPRAM) agreed to engage K.S.P. Equipment Company Limited (K.S.P.) as a contractor for PILOT PLANT (refurbishing the office building), dried warehouse and walk way of frozen food factory located at Ladlumkaew, Patumthani. The Company, therefore, would like to disclose information of the connected transaction as follows:

Date of transaction:	May 2006
Related parties:	
CPRAM:	The Company’s subsidiary
Contractor:	K.S.P.
Engagement Term:	May 2006 – July 2006
Size of transaction:	Baht 15,500,000 (including VAT)
Relationship with the Company:	Major shareholder of K.S.P. is Charoen Pokphand Group Company Limited (indirect shareholding via Kasetphand Industry Company Limited or 99.74 percent) in which K.S.P. and the Company have a major shareholder and chairman as the same person who is Mr. Dhanin Chearavanont.
Details of transaction:	<p>CPRAM, a manufacturer and seller of frozen food and bakery, would like to engage in a contractor agreement to refurbish office building, construct dried warehouse and walk way. The selection processes of a contractor are summarized as follows:</p> <ol style="list-style-type: none">1. CPRAM contacted contractors to enter bidding through E-Auction. Four contractors were qualified and willing to enter bidding.2. After details checking and price proposal, CPRAM considered that K.S.P. was the most suitable contractor according to the completion of construction plan and offered the lowest price.
Entering connected transactions:	Such act is considered as a connected transaction of a listed company according to the SET “Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions”. Value of

transaction is greater than 0.03% (or Baht 2.484 million) but not more than 3% of NTA (or Baht 248.407 million) as at the Company's latest financial statement March 31, 2006. Entering such connected transaction must seek for the Board of Directors' approval. The Board of Directors' resolution has to be disclosed and publicized according to the SET disclosure requirement.

Opinion of audit committee: The audit committee agreed that entering into the connected transaction of CPRAM and K.S.P. in constructing PILOT PLANT, dried warehouse and walk way of frozen food factory located at Ladlumkaew, Patumthani was reasonable and for the best benefit to the Company.

Opinion of the Board of Directors: The Board of Directors agreed that the connected transaction of CPRAM and K.S.P. in constructing PILOT PLANT, dried warehouse and walk way of frozen food factory located at Ladlumkaew, Patumthani was reasonable and for the best benefit to the Company.

The meeting was conducted with thorough consideration for the best benefit to the Company as if the act was a non-related transaction. In this meeting agenda, the directors who have interest are 1. Mr. Dhanin Chearavanont 2. Mr. Soopakij Chearavanont 3. Mr. Narong Chearavanont not attending and participating the vote.

(Mr. Kriengchai Boonpoapichart)
Head of Finance and Investor Relations
Authorized to sign on behalf of the Company

C.P.Seven Eleven Public Company Limited
Disclosure of Connected Transaction Regarding the Receipt of Financial Assistance of
Subsidiary Company

The Board of Directors' meeting of C.P. Seven Eleven Plc. (CP7-11) No. 2/2006, held on May 15, 2006 has resolved in the meeting regarding compensation of Shanghai Lotus Supermarket Chain Store (SLS) obtaining financial assistance from Charoen Pokphand Group Co.,Ltd. (CPG) on the following details:

1. Transaction Date

In the middle of 2006 towards the middle of 2007

2. Parties Involved

Offer financial assistance : CPG

Receive financial assistance : SLS (a subsidiary of CP7-11)

3. General Characteristics of the Transaction

SLS operates the supercenter business in the PRC and requires funding for store expansion and working capital in the year of 2006 - 2007 amounting to USD 70 million. Thus, SLS requires financial assistance for such amount. CPG as an indirect shareholder of SLS holding shares of 46% (via Chia Tai Distribution Investment Co., Ltd.) and excluding shares holding via CP7-11 intends to offer a financial assistance to SLS at a greater proportion than CPG's own interest in SLS. The financial assistance is approximately 70% of the above amount.

4. Value of Compensation

Letter of guarantee fees and/or other compensation are calculated based on financial institution interest rate and normal business undertaking. The total value of compensation is approximate Baht 40 million per annum (subject to change in interest rate).

5. Relationship with Listed Company

CP7-11, a major shareholder (as defined by the SET regulations) is CPG which Mr. Dhanin Chearavanont and his related parties are major shareholders. In addition, Mr. Dhanin Chearavanont is the Chairman of CP7-11 and CPG.

6. Entering Connected Transactions

Such act is considered as a connected transaction of a listed company regarding offering of financial assistance according to the SET "Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions", because SLS, the subsidiary of the listed company (CP7-11), received financial assistance from CPG, considered as a connected person. Such amount is greater than 0.03% (=Baht 2.484 million) but not more than 3% of NTA (=Baht 248.407 million) of CP7-11's consolidated financial statement as at March 31, 2006. Such transaction size is entitled to seek for the Board of Directors' approval and the resolution must be disclosed to the SET. Thus, the act must seek for the Board of Directors' approval

and Directors who have interests will not attend and participate to vote in the meeting. The Board of Directors' resolution has to be disclosed and publicized according to the SET disclosure requirement.

7. Opinions of the Company's Audit Committee

The Committee agrees that SLS paying the compensation of obtaining financial assistance to CPG is based on fair rationale and at the best interest of the Company.

8. Opinions of the Company's Board of Director

The Board of Directors, excluding interested directors, agrees that SLS paying the compensation of obtaining financial assistance to CPG is based on fair rationale and at the best interest of the Company.

The meeting was conducted with thorough consideration for the best interest of the Company, as if the act was a non – related transaction. The Board of Directors has appointed Mr. Korsak Chairasmisak and Mr. Umroong Sanphasitvong as authorized persons to determine a fair and rationale compensation rate under normal business undertaking. In this meeting agenda, the directors who have interest and considered as connected persons are 1. Mr. Dhanin Chearavanont 2. Mr. Korsak Chairasmisak 3. Mr. John Sian – Zu Lin 4. Mr. Umroong Sanphasitvong 5. Mr. Narong Chearavanont 6. Mr. Soopakij Chearavanont not attending and participating the vote.

(Mr. Kriengchai Boonpoapichart)
Head of Finance and Investor Relations
Authorized to sign on behalf of the Company