

AFF015/2007

Aug 14, 2007

Re: Notification of the Resolutions of the Board of Directors' Meeting No. 3/2007  
C.P. Seven Eleven Public Company Limited

To: The President  
The Stock Exchange of Thailand

The Board of Director Meeting of C.P. Seven Eleven Public Company Limited (the Company or CP7-11) has resolved in the meeting No.3/2007 held on Aug 14, 2007, 2:00-5:00 pm at the True Tower Board Room , 34/F, Ratchadapisek Road, Huai Khwang, Bangkok as the following matters:

1. Approved interim Financial Statement for the quarter ended June 30, 2007.
2. Approved the increase of capital and the increase in investment in Lotus Distribution Investment Limited, which CP7-11 holds shares of 100 percent, at the amount of USD 29.735 million or approximately Baht 1,001.2 million by converting debt to equity. The capital will be increased from USD 30.900 million or approximately Baht 956.3 million to USD 60.635 million or approximately Baht 1,957.5 million.
3. Acknowledged the additional investment per financial assistance approval, dated 27 February 2007, in Thai Smart Card Co., Ltd (TSC), the subsidiary of CP7-11, which has increased the capital from Baht 800 million to Baht 1,600 million for investing in equipment and working capital requirement.
4. Acknowledged the effect of change in accounting policy by starting from 1 January 2007, the Company adopted the change in accounting treatment for its investments in subsidiary and associated companies to record such investment using the cost method instead of the equity method in the separate financial statements. The change in accounting treatment was applied retrospectively and the separate financial statements for the three-month and six-month period ended 30 June 2006, which are included in the interim financial statements for the three-month and six-month period ended 30 June March 2007 for comparative purposes, were restated accordingly.

(in million Baht)		<b>2006</b>
<b>Income Statement</b>	Apr-Jun	Jan-Jun
for 3 and 6 months period ended 30 June 2006		
Net profit before restatement	388	877
Dividend received from a subsidiary company	189	189
Decrease in share of net profit from investment (equity)	(122)	(230)
Increase in share of net loss from investment (equity)	<u>303</u>	<u>474</u>
Net profit after restatement	<u>758</u>	<u>1,310</u>
Increase in net profit	370	433
Increase in earnings per share (Baht)	0.08	0.10

In addition, the change in accounting policy has resulted to a difference of the reported net profits between the separate financial statements for the three-month and six-month periods ended 30 June 2007 and 2006 after restatement; and the consolidated financial statements for the same period of each year. The difference of each period is reconciled as below :

(in million Baht)	2007	2006
<b>Income Statement</b>		
for 3 months period (April – June)		
Net profit reported in separate financial statements	800	758
Dividend received from a subsidiary company	(280)	(189)
Reverse loss from sale of investment in sub.co.(cost)	44	
Profit from sale of investment in sub.co.(equity)	4	
Share of loss from the investment accounted for using the equity method, net	(301)	(181)
<b>Net profit reported in consolidated financial statements</b>	<u>267</u>	<u>388</u>

(in million Baht)	2007	2006
<b>Income Statement</b>		
For 6 months period (January – June)		
Net profit reported in separate financial statements	1,525	1,310
Dividend received from a subsidiary company	(280)	(189)
Reverse loss from sale of investment in sub.co.(cost)	44	
Profit from sale of investment in sub.co.(equity)	4	
Share of loss from the investment accounted for using the equity method, net	(443)	(244)
<b>Net profit reported in consolidated financial statements</b>	<u>850</u>	<u>877</u>

However, the change of accounting policy affected only the separate financial statements. It did not have any effect on the consolidated financial statements or business fundamentals.

Please be informed accordingly.

Kriengchai Boonpoapichart  
 Head of Finance and Investor Relations  
 Authorized to sign on behalf of the Company