

AFF010/2007

May 14, 2007

Re: Notification of the Resolutions of the Board of Directors' Meeting No. 2/2007  
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.2/2007 held on May 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 March 31, 2007.
2. Approved the appointment of directors replacing those retired by rotation, namely  
Prof.Dr.Komain Bhatrabhirom Chairman of the Audit Committee  
Mr. Pridi Boonyoung Audit Committee  
Mr. Padoong Techasarintr Audit Committee

and the Meeting has considered and re-appointed the aforementioned independent directors for another term.

3. 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 as at 31 December 2006 and for the three-month period ended 31 March 2006, which are included in the interim financial statements for the three-month period ended 31 March 2007 for comparative purposes, were restated accordingly.

(in million Baht)	Year 2006
<b>Balance Sheet as at 31 December 2006</b>	
Increase in investments in subsidiaries and associates	<u>297</u>
<b>Total increase of assets</b>	<u>297</u>
Decrease in other non-current liabilities - excess of share of losses over cost of investment	<u>(332)</u>
<b>Total decrease in liabilities</b>	<u>(332)</u>
Decrease in reserves - currency translation changes	(62)
Increase in retained earnings - unappropriated	<u>691</u>
<b>Total increase in shareholders' equity</b>	<u>629</u>
<b>Total increase in liabilities and shareholders' equity</b>	<u>297</u>

(in million Baht)	Year 2006
<b>Income Statement</b>	
for 3 months period ended 31 March 2006	
Net profit before restatement	489
Decrease in share of net profit from investment (equity method)	(109)
Increase in share of net loss from investment (equity method)	<u>171</u>
Net profit after restatement	<u>551</u>
Increase in net profit	62
Increase in earnings per share (Baht)	0.01

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 periods ended 31 March 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)	Year 2007	Year 2006
<b>Income Statement</b>		
for 3 months period ended 31 March		
Net profit reported in separate financial statements	725	551
Share of loss from the investment accounted for using the equity method, net	<u>(142)</u>	<u>(62)</u>
<b>Net profit reported in consolidated financial statements</b>	<u>583</u>	<u>489</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.

4. Approved dividend policy distributing to shareholders at the approximate payout of 50 percent of net profit generated from operations after income tax deduction and statutory reserves from the separate financial statement contemplating with consolidated financial statement. However, the policy will be subject to change to be other than stipulated in consideration with the financial standing, economic situation, operating performance and future projects by the Board.

With respect to subsidiaries, the Board of Directors of subsidiaries has policies to distribute dividends in accordance with the operating performance of the relevant companies without determining a certain rate of dividend payment. The distribution of dividends will be based on future investment plans of each subsidiary.

Please be informed accordingly.

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