

AFF003/2007

February 27, 2007

Re: Notification of the Resolutions of the Board of Directors' Meeting No. 1/2007
Dividend Payment and Annual General Meeting No.1/2007
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) has resolved in the meeting No.1/2007 held on February 27, 2007, 2:00-5:00 pm at the True Tower Conference Room 2, 21/F, Ratchadapisek Road, Huai Khwang, Bangkok as the following matters:

1. Approved financial statement for the year 2006 ended December 31, 2006 and further proposed such statement to the shareholders' meeting for approval.
2. Approved the dividend payment for the fiscal year of 2006 at Baht 0.25 per share to existing shareholders of 4,446,962,650 and the warrant exercise from ESOP no.5/2007 on March 15, 2007 of not more than 11,781,939 shares. Total dividend payment is not more than Baht 1,114,686,147 or dividend payout of 84 percent. The closing date of register book will be on April 5, 2007 and the dividend will be paid on May 15, 2007. Such dividend payment shall be further proposed to the shareholders' meeting for approval.
3. Approved the entering into the connected transaction between C.P. Retailing and Marketing Co., Ltd. and K.S.P. Equipment Co., Ltd. regarding construction project which is putting in the pile as a fence foundation and construction on 30 rai of land in the area of frozen food factory located at Ladlumkaew, Patumthani. The transaction value is Baht 6.435 million and the details appeared in Disclosure of Information and Acts of Listed Companies concerning the Connected Transaction enclosed herewith.
4. Approved the offering of financial assistance in the amount of Baht 800 million in 3-year term to Thai Smart Card Co., Ltd. (TSC), the Company's subsidiary operating the business of payment goods and services through digital cash card. The Company considered that TSC is not a connected person according to definition by the Stock Exchange of Thailand. The assistance is in the form of providing loans or guarantee or capital increase which currently the Company holds TSC shares of 61.03 percent. The Company will obtain compensation charge at the interest rate or reference rate charged by commercial banks under normal business undertaking.
5. Approved the appointment of directors replacing whom retired by rotation, namely Prof. Dr. Komain Bhatarabhirom, Mr. Pridi Boonyoung, Mr. Padoong Techasarintr, Mr. Adirek Sripratak and Mr. John Sian – Zu Lin. The appointment for each position shall be further proposed to the shareholders' meeting for approval.

6. Approved the remuneration for directors as follows:

	<u>Baht/person/month</u>	<u>No. of person</u>
Chairman of the Audit Committee and Independent Director	100,000	1
Audit Committee and Independent Director	80,000	2
Chairman of the Board	100,000	1
Vice Chairman of the Board	80,000	1
Director	<u>40,000</u>	<u>8</u>
Total	760,000	13

Such remuneration shall be further proposed to the shareholders' meeting for approval.

7. Approved the appointment of auditors: Mr. Charoen Phosamritlert, C.P.A. (Thailand) Registration No. 4068, Ms. Somboon Supasiripinyo, C.P.A. (Thailand) Registration No. 3731, Ms. Kalyarat Chaivaraphongsa, C.P.A. (Thailand) Registration No. 3460 and Mr. Vairoj Jindamaneepitak, C.P.A. (Thailand) Register No. 3565 as the company's auditors for the year 2007 by stipulating that any of the auditors has authority to audit and express opinion on the Company's financial statements. The remuneration for audit services of Baht 3,800,000 is at the same rate as that of last year and the appointment with its audit fees shall be further proposed to the shareholders' meeting for approval.
8. Approved to change the Company's name to be "C.P.ALL Plc." and the change shall be further proposed to the shareholders' meeting for approval.
9. Approved the schedule of the Annual General Meeting No.1/2007 to be held on April 26, 2007 at 2:00pm at the conference room 1111A, 11th Floor, C.P. Tower, 313 Silom Road, Silom, Bangrak, Bangkok. The closing date of the share register book for the rights to attend the meeting and receive dividend payment will be on April 5, 2007 at 12:00 noon until the meeting is duly adjourned. The meeting agenda is as follows:
- 1) To certify the Minute of Annual General Meeting of Shareholders No. 1/2006.
 - 2) To consider the Board of Directors' report regarding the last year operation of the Company.
 - 3) To consider and approve the Balance Sheet and Income Statement for the year ended December 31, 2006.
 - 4) To consider and approve an appropriation of profit and approve the dividend payment.
 - 5) To consider and approve the appointment of directors replacing those retired by rotation.
 - 6) To consider and approve the directors' remuneration.
 - 7) To consider and approve the appointment of the Company's auditor and the auditor's remuneration.

- 8) To consider and approve the amendment of Memorandum of Association of the Company, clause 1 (name of the Company)
 - 9) To consider and approve the amendment of Articles of Association clause 1 and 2 (only concerning name of the Company) and clause 38 (the seal of the Company)
 - 10) Others (if any)
10. Acknowledged the adjustment of exercise price and exercise ratio of the warrants, in order to maintain the rights and interests of the warrant holders. The calculation for the adjustment of exercise price and exercise ratio are as follows:

$$(1) \text{ New Exercise Price} = \frac{\text{Old Exercise Price} \times [\text{MP} - (\text{D}-\text{R})]}{\text{MP}}$$

$$(2) \text{ New Exercise Ratio} = \frac{\text{Old Exercise Ratio} \times \text{MP}}{[\text{MP} - (\text{D}-\text{R})]}$$

Remark MP = Market Price per share during 5 consecutive working days before the SET posts XD sign

D = Dividend per share announced to pay = 0.25 Baht/share

R = Dividend per share under the ESOP condition which is 65% of net profit = 0.20 Baht/share

Old Exercise Price = 4.149 Baht per share

Old Exercise Ratio = 10.12213 new common shares : 1 unit of warrant

Such adjustment will be effective immediately from the first day that the common share buyers have no right to receive dividend (the first day that the SET posts XD sign).

11. Acknowledged accounting policy change regarding investments in subsidiaries and associates in the Company only report from equity method to cost method starting from January 1, 2007 onward with retroactive financials adjustment according to the announcement of the Federation of Accounting Professions no. 26/2006 dated October 11, 2006.

Please be informed accordingly.

Sincerely yours,

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

Appendix
C.P. Seven Eleven Public Company Limited
Disclosure on the connected transaction regarding engaging of a contractor of
construction project

The Board of Director Meeting of C.P. Seven Eleven Public Company Limited (the Company) has resolved in the meeting No.1/2007 held on Feb 27, 2007 that C.P. Retailing and Marketing Company Limited (CPRAM) agreed to engage K.S.P. Equipment Company Limited (KSP) as a contractor for putting in the pile as a fence foundation and construction on 30 rai of land in the area 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: within 2007

Related parties:

Employer: CPRAM (The Company's subsidiary)
Contractor: K.S.P.

Engagement Term: within 60 days since the engagement started.

Size of transaction: Baht 6,435,000 (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 99.75 percent) in which K.S.P. and the Company have a major shareholder and chairman as the same person who is Mr. Dhanin Chearavanont. In addition, the Company and K.S.P. also have Mr. Prasert Jarupanich as the director.

Details of transaction: CPRAM, a manufacturer and seller of frozen food and bakery, would like to engage in a contractor agreement for putting in the pile as a fence foundation and construction on 30 rai of land in the area of frozen food factory. The selection processes of a contractor are summarized as follows:

1. CPRAM contacted contractors to enter bidding through E-Auction. Three 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 Acts of Listed Companies Concerning the Connected Transactions”. Value of transaction is greater than 0.03% (or Baht 2.057 million) but not more than 3% of NTA (or Baht 205.691 million) as at the Company’s latest financial statement December 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 putting in the pile as a fence foundation and construction on 30 rai of land in the area 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 putting in the pile as a fence foundation and construction on 30 rai of land in the area 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. Narong Chearavanont 3. Mr. Soopakij Chearavanont 4. Mr. Prasert Jarupanich not attending and participating the vote.