



PTT Public Company Limited

Public Company Registration No. 0107544000108
555 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900 THAILAND
Tel : +66 (0) 2537-2000 Fax : +66 (0) 2537-3498-9 www.pttplc.com

No. 500/02/142

(Translation)

March 11, 2008

- Subject : Invitation to the 2008 Annual General Meeting of Shareholders
- To : Shareholders of PTT Public Company Limited
- Enclosure :
1. A copy of the Minutes of the Extraordinary Meeting of Shareholders No.1/2007 held on 13th September, 2007
 2. The 2007 Annual Report and the 2007 Annual Financial Statements comprising the audited balance sheet and the profit and loss statements for the year ended December 31, 2007
 3. Supporting Document for Agenda 4 : Information on proposed directors in replacement of those retired by rotation
 4. Definition of PTT Independent Director and Duties / Responsibilities of PTT Specific Committees
 5. Barcode Registration Form (Please bring to the meeting)
 6. Proxy form A, B and C (Recommend to use Form B)
 7. The Procedures/Conditions for the Registration and document to be declared on the Meeting Day
 8. Name List and Details of PTT Independent Directors
 9. PTT Articles of Association concerning the Shareholders meeting
 10. Map of the Meeting Location

NOTICE is hereby given that the 2008 Annual General Meeting of Shareholders of PTT Public Company Limited (hereinafter referred to as "PTT") will be held on Friday 11th April, 2008 at 09.30 a.m. at the Bangkok Convention Centre, 4th, 5th Floor, Central Plaza (Ladprao) Zone D, Chatuchak, Bangkok 10900, to consider the following agenda:

Agenda 1 : **To approve the Minutes of the Extraordinary Meeting of Shareholders No.1/2007**

The Extraordinary Meeting of Shareholders No.1/2007 held on 13th September, 2007 and the Minutes of such Meeting were submitted to the Stock Exchange of Thailand within 14 days and Ministry of Commerce according to the requirement of the laws and were posted on PTT website as detailed in Attachment 1.

Board of Directors' Opinion : Shareholders should approve the Minutes which the PTT Board deemed that it was properly recorded as proposed.

Agenda 2 : **To Acknowledge The Board's Report of 2007 Operation and to approve the audited the Balance Sheet and the Profit and Loss Statements for the year ended December 31, 2007**

The Shareholders' Meeting is requested to acknowledge the Board's Report of 2007 operation and to approve the Balance Sheet and the Profit and Loss Statements for the Year ended December 31, 2007, as audited by the auditor (as detailed in Attachment 2) and can be summarized as follows :

Item	Amount
• Total Assets	892,351 Million Baht
• Total Liabilities	493,700 Million Baht
• Total Revenues	1,495,806 Million Baht
• Net Income	97,804 Million Baht
• Earnings per Share	34.76 Baht / Share

**Board of Directors’
Opinion**

- : Shareholders should acknowledge the Board’s Report of 2007 operation and approve the audited the Balance Sheet and the Profit and Loss Statements for the Year ended December 31, 2007 as proposed.

Agenda 3

- : **To approve the annual net profit appropriation for the year 2007 and dividend payment**

PTT’s dividend policy is to pay out at least 25% of its net profits after deductions of reserves as specified by PTT. Each year’s payout depends on PTT’s investment plan, necessity, and future considerations. Upon approval by the Board of Directors “(the Board)”, the annual dividend payout shall be presented to the shareholders’ meeting for approval. However, for an interim dividend, the Board has the authority to pay the dividend and report the payout at the next shareholders’ meeting.

PTT recorded a net income of 2007 of 97,804 million Baht. According to the dividend policy, the company shall pay the 2007 dividend payment of Baht 11.50 per share (33.08% of the net profit) to PTT’s shareholders. Since 5.00 Baht per share with the total amount of Baht 14,066 million was paid on September 28, 2007 as an interim dividend for the first half of 2007 performance, PTT will pay the remaining dividend of 6.50 Baht per share to the shareholders whose names are registered in the share register book of PTT as of March 21, 2008 at 12.00 a.m. The dividend will be paid on April 30, 2008. The right of shareholders to receive dividend is uncertain as it has not yet been approved by shareholders. The past payment record is as below :

Details of Dividend Payment		2007	2006	2005
1. Net income	(Million Baht)	97,804	95,261	85,521
2. Number of Share	(Million Share)	2,818	2,805	2,797
3. Total Dividend Payment	(Baht per Share)	11.50	10.50	9.25
4. Total Dividend Amount	(Million Baht)	32,407	29,451	25,875
5. Dividend Payout Ratio	(Percent)	33.08	30.92	30.26

**Board of Directors’
Opinion**

- : The Board agrees and recommends that Shareholders should acknowledge an interim dividend and approve the dividend payment for 2007 performance of Baht 11.50 per share as proposed. The remaining dividend of 6.50 Baht per share will be payable to shareholders whose names are registered in the share register book of PTT as of March 21, 2008 at 12.00 a.m. and the dividend will be paid on April 30, 2008.

Agenda 4

- : **To consider and approve the election of the Directors in replacement of those who are due to retire by rotation**

One-third of the Directors must retire by rotation in the 2008 Annual General Meeting of Shareholders. The five directors who are retiring this year are :

1. Mrs. Puntip Surathin Director and Member of the Nominating Committee
2. Gen. Apichart Penkitti Independent Director
3. Dr. Praipol Koomsup Independent Director
4. Dr. Ampon Kittiampon Independent Director, Chairman of the Remuneration Committee and Member of the Nominating Committee
5. Dr. Suchart Thada-Thamrongvech Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee

The company has invited all shareholders to nominate the qualified person to be elected as PTT director as well as to propose the meeting agenda on the Company's website. However, there was neither proposal of director nominee nor meeting agenda submitted to the Company. The Nominating Committee, except directors who are considered as having conflict of interest in this election, has considered for maximum benefit of the Company's business by taking into account PTT Board component, qualifications, experiences, expertise. The Nominating Committee has accordingly proposed to re-elect two directors to serve as directors for another term and elect three external candidates as detailed individually in Attachment 3, namely:

1. Dr. Ampon Kittiampon Independent Director, Chairman of the Remuneration Committee and Member of the Nominating Committee
2. Dr. Suchart Thada-Thamrongvech Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee
3. Dr. Naris Chaiyasoot Director
4. Mr. Chulayuth Hirunyavasit Independent Director
5. Mr. Nontigorn Kanchanachitra Independent Director

Board of Directors' Opinion

- : The PTT Nominating Committee and Board of Directors except those who have conflict of interest have thoroughly considered the qualified persons for benefits of the Company. The Nominating Committee proposed the following persons to be directors (1) Dr. Ampon Kittiampon (2) Dr. Suchart Thada-Thamrongvech (3) Dr. Naris Chaiyasoot (4) Mr. Chulayuth Hirunyavasit and (5) Mr. Nontigorn Kanchanachitra. Shareholders should elect five nominated directors as proposed, which include 4 independent directors, because they hold knowledge and capability that will benefit the Company in operating business.

Agenda 5

- : **To determine the remuneration for PTT's Board of Director for the year 2008**

The Remuneration Committee has considered the remuneration package of directors and specific committees for the year 2008 by taking into account the following matters: business and size of the Company; linkage with the Company's performance; conformity with the market and industry norm; as well as the duties and responsibilities of the Board of Directors and specific committees. The Remuneration Committee proposed the remuneration package to be fixed at the same rate of 2007 with details as follows :

1. Meeting allowances payable to the Board of Directors are divided into two parts as follows:
 - monthly allowance = Baht 30,000 per month
 - meeting allowance = Baht 20,000 per meeting (only those present at the meeting are entitled to this allowance)
2. Meeting allowances payable to the specific committees appointed by the Board of Directors are set out below :
 - 1) Audit Committee
 - monthly allowance = Baht 15,000 per month
 - meeting allowance = Baht 15,000 per meeting (only those present at the meeting are entitled to this allowance)
 - 2) Nominating Committee
 - meeting allowance = Baht 24,000 per meeting (only those present at the meeting are entitled to this allowance)

- 3) Remuneration Committee
 - meeting allowance = Baht 24,000 per meeting
(only those present at the meeting are entitled to this allowance)
- 4) Corporate Governance Committee
 - meeting allowance = Baht 24,000 per meeting
(only those present at the meeting are entitled to this allowance)

The Chairpersons of the Board and specific committees are eligible to receive a meeting allowances, at the rate of 25% higher than the allowances payable to other directors. The secretary to the Audit Committee is entitled to a monthly meeting allowance at Baht 7,500 per month.

Bonus (same as 2007)

The director's bonus payment of the year 2008 is relative to the performance of PTT or its annual net profit. The total sum of the directors' bonus will be fixed at 0.05% of the 2008 net profit, subject to the maximum annual bonus of Baht 2,000,000 per person per year. The amount of annual bonus will be calculated based on the period of service of the director. The amount of bonus payable to the Chairman of the Board Directors will be at the rate of 25% higher than the sum paid to the other directors. The Bonus is equal to the rate of 2007.

Board of Directors' Opinion

- : The Remuneration Committee has considered and proposed the appropriate remuneration package. Shareholders should acknowledge the directors' and specific committees' remuneration package as proposed.

Agenda 6

- : **To appoint the Auditor and consider the Auditor's fee for year 2008.**

PTT and its subsidiaries have always appointed the Office of The Auditor General (OAG) to serve as its independent auditor. There are no relationship or conflicts of interest among the independent auditor, the Company and its subsidiaries, the executives, the shareholders, or others related to those parties.

The Board of Directors, with the recommendation by Audit Committee, agreed to propose the Office of The Auditor General as its independent auditor for the year 2008 along with the audit fee of 1,800,000 Baht, which is equal to the fee for the years 2007 (not including allowance for official trips and overtime expenses not more than 2,000,000 Baht) to the General Shareholders' meeting for approval.

Board of Directors' Opinion

- : The Audit Committee has reviewed and proposed the appropriate auditor and fee. Shareholders are to appoint the Office of the Auditor General of Thailand (OAG) to be the Auditor for the year 2008 and the fee as proposed.

Agenda 7

- : **To Acknowledge PTT's Compliance with the judgment of the Supreme Administrative Court**

The case was a court case that the Foundation for Consumers and a group of persons (the "**Claimants**") filed a petition against the Cabinet, the Prime Minister and the Minister of Energy in August 2006, seeking for the Supreme Administrative Court (the "**Court**") to revoke royal decrees enacted in relation to the corporatization of the Petroleum Authority of Thailand to PTT Public Company Limited. PTT was later a party to the case as the fourth respondent.

On December 14, 2007, the Court rendered a judgment that rejected the Claimants' request for revocation of the royal decrees and that ordered the respondents to jointly separate public domain property and right over private land for laying petroleum pipelines, as well as to separate power and rights which belong to the public from those of PTT. Such separation must be completed before the appointment of the Energy Industry Supervisory Committee (the "**Committee**") pursuant to the Energy Business Act B.E. 2550 (A.D.2007) (the "**Energy Business Act**").

His Majesty the King appointed the Committee on February 1, 2008. PTT submitted petitions to the Court seeking for extension of time to comply with the judgment as relevant authorities will have to consider in details the arrangements for asset separation due to the lack of precedents. The Court granted PTT a permission to extend the time to comply with the judgment until May 2, 2008.

PTT has separated assets to the Ministry of Finance in accordance with the judgment. Such assets are assets PTT received from the Petroleum Authority of Thailand (the “**Petroleum Authority**”) on the date of incorporation of PTT. They consist expropriated land of approximately 32 rai, right to use land over private land for laying natural gas pipeline network and assets being natural gas pipeline network on the said land, with the total book value as at September 30, 2001 of approximately Baht 16,175 million. As to the public power and right, after the enactment of the Energy Business Act, such power and right belong to the Committee.

PTT also concluded an agreement with the Treasury Department in the lease/use of such assets and entered into a Memorandum of Understanding (“**MOU**.”) prescribing criterion for charging compensation for the use of assets on February 1, 2008. The agreements under the MOU will be employed for the entering into a contract for the lease/use of assets between the parties. The principle used for charging rental/compensation is the revenue sharing from pipeline tariff charges on pipelines transferred to the Ministry of Finance. The rental fee is set at the progressive rate with the minimum annual rental fee of Baht 180 million and the maximum annual rental fee of Baht 550 million. The rental period is 30 years.

PTT had consulted and obtained a written response from the Stock Exchange of Thailand (the “**SET**”) that as the asset separation is the compliance with Court’s judgment, it does not fall within the SET’s regulations governing acquisition and disposition of assets and governing connected transactions. As to the entering into a contract for the lease/use of assets, the value of consideration for the lease/use of assets, calculated on the Net Present Value basis, is not considered a transaction that requires a shareholders’ approval pursuant to the regulations of the SET re : “Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (A.D.2003)”. Such transaction requires an approval of the Board of Directors.

PTT has consistently reported the progress of its compliance with the judgment to the Office of the Administrative Court. PTT has also reported such progress to the SET periodically.

**Board of Directors’
Opinion**

- : Given the fact that PTT’s compliance with the Court’s judgment is in the attention of the public and investors, the Board thus considered it appropriate to have the shareholders acknowledged the matter.

Agenda 8

- : **Other business.** (If any)

The closing date and time of the share-registered book for the right to attend the Meeting and to receive dividend payment will be from 12.00 hours of March 21, 2008 until the completion of the Meeting.

PTT has sent the 2007 Annual Report to all shareholders (Attachment 2). However, if any shareholders would like to have an annual report in CD-ROM, they may request it from Office of President, 24th Floor, PTT Office Building, 555, Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900, telephone number 0-2537-3853, facsimile number 0-2537-3887.

Please be informed that ordinary PTT shareholders can receive a tax benefit from PTT dividend at the rate of 30 percent of 2.45 Baht /share , 25 percent of 1.28 Baht /share ,and 0 percent of 2.77 Baht /share. Therefore, it is recommended that shareholders claim their benefit when filing the annual income tax accordingly. Likewise, PTT shareholders who are limited companies or any other juristic persons will be exempt from including dividend to be calculated as income.

All shareholders are cordially invited to attend the 2008 Annual General Meeting of Shareholders on Friday, April 11, 2008 at 09.30 a.m. at the Bangkok Convention Centre, 4th, 5th Floor, Central Plaza (Ladprao) Zone D, Chatuchak, Bangkok 10900. The Company will open for shareholders' registration from 07.30 a.m. onwards. For a shareholder who wishes to appoint a proxy to attend and vote on their behalf, please complete the attached proxy form either form A or B and submit it to the Company before attending the meeting. A foreign shareholder who appoints a custodian in Thailand to deposit and take care of his shares, please use the attached proxy form either form A or B or C. If you are unable to attend the Meeting, you may appoint PTT independent director, whose CV is in attachment 8 to the proxy form, as your proxy to attend and vote at the Meeting on your behalf. It is recommended that all shareholders and proxy holders bring all document and evidence to be declared, according to Attachments 5 and 6 for the Meeting's registration. PTT will conduct the meeting in accordance with the Company's Articles of Association concerning the shareholders' meeting as detailed in Attachment 9.

For any questions concerning the above agenda items, PTT welcomes opportunity to clarify these matters in the Meeting. Please forward your questions in advance to **corporatesecretary@pttplc.com** or to facsimile number 0-2537-3887.

Yours sincerely,



Prasert Bunsumpun
President & CEO

Office of President

Tel.: 0 2537-3850 – 1
Fax.: 0 2537-3887