



PTT Public Company Limited

Public Company Registration No. 0107544000108
555 Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, THAILAND
Tel : +66 (0)2 537-2000 Fax : +66 (0)2 537 3498 – 9 www.pttplc.com

(Translation)

No. 500/02/150

March 10, 2009

Re: Invitation to the 2009 Annual General Shareholders Meeting.

To: Shareholders of PTT Public Company Limited.

- Attachments:
1. A copy of the minutes of the 2008 Annual General Shareholders' Meeting held on April 11, 2008.
 2. The 2008 Annual Report and 2008 Financial Statement.
 3. A brief personal profile of nominated candidates for item 6.
 4. Definition of Independent Director and functional description of Specific Committee.
 5. A registration form (must be presented at the meeting.)
 6. Proxy forms. Types A, B (recommended) and C.
 7. Registration Procedures and Conditions and Necessary Documents on the Meeting Day.
 8. The profiles of the Independent Directors.
 9. A summary of the PTT Articles of Association as relevant to the meeting.
 10. A map of the conference hall.

PTT board of directors ("PTT") resolved to hold the 2009 Annual General Shareholders Meeting (the "2009 AGM") of PTT on Friday, April 10, 2009 at 09.30 a.m. at Plenary Hall 1-3, Queen Sirikit National Convention Center, 60 Ratchadaphisek Road, Klongtoey, Bangkok, Thailand. The 2009 AGM agenda has 10 items as follows:

Agenda Item 1: To certify the minutes of the 2008 Annual General Meeting of Shareholders held on April 11, 2008.
PTT held its 2008 AGM on April 11, 2008. PTT submitted the minutes of the meeting to the Stock Exchange of Thailand within 14 days and the Ministry of Commerce in compliance with Thai law. The minutes were also posted online on the PTT website. A copy of the minutes is enclosed in Attachment 1.

The board's opinion: The minutes are correct and complete. Therefore, the shareholders should approve the minutes of the 2008 Annual General Meeting of Shareholders held on April 11, 2008.

Agenda Item 2:

To acknowledge the 2008 performance statement and approve the 2008 financial statement for the year ended December 31, 2008.

The shareholders shall acknowledge the 2008 performance statement and approve the audited 2008 financial statement for the year ended on December 31, 2008 including the proposed corporate strategy plan in Attachment 2. In summary:

Brief important figures	2008	2007 (Revised)
Total Assets (Million Baht)	885,205	891,524
Total Liabilities (Million Baht)	454,669	492,872
Total Revenue (Million Baht)	2,000,816	1,508,129
Net Income (Million Baht)	51,705	97,804
Earnings per Share (Baht / Share)	18.33	34.82

The board's opinion:

The shareholders should acknowledge the 2008 performance statement and approve the 2008 financial statement for the year ended on December 31, 2008 as proposed.

(Board resolution No. 2/2009 on February 20,2009.)

Agenda Item 3:

To approve the appropriation of the 2008 net profit and dividend payment and to acknowledge the payment of an interim dividend.

PTT has a policy of paying a dividend of at least 25 percent of net income after corporate reserves. The dividend policy may vary in each year depending on the investment plan, the company's needs and other appropriate prospects. After the board resolves to pay the annual dividend, the dividend policy requires shareholder approval. For an interim dividend, the board may resolve to pay the interim dividend without seeking shareholders approval but must then inform the shareholders at the next meeting.

The overall performance statement and financial statement show that PTT earned Baht 51,705 million in net income. Therefore, PTT is considering paying an annual 2008 dividend of Baht 8.00 per share, 43.63% of the net income. PTT had already paid the first half 2008 interim dividend of Baht 6.00 per share from accumulated profits on September 12, 2008, Baht 16,943 million in total. (The dividend may be tax deductible at 30% of Baht 2.63, 25% of Baht 0.95 and 0% of Baht 2.42.) Therefore, PTT will pay the second half 2008 dividend of Baht 2.00 per share from accumulated profits, Baht 5,648 million in total, to those shareholders entitled to receive the dividend available on March 9, 2009 (the Record Date.) (The dividend may be tax deductible at 30% of Baht 0.95, at 25% of Baht 0.27 and at 0% of Baht 0.78.) The second half 2008 dividend will be payable on April 30, 2009. However, the right to the dividend is uncertain because it has not yet been approved by the shareholders. Recent dividend payments may be compared as follows:

2006-2008 Dividend Payment Comparison

	2008	2007	2006
1. Net income (Million Baht)	51,705	97,804	95,261
2. Number of shares (Million shares)	2,824	2,818	2,805
3. Dividend per share (Baht per share)	8.00	11.50	10.50
4. Total dividend (Million Baht)	22,592	32,407	29,451
5. Payout ratio (as a percentage)	43.64%	33.03%	30.86%

The board's opinion: The shareholders should acknowledge the interim dividend and approve the 2008 dividend payment from accumulated profits. PTT will pay the second half 2008 dividend of Baht 2.00 per share, Baht 5,648 million in total. The second half 2008 dividend will be payable on April 30, 2009 to those shareholders entitled to attend the meeting and receive the dividend.

(Board resolution No. 2/2009 on February 20, 2009.)

Agenda Item 4:

To appoint an auditor and to determine the auditor's fees for 2009.

PTT and its subsidiaries always appoint the Office of The Auditor General of Thailand (the "Auditor General") as its auditor. The Auditor General is neither related to nor engaged in any conflict of interest with PTT, any of PTT's subsidiaries, their executives, their major shareholders or relatives of these persons.

The Audit Committee recommended, and the board concurred with the Audit Committee, approving the auditor's fees of Baht 3,145,000 for 2009 (excluding transport, overtime charges and relevant miscellaneous expenses, not exceeding 2,000,000 Baht in total) as follows:

Auditing, inspection and approval items	2009 (Baht)	2008 (Baht)	Remarks
PTT and Subsidiaries' Financial Statement			Due to changes in
<ul style="list-style-type: none"> ■ Quarterly-Ended on March 31, June 30 and September 30, 2009 (Baht 500,000 per quarter) ■ Year ended on December 31, 2009 	1,500,000	1,050,000	<ul style="list-style-type: none"> ■ Operational expenses ■ Increased risks ■ Amount of work and length of time
	1,500,000	750,000	
Commodity Charges	15,000	-	Initiative fee
Financial Statement of gas distribution business	60,000	-	Initiative fee
Approval of dispensed fuel amount at Chiang Mai and Hat Yai airport	40,000	-	Initiative fee
Consideration of compliance with investment privilege	30,000	-	Initiative fee
Total	3,145,000	1,800,000	Increased: 1,345,000

The board's opinion: The shareholders should appoint the Office of The Auditor General of Thailand as PTT's 2009 auditor and approve the auditing fee of 3,145,100 Baht (excluding transportation, overtime charges and relevant miscellaneous expenses, not exceeding 2,000,000 Baht in total). The proposal has been appropriately considered and recommended by the Audit Committee.
(Board resolution No. 2/2009 on February 20, 2009.)

Agenda Item 5:

To consider the board of directors' remuneration for 2009

PTT requires shareholder approval of the board of directors' remuneration for 2009. The Remuneration Committee considered the matter and recommended a remuneration policy for 2009; the board concurred with the 2009 remuneration policy for the board of directors and specific committees which is the previous remuneration policy comparable to listed companies engaged in the same business regarding performance, business size, directors' accountability and net income and appropriate to the current economic climate. Therefore, we propose a 2009 remuneration policy equal to the 2008 remuneration policy as follows:

- Retaining fee and attendance fees for all boards (same as the 2008 policy)
 1. The board of directors' fees;
 - Monthly fee of 30,000 Baht
 - Attendance fee of 20,000 Baht (if present at the meeting)
 2. The specific committee appointed by the board of directors conference fees;
 - (1) Audit Committee
 - Monthly fee of 15,000 Baht
 - Attendance fee of 15,000 Baht (if present at the meeting)
 - (2) Nominating Committee
 - Attendance fee of 24,000 Baht (if present at the meeting)
 - (3) Remuneration Committee
 - Attendance fee of 24,000 Baht (if present at the meeting)
 - (4) Good Corporate Governance Committee
 - Attendance fee of 24,000 Baht (if present at the meeting)

The current practice is for the chairman of the board and the chairman of each specific committee to receive an additional 25% on top of his/her attendance fee. The secretary of the Audit Committee gets a monthly fee of 7,500 Baht.

- Directors' bonus (same as the 2008 policy.)

PTT requires shareholder approval of the annual bonus policy at 0.05% of the annual net profit but not exceeding 2,000,000 Baht per person per year (same rate as 2008.)

The current practice is for PTT to pay a pro rata bonus. The chairman of the board is eligible to receive an additional 25% on top of his/her bonus.

The board's opinion:

The shareholders should approve the 2009 board of directors' remuneration policy appropriately proposed and properly considered by the Remuneration Committee which is the same as the 2008 policy.

(Board resolution No. 2/2009 on February 20, 2009.)

Agenda Item 6:

To elect directors to replace those directors retiring by rotation.

There are 5 directors (one third of the quorum) requiring by rotation at the 2009 AGM as follows:

- (1) Mr. Norkun Sitthiphong Chairman
- (2) Mr. Prasert Bunsumpun A Director and the Secretary (the President and Chief Executive Officer)
- (3) Gen. Somdhat Attanand An Independent Director and Chairman of the Good Corporate Governance Committee
- (4) M.L. Panasarn Hasdin An Independent Director and a member of the Good Corporate Governance Committee
- (5) Mr. Olarn Chairpravat A former Independent Director and former Chairman of the Auditing Committee (resigned on September 22, 2008.)

On its website, PTT invited all shareholders to propose qualified candidates for a directorship and items for the AGM agenda. Despite the invitation, neither candidates nor agenda items were proposed. The Nominating Committee undertook nomination procedures for candidates most appropriate and beneficial to PTT in compliance with PTT directors' quorum, qualifications, wisdom, talents, experience and expertise. Forgoing with conflict of interest, the Nominating Committee proposed 2 retired directors by rotation to reseat and 3 additional candidates to seat in the rest of the quorum. The 5 candidates' profiles are enclosed in Attachment 3. Candidates are as follows:

- (1) Mr. Norkun Sitthiphong (Re-elected.)
- (2) Mr. Prasert Bunsumpun (Re-elected.)
- (3) Mr. Watcharakiti Watcharothai
- (4) Mr. Suraphol Nitikraipot
- (5) Mr. Surachai Phuprasert

Candidates (3), (4) and (5) also qualify as independent directors according to the Stock Exchange of Thailand and PTT’s definition of Independent Director. The definition of Independent Director and the Duties and Responsibilities of the Specific Committees are set out in Attachment 4.

The board’s opinion: The shareholders should approve the following persons for replacement as proposed: (1) Mr. Norkun Sitthiphong, (2) Mr. Prasert Bunsumpun, (3) Mr. Watcharakiti Watcharothai, (4) Suraphol Nitikraipot and (5) Mr. Surachai Phuprasert. Directors with a conflict of interest are not eligible to vote on this matter.
(Board resolution No. 2/2009 on February 20, 2009.)

Agenda Item 7: To approve the amendment of PTT’s Articles of Association.
In compliance with relevant laws, regulations, notifications and rules and to improve agile performance, PTT resolved to amend Article 2, 17, 49 and 67 of Articles of Association.

(1) Change of title		
Original provision	Proposed amendment	Remarks
Article 2 “Managing Director” includes any executive who holds an equivalent position.”	Article 2 “Managing Director” includes the President and Chief Executive Officer or any high level executive who holds an equivalent position.”	According to the change of the title from “President” to “President & CEO”, we resolved to amend the definition of “Managing Director” to be consistent with the change.
(2) Repurchase of listed company shares		
Original provision	Proposed amendment	Remarks
Article 17 “The Company shall not own its share or take them in pledge, except for the following: (1) the Company may repurchase its shares from any shareholder who, by reason that he/she is unfairly treated, votes against a shareholders’ meeting’s resolution to make amendments to these Articles concerning the voting right and dividend entitlement; and (2) the Company may repurchase its shares for the purpose of financial management if the Company has accumulated profit and surplus liquidity, provided that the	Article 17 “The Company shall not own its shares or take them in pledge, except for the following: (1) The Company may repurchase its shares from shareholders who vote against a resolution of the shareholders meeting to amend the Articles of Association regarding voting rights and the right to receive a dividend, as those shareholders who vote against such resolution think it is unfair for them. (2) The Company may repurchase its shares for the purpose of financial	This amendment is for greater ease and the introduction of financial restructuring tools for PTT. The amendment is consistent with the 2001 Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of a Listed Company where that listed company repurchases its own shares and disposes of those repurchased shares, and preceding amendments.

<p>relevant buy-back will not lead the company to encounter any financial difficulties.</p> <p>Such shares held by the Company will neither be counted to form a quorum of the shareholders’ meeting nor be eligible to vote and receive dividend payments.</p> <p>The shares redeems by the Company must be disposed of within the time and in accordance with the procedures set out in the share redemption scheme. If the Company fails to dispose of the redeemed shares within the time stated, it will be obliged to reduce the Company’s paid up capital by decreasing the number of registered shares by the amount of the unsold shares.</p> <p>The redemption procedures and the offering, including the decrease of registered shares shall be made in accordance with the rules and procedures set out in the ministerial regulations.”</p>	<p>management if the Company has accumulated profit and surplus liquidity and the repurchase will not cause financial trouble to the Company. Such repurchase by the Company requires shareholder approval, except where the Company repurchases 10% or less of its paid-up capital, in which case the repurchase may be authorized by the Board of Directors.</p> <p>The shares held by the Company as a result of the repurchase will neither be counted in the forming of a quorum for the shareholders meeting nor have voting rights or the right to dividend payments attached.</p> <p>The repurchase of the shares, the disposal of the repurchased shares and the cancellation of the repurchased shares shall be done in accordance with the rules and procedures set out in the laws governing public limited companies and securities and exchange applicable at that time.”</p>	
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(3) Authorize the board to direct certain directors binding power to the Company

Original provision	Proposed amendment	Remarks
<p>Article 49 “The Company will be legally bound by (1) the signature of the managing director affixed with the Company’s seal or (2) the signatures of two authorized directors jointly affixed with the Company’s seal.”</p>	<p>Article 49 “The Company will be legally bound by (1) the signature of the managing director affixed with the Company’s seal or (2) the signatures of two authorized directors jointly affixed with the Company’s seal. In the case of (2), the Board of Directors has the authority to change who is an authorized director.”</p>	<p>To authorise the board to delegate to a certain number of directors the authority to bind the Company. This will release some legal restraint in relevant laws e.g. Section 48(1) of the Financial Institution Act B.E. 2008 prohibits commercial banks from lending to their directors and senior executives including persons connected to them who may refer to any</p>

		<p>company where these persons dominate its management. Therefore, to provide for better performance and reduce legal interpretation risks if a certain PTT director is either a director or an executive in certain financial institutions, the annex is needed.</p>
<p>(4) Connected transactions and acquiring or disposal of assets of the Company</p>		
<p>Original provision</p>	<p>Proposed amendment</p>	<p>Remarks</p>
<p>Article 67 “If the Company or any of its subsidiary companies (more than 50 percent of its paid-up capital is directly or indirectly held by the Company) enters into any connected transaction or acquisition and disposal of the substantial assets of the Company subject to the rules of the Stock Exchange of Thailand, the Company shall comply with the relevant rules. If the Company shall be obliged to request for a solution of the shareholders in relation to the entry into any connected transactions or any acquisition or disposal of the Company’s substantial assets, the shareholders’ resolution shall be approved by the three-quarter (3/4) vote of all shareholders present in person or by proxy and eligible to vote, provided that no votes given by any interested person shall be counted. This Article shall apply to the Company so far as the Company is required to comply with the rules of the Stock Exchange of Thailand.</p>	<p>Article 67 “If the Company or any of its subsidiaries enters into a connected transaction or a transaction regarding the acquisition or disposal of assets of the Company or any of its subsidiaries, as specified in the notification of the Capital Market Supervisory Board (as the case may be), the Company shall comply with the rules and procedures on such matters as are prescribed in that notification.”</p>	<p>To be consistent with the amended Securities and Stock Exchange Act which empowers the Capital Market Supervisory Board to specify regulations concerning connected transactions and the acquisition or disposal of assets of the Company or any of its subsidiaries, as the previous authority was the Stock Exchange of Thailand. Therefore, we resolved to amend the compliance requirements to be consistent with that rule.</p>

The board's opinion: The shareholders should approve the amendment of Articles 2, 17, 49 and 68 of the Articles of Association and register the whole amended Articles of Association as proposed above.
(Board resolution No. 1/2009 on January 16,2009.)

Agenda Item 8: To approve PTT's 5-year external fund raising plan (for 2009-2013.)
According to PTT's 5-year investment plan (2009-2013) in the total amount of Baht 299,340 million in light of the economic climate, domestic and global energy situation, estimated financial situation, long-term cash flows, financial ratios, agility, competency in the industry, immediate funds raised in the appropriate financial market situation and in accordance with PTT's capital needs, the board approved an external fund rising plan of Baht 65,000 million over 5 years (2009-2013) for any one or more of investment, regular cash flow and refinancing.
The fund rising might be any appropriate loans from financial institutions, corporate bonds, other securities from domestic and/or international sources, depending on PTT's capital need and the market situation. The board approved proposing the 5-year plan for external fund raising to the 2009 AGM.

The board's opinion: The shareholders should approve the 5-year plan for external fund raising.
(Board resolution No. 1/2009 on January 16,2009.)

Agenda Item 9 : To Acknowledge the Consideration of the Supreme Administrative Court in relation to PTT's Compliance with the Judgment.
According to the Supreme Administration Court ("Court") judgment on the Red Case No. 35/2550 in December 2007, the Respondents, including PTT, are required to separate their power which belongs to the state and the assets of the Petroleum Authority of Thailand from those of PTT, and PTT has already reported the progress of its compliance with the judgment at the Annual General Meeting of Shareholders for the year 2008. In this regard, PTT would like to give a further update in respect of its compliance and the consideration of the Court as follows:
1) The Ministry of Energy and PTT submitted letters informing the Supreme Administration Court of the progress of the compliance with the judgment, as summarized as follows:

- 1.1) On January 9, 2008, the Ministry of Energy submitted the letter informing of the progress of the first compliance with the judgment stating that according to the Amendment of Royal Decree Determining the Power, Right and Benefit of PTT Public Company Limited No.2, the power and right which belongs to the state shall be transferred to the Committee overseeing the use of Power of PTT Public Company Limited and when the Energy Business Act B.E. 2550 came into effect, no power and right which belongs to the state remained in PTT, as a result, there is no case for such power and right being separated.
- 1.2) PTT had submitted 9 letters informing the Office of the Administrative Court of the progress of the compliance with the judgment in respect of the separation of the assets: the first letter was issued on January 31, 2008 and the last one was issued on December 4, 2008.

As ordered by the Court, the Respondents must complete the separation of the assets prior to the appointment of the Energy Industry Supervisory Committee, however, PTT submitted periodical petitions to the Court seeking extensions of time to comply with the judgment and the Court approved the extensions of time to comply with the judgment until December 29, 2008, as requested by PTT.

- 2) On January 31, 2008, PTT submitted a letter, through the Treasury Department, advising of the delivery of separated assets, along with the attached list of separated assets, to the Ministry of Finance.
- 3) On February 1, 2008, the Treasury Department and PTT entered into a Memorandum of Understanding prescribing criterion for charging compensation for the use of assets separated to the Ministry of Finance, consisting of the land for laying the natural gas pipeline network which was expropriated by the Petroleum Authority of Thailand by exercising state power over private land and giving compensation and assets being the natural gas pipeline network, as well as the relevant equipment used on the aforementioned land.
- 4) Since the separation of the Petroleum Authority of Thailand assets and the entering into a contract for lease/use of such assets are considered as transactions made with the Ministry of Finance, a major shareholder of PTT, who is regarded as a connected person under the regulations of the Stock Exchange of Thailand, PTT consulted the Stock Exchange of Thailand on the guideline of

compliance with those requirements. Notwithstanding the response from the Stock Exchange stating that the separation of the Petroleum Authority of Thailand assets undertaken in compliance with the Court judgment does not fall within the SET's regulations governing acquisition and disposition of assets and connected transactions, and that the entering into a contract for the lease of assets between PTT and the Ministry of Finance must be approved by the Board of Directors and such connected transaction must be disclosed to the SET without obtaining approval from the shareholders, PTT considered that the said transactions were important and attract the attention of the shareholders and the public, consequently, PTT reported to the shareholders and the meeting of the Annual General Meeting of Shareholders for the year 2008 acknowledged held April 11, 2008.

- 5) On June 3, 2008, the Ministry of Finance, by the Treasury Department, and PTT entered into a contract for the use of the separated State property, which was separated to the Ministry of Finance, for the PTT business operation with compensation charged from October 1, 2001 to December 31, 2007 (including non-compounded interest at the rate of 7.5% per annum) in the total amount of Baht 1,597 million being paid on the date of the Contract. Under such contract, it is provided that in the case of the further amendment of separated assets, the Treasury Department and PTT will enter into negotiations to determine the subsequent compensation.
- 6) On November 28, 2008 PTT, together with the Treasury Department, completed the separation of assets and reported this matter to the Office of the Administrative Court on December 4, 2008. On December 25, 2008, PTT submitted a motion summarizing actions taken in complying with the judgment and requested the Court to consider the compliance with the judgment of the four Respondents and the relevant authorities for further issuance of any order the Court deemed appropriate.

On December 26, 2008, the Supreme Administrative Court, endorsed on such PTT's motion stating that, "..... **having considered and is of the opinion that the four Respondents and other relevant authorities have completely complied with the judgment.....**"

- 7) On March 3, 2009, the Claimants filed a motion at the Court requesting an investigation into the assets which PTT has to return to the Ministry of Finance.

The Court issued an order to dismiss the Claimants' motion, by endorsing on the Claimant's motion that **“In this court case, the Court dismissed the Claimant's petition, thus, the Claimants are not the judgment creditors and are not entitled to enforce this case, and in addition, the four Respondents and other relevant authorities have already carried out all the compliance with the Judgment, as a result, the motion is decided to be dismissed”**.

The board's opinion : Given the fact that PTT's compliance with the Court's judgment is attracting the attention of the public and investors, the Board thus considered it appropriate to have the shareholders acknowledge the report on the Supreme Administrative Court decision in respect of compliance with the Court's judgment.

(Board's resolution No. 1/2009 on January 16, 2009.)

Agenda Item 10 : Other matters. (If any.)

PTT has published 2008 Annual Report containing in CD. Please do not hesitate to contact us for free 2008 Annual Report CD at Office of the President and Corporate Secretary, 24th floor, PTT building, 555 Vibhavadi Rangsit Rd., Chatuchak, Bangkok 10900, Thailand or call at +66(0)2537-3860 or fax at +66(0)2537-3887

PTT would like to inform the individual shareholders that individual persons may subject to the tax deductible for the second half 2008 dividend. The dividend may subject to be tax-deductible at 30% of Baht 0.95, at 25% of Baht 0.27 and at 0% of Baht 0.78. Incorporate persons may waive the dividend payment from corporate income tax.

Therefore, we would like to invite our shareholders to 2009 AGM on Friday, April 10, 2009 at 9:30 a.m. The meeting will be held at Plenary Hall 1-3, Queen Sirikit National Convention Center, 60 Ratchadaphisek Road, Klongtoey, Bangkok, Thailand. The registration will be available at 7:30 a.m.

Shareholders who wish to appoint a proxy to attend the meeting and vote on behalf of the shareholders, shareholders shall choose and fill in either the proxy forms A or B and submit to PTT at the meeting. The foreign shareholders who deposit PTT shares in safeguard of custodian banks in Thailand shall choose and fill in either the proxy forms A, B or C in Attachment 6.

Shareholders may assign a certain PTT Independent Directors as a proxy to attend the meeting and vote on behalf of the principle shareholder. Brief Independent Director profiles are available in Attachment 8.

Shareholders and proxies must submit documents in Attachment 5 and 6 for registration prior to or in the meeting day. Please read the registration terms, conditions and procedures and relevant documents preparation for the meeting day in Attachment 7. PTT will conduct the meeting in compliance with the Articles of Association in Attachment 9.

For inquiries, please contact corporatesecretary@pttplc.com or fax at +66(0)2537 3887

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Prasert Bunsumpun', with a stylized flourish at the end.

Prasert Bunsumpun
President & CEO

Office of the President and Corporate Secretary
Telephone : 0-2537-3860
Fax : 0-2537-3887