

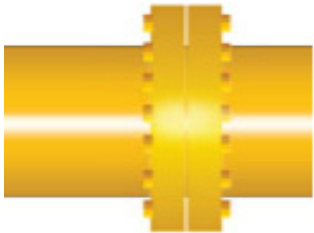


PT PERUSAHAAN GAS NEGARA (Persero) Tbk.

Perusahaan Gas Negara

Presentation to the investors





Disclaimer:

The information contained in our presentation is intended solely for your personal reference. In addition, such information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on assumptions subject to various risk. No assurance can be given that further events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected.



Our Transformation Journey

PGN is on the track to achieve its vision



To Become A WorldClass Company in Natural Gas Utilization



Re-gaining Investors' Confidence

2007	423	~\$ 7.0B
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- Completion of SSWJ on schedule
- Start to address the power sector
- Anticipates the impact of global financial crisis



A leading publicly listed Natural Gas Company

2009	~792	~\$ 9.5B
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- Delivering the growth amidst crisis in earlier part of year
- Securing additional supply of gas
- Establish strategy for future growth
- Gain market confidence

- To implement differential pricing model for end customers
- To start constructing LNG Regassifications facility
- Lay foundations of PGN as a worldclass company in natural gas utilization

 Distribution Volume (Daily Average/MMscfd)
 Market capitalization

2007-2008

2009

2010 -



Led by Committed Management

Chairman/President Commissioners	Dr. Tengku Nathan Machmud	Appointed in 2007 PhD (Leiden University), Sloane MBA (MIT) Ex-Country Head of BP/Arco Indonesia
CEO/President Director	Hendi Prio Santoso	Appointed in 2008 University of Houston, University of Texas-Austin (Economic & Finance) Ex-Director of JPMorgan Indonesia, Bahana and Citibank
COO/Commercial Director	Michael Baskoro	Appointed in 2007 Universitas Indonesia (MBA, Gas & Petrochem Engineering) Ex-Director of Transgasindo
CFO/Finance Director	Mochtar Riza Pahlevi Tabrani	Appointed in 2008 University of Cleveland (MBA), Universitas Trisakti (Geological Engineering) Ex-Investment Banker (Bahana)
Director of Development	Bambang Banyudoyo	Appointed in 2007 MSc (University of Salford-UK) Ex-General Manager of PGN (SBU West Java)



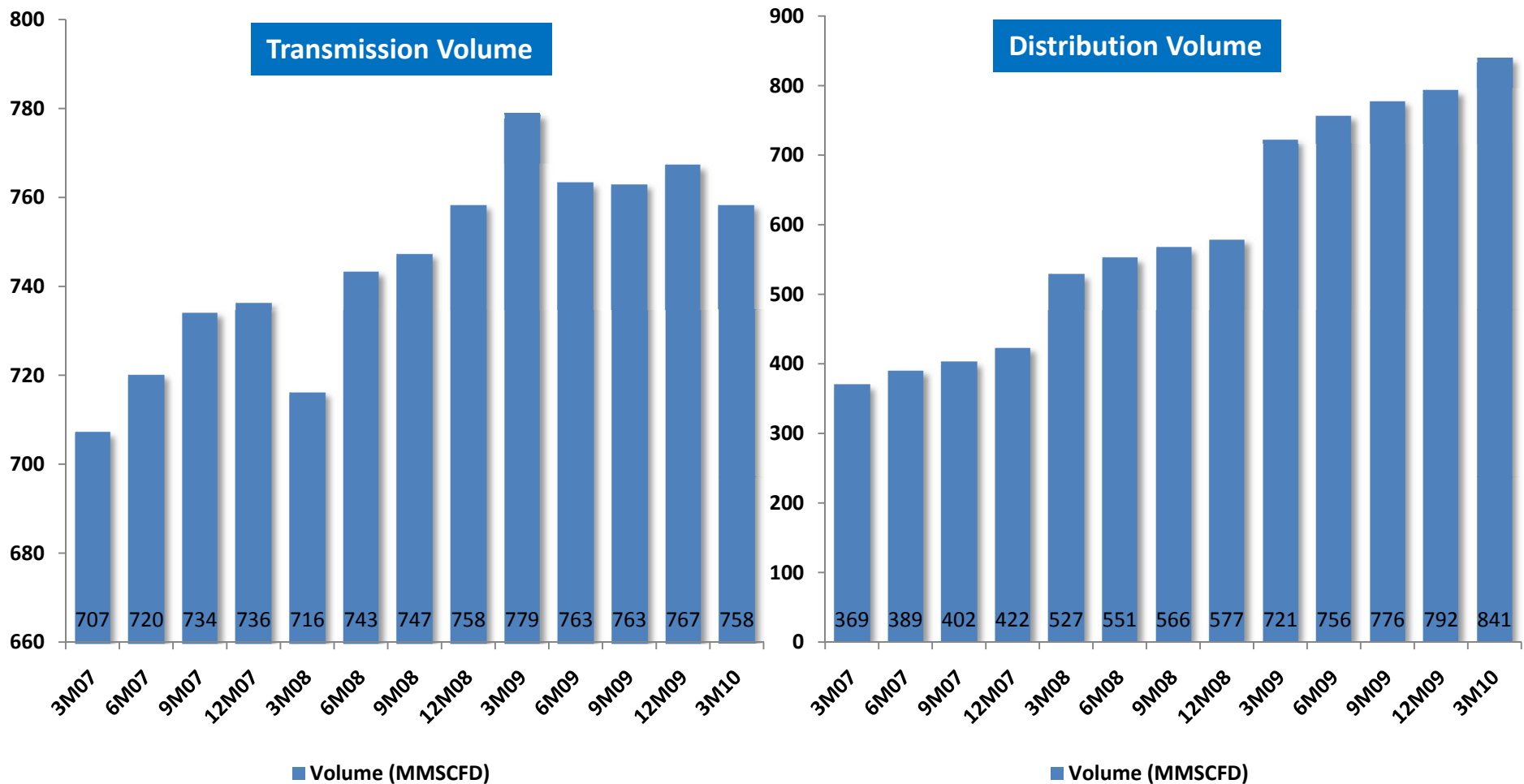
Key Delivery

Strategic Aspects	Completion of SSWJ Transmission Pipelines	Key enabler for the delivery of high volume and low cost natural gas supplies to primary market
	Initial success of Transformation	Establish customer focused and results oriented organization
	Reposition natural gas in national agenda	Engage policy makers on the importance of natural gas for domestic economies
Operational Aspects	Grow trading/distribution volume	Distribution volume doubled from 323 MMscfd in 2006 to 841 MMscfd in Q1-2010
	Maintain transmission volume	Transmission volume grew from 681 MMscfd in 2006 to 758 MMscfd in Q1-2010
Financial Aspects	Revenues	Grew from Rp6.6T in 2006 to Rp18.0T in 2009
	EBITDA	Grew from Rp2.9T in 2006 to Rp9.3T in 2009
	Operating Profits	Grew from Rp2.4T in 2006 to Rp7.7T in 2009
	Debt structuring	Lowering cost of debt

We are back on track and regain market confidence



Growing operational performance

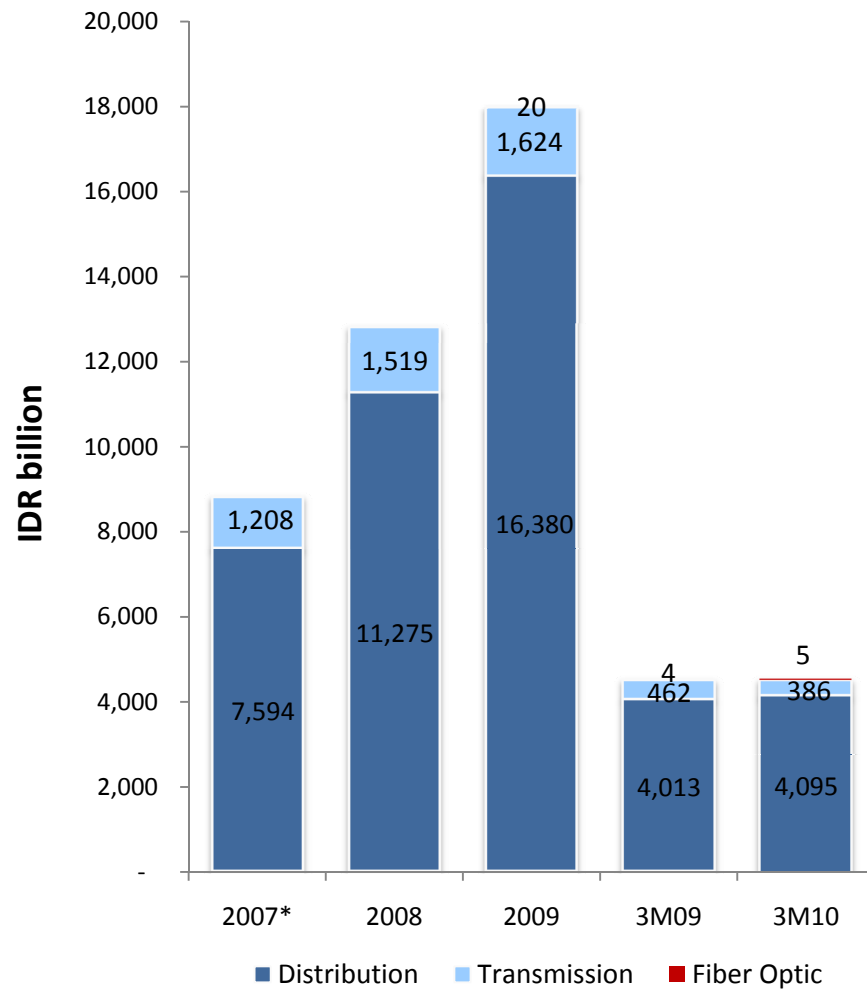


Deliver strong growth following completion of SSWJ

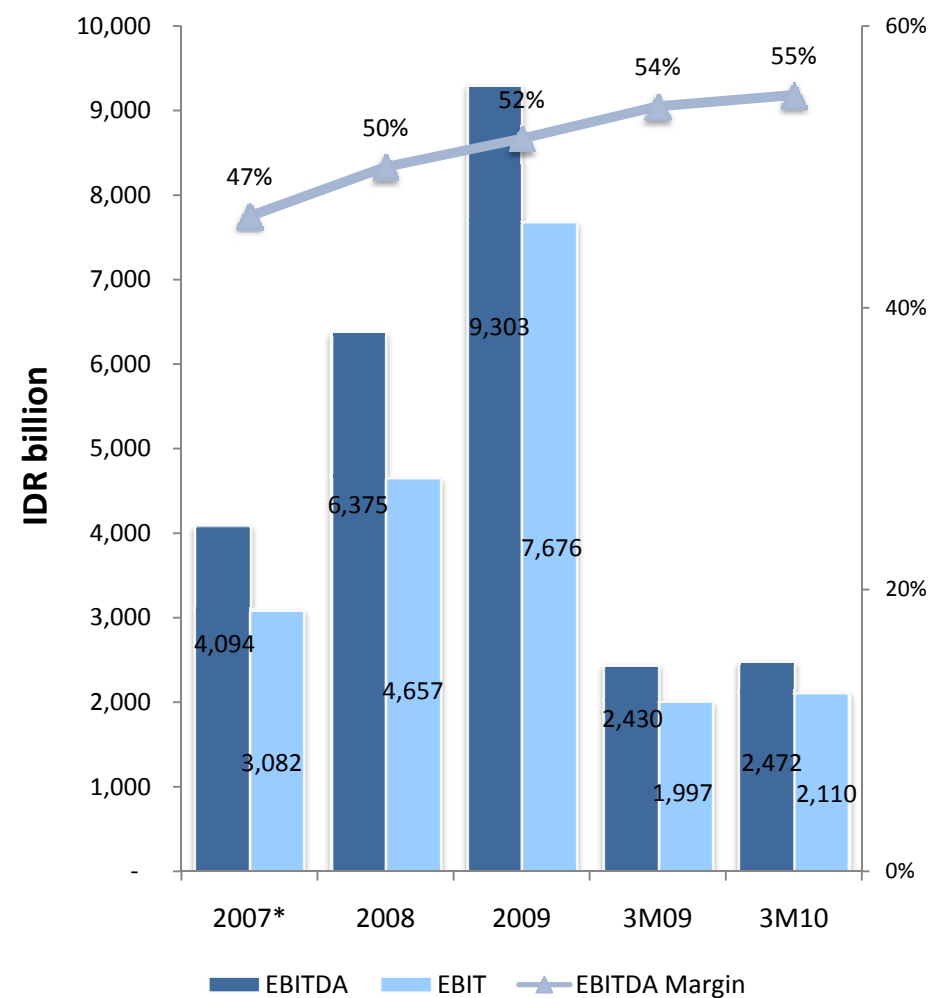


Growing Revenues, Expanding EBITDA

Revenue



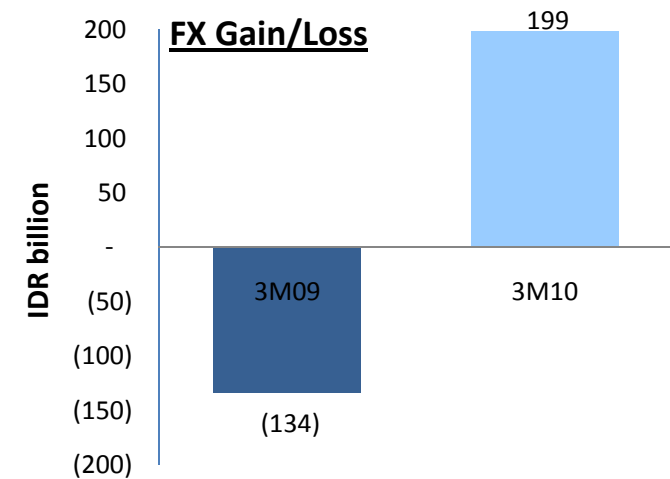
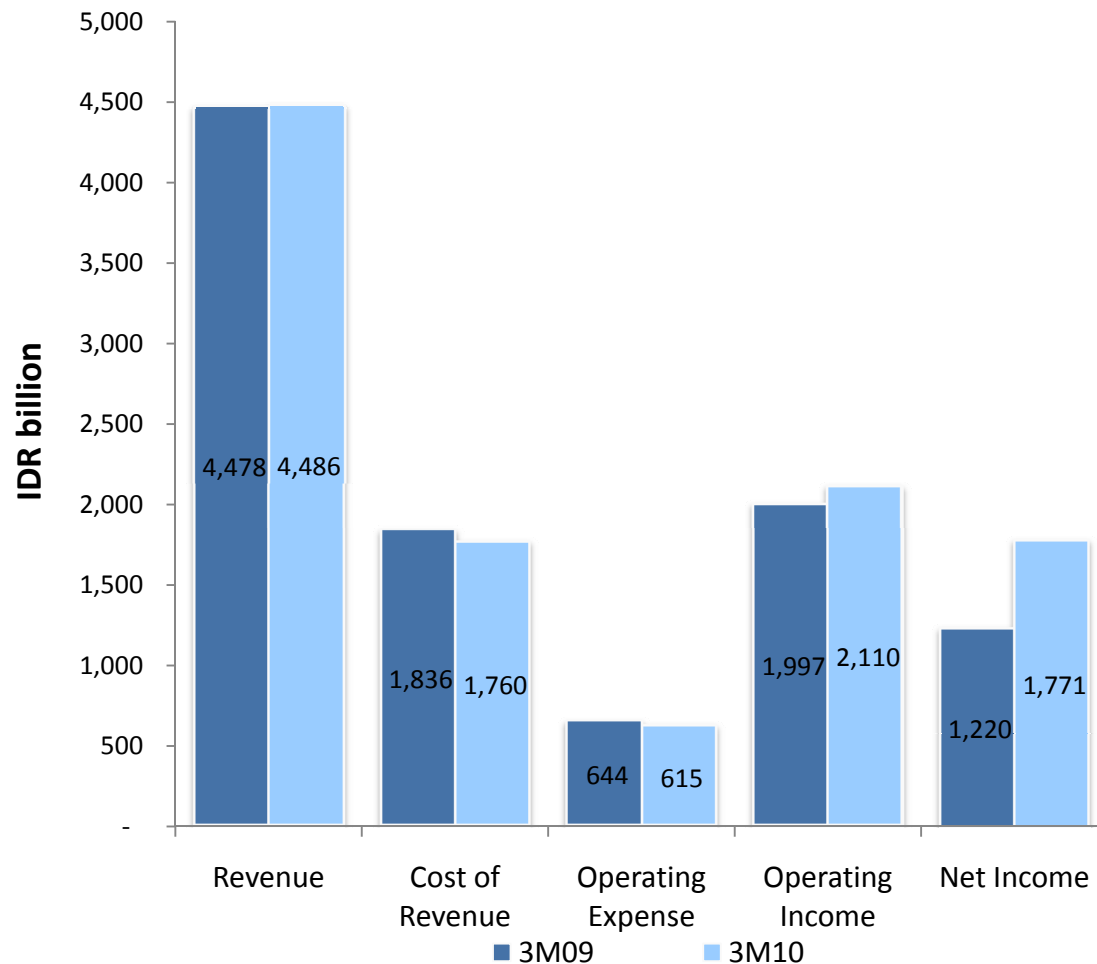
EBITDA and EBIT



*note: as restated



Financial Statements (3M-2010)



Exchange Rate

- 31 Maret 2009
USD 1 = IDR 11,575 & JPY 1 = IDR 117.94
- 31 Maret 2010
USD 1 = IDR 9,115 & JPY 1 = IDR 97.71



Our Sound Balance Sheet

(IDR billion)	Mar 31, 2009	Mar 31, 2010	%
Current Assets	7,235	10,632	47
Non Current Assets	20,803	19,037	-8
Total Assets	28,038	29,668	6
Current Liabilities	4,071	3,600	-12
Non Current Liabilities	14,342	11,599	-19
Minority Interest In Net Assets of a Subsidiary	1,069	1,077	1
Government Project Funds	28	-	-
Total Equity	8,529	13,393	57
Total Liabilities And Shareholders Equity	28,038	29,668	6

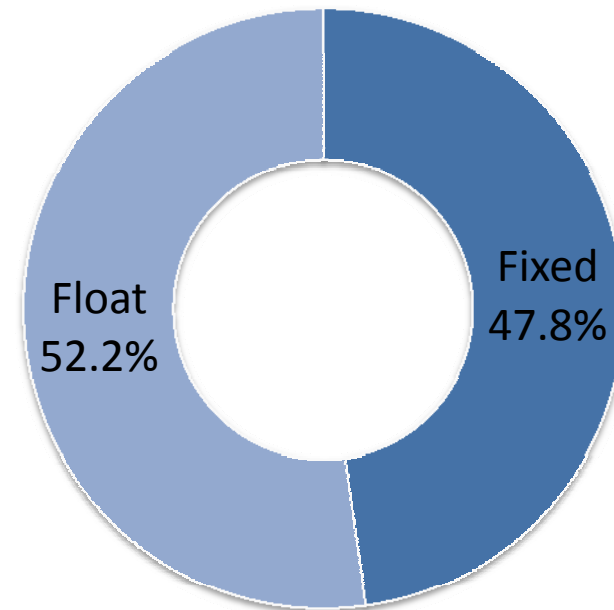
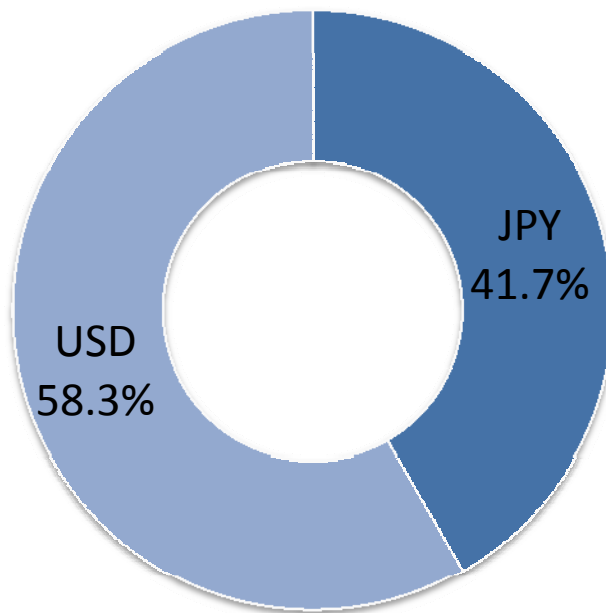
Key Ratios	3M-2009	3M-2010
Debt to Equity Ratio (x)	1.6	0.8
Return on Investment (ROI)	8.7%	8.3%
Return on Equity (ROE)	16.6%	15.2%
Net debt/EBITDA (x)	3.4	1.2
Net debt/Equity (x)	1.0	0.2
EBITDA/Interest expense (x)	15.3	26.0



DEBT COMPOSITION

(as of March 31, 2010)

**Long-term debt amounting to USD 1.137 billion
Mostly long dated/maturity loans from Developmental Banks**

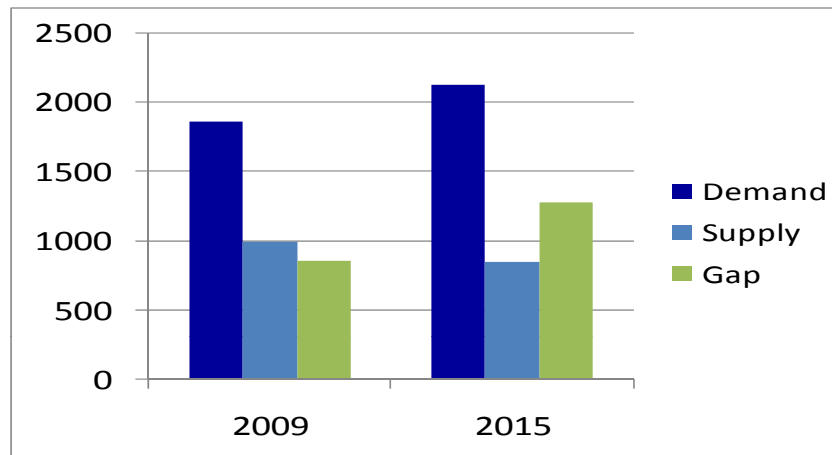


Effective Cost of Debt of Around 2.6%



Opportunity : Unmet Demand for Natural Gas

Power Sector



Source : PLN Primary Energy Unit

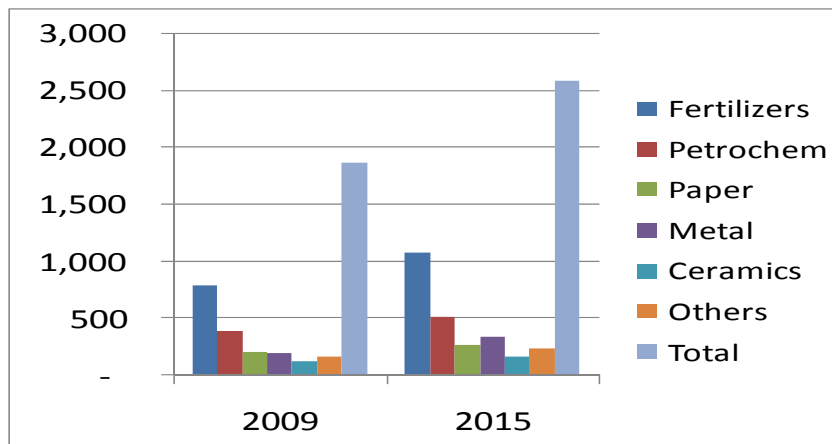
PLN gas demand was 1.8 BSCFD in 2009 for existing dual fired power plants growing to 2.1 BSCFD in 2015

PLN contracted for 1 BSCFD in 2009. Major suppliers: PGN, Pertamina, CNOOC.

Unmet demand of 0.8 BSCFD

Additional demand of 0.1 BSCFD from IPP

Industry – Non Power Sector



Source : Ministry of Industry - 20 May 2009

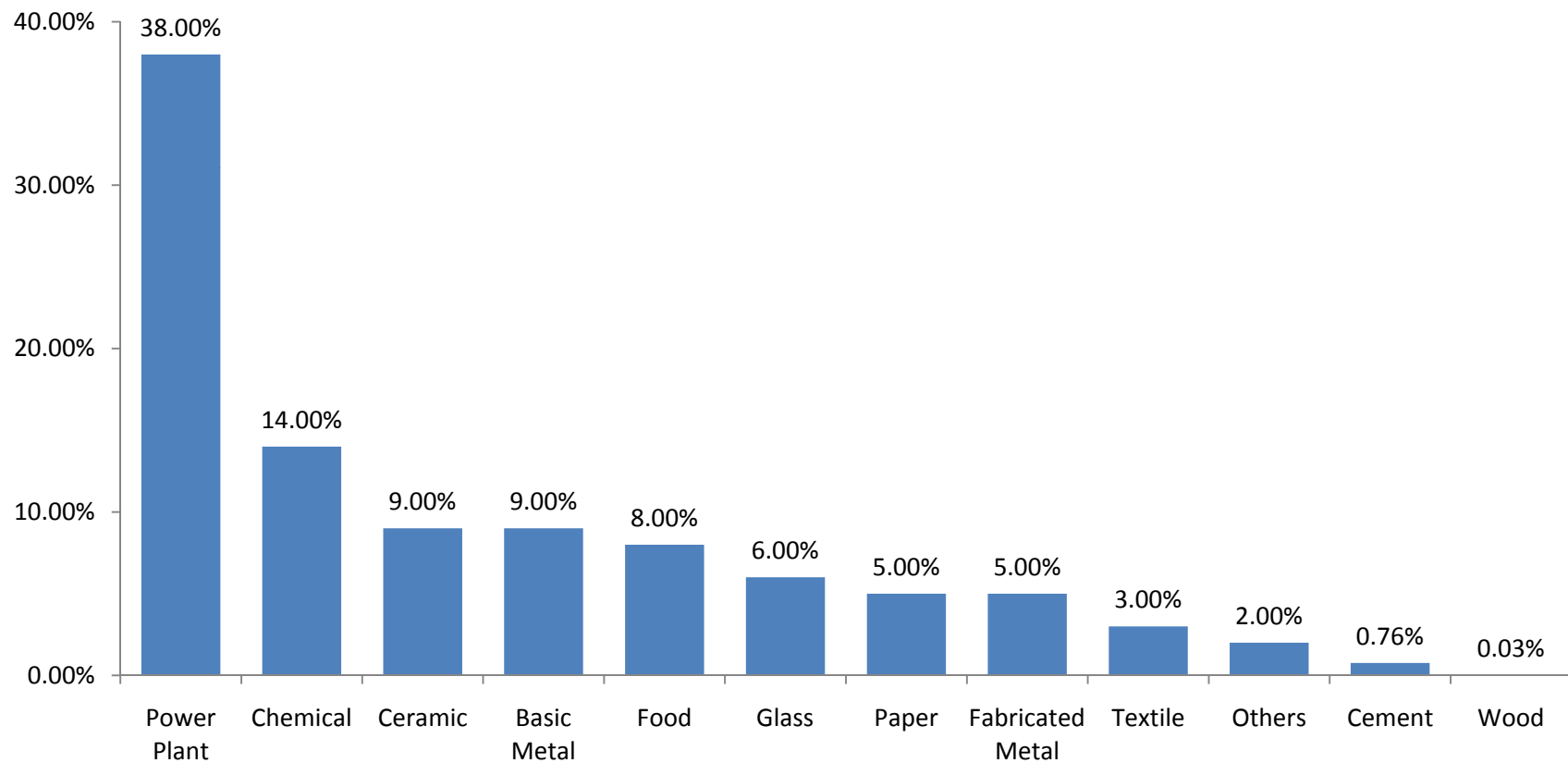
Ministry of Industry cited major gas shortage for industry

Firm unmet demand from industry of 0.4 BSCFD



Customers' Profile

As of March 31, 2010, sales volume of industrial customers was 826 MMSCFD or equal to 98% of PGN's sales



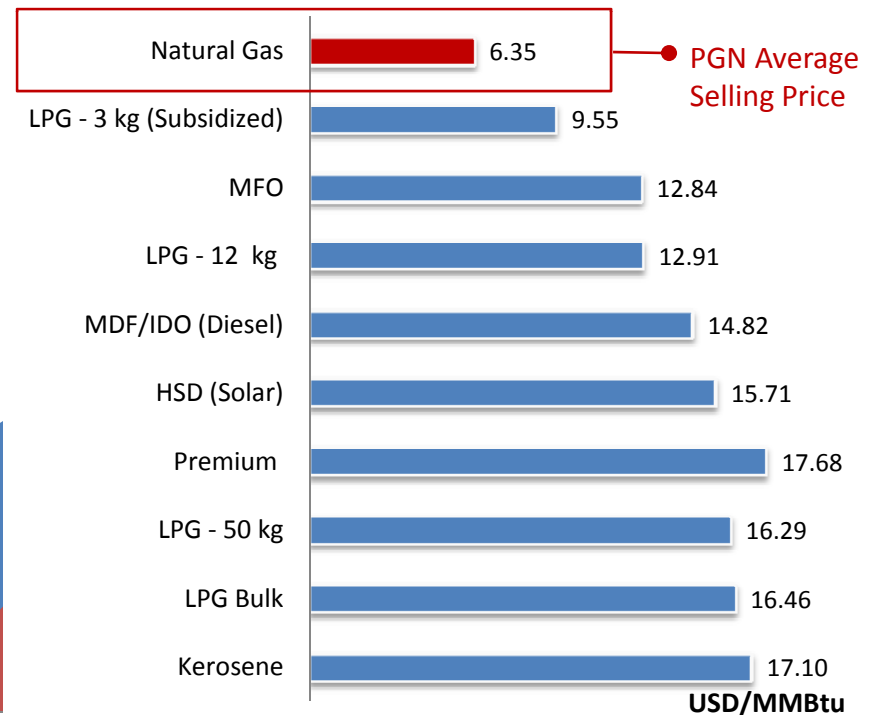
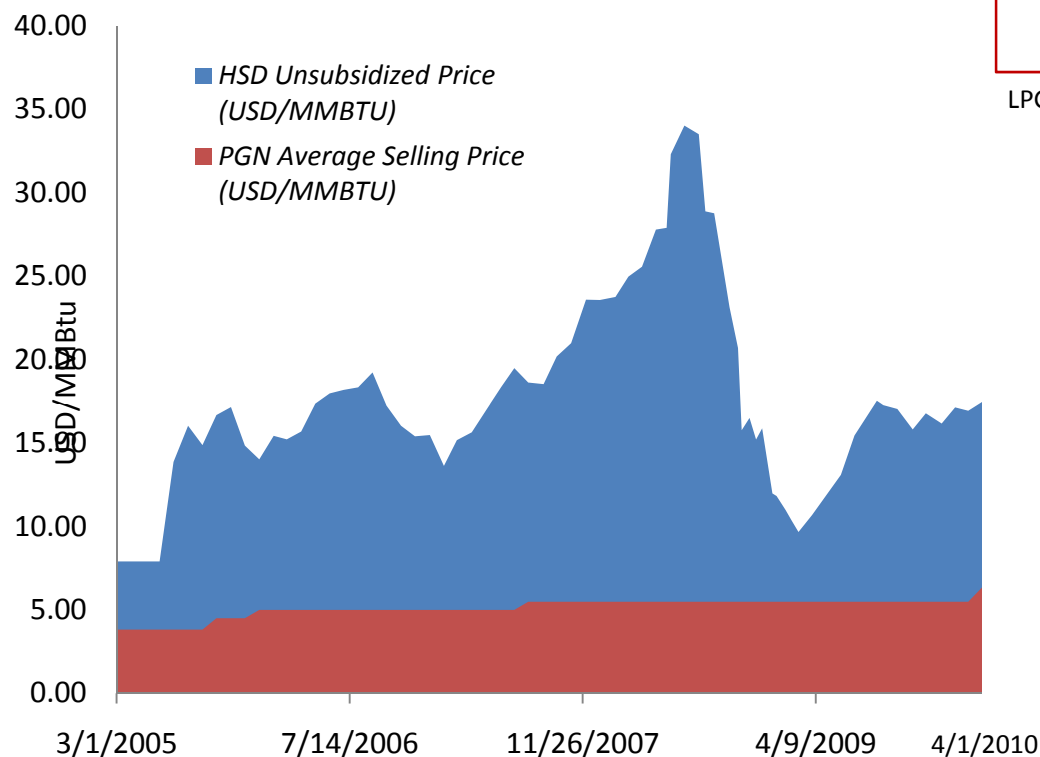


Opportunity : Price Advantages

Lower gas price compares to other fuels

Industrial Prices are set on B-to-B basis

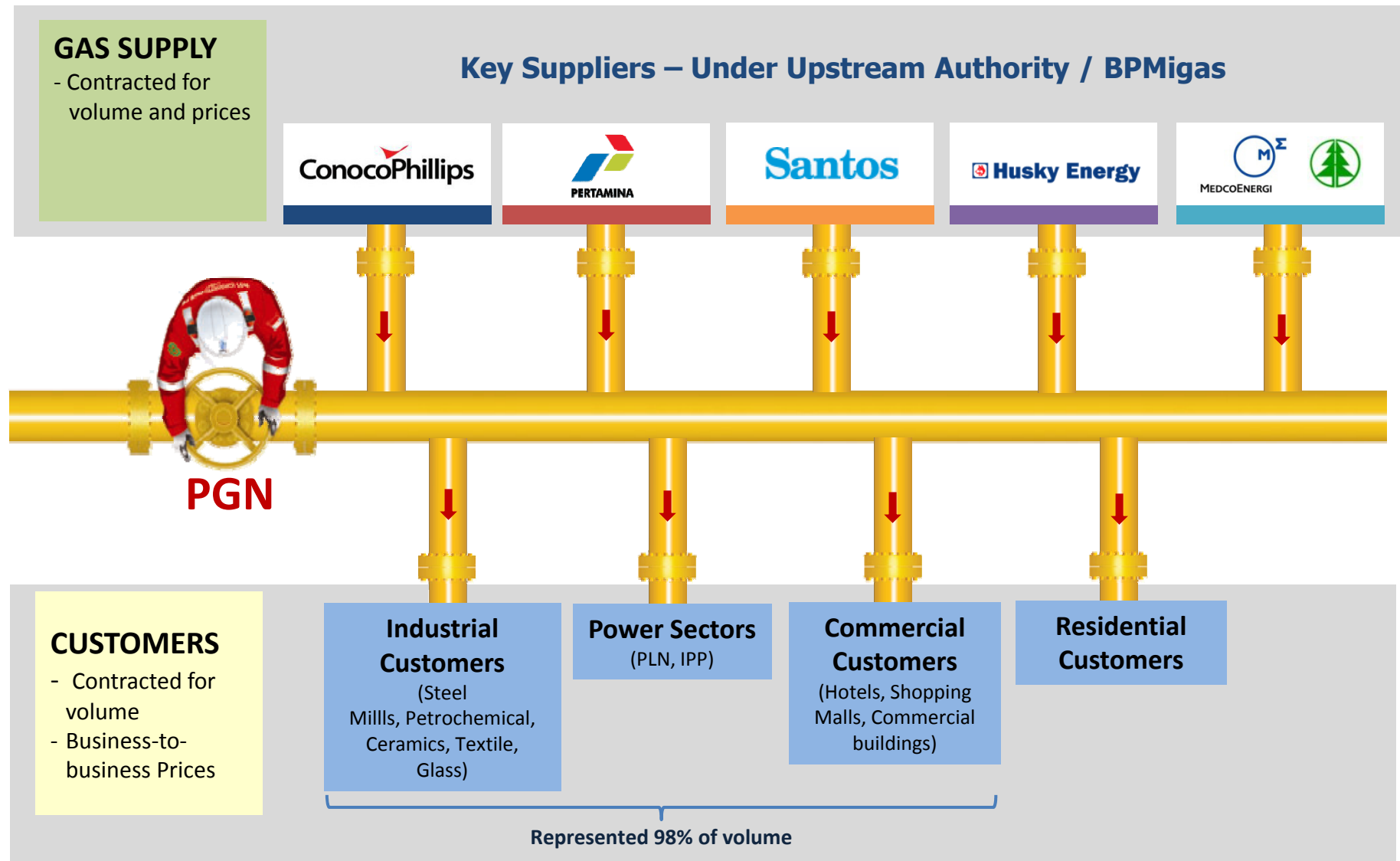
PGN Gas Price and HSD Price



Note: Fuel price Pertamina
Exchange rate $\pm$ IDR 10,000/USD

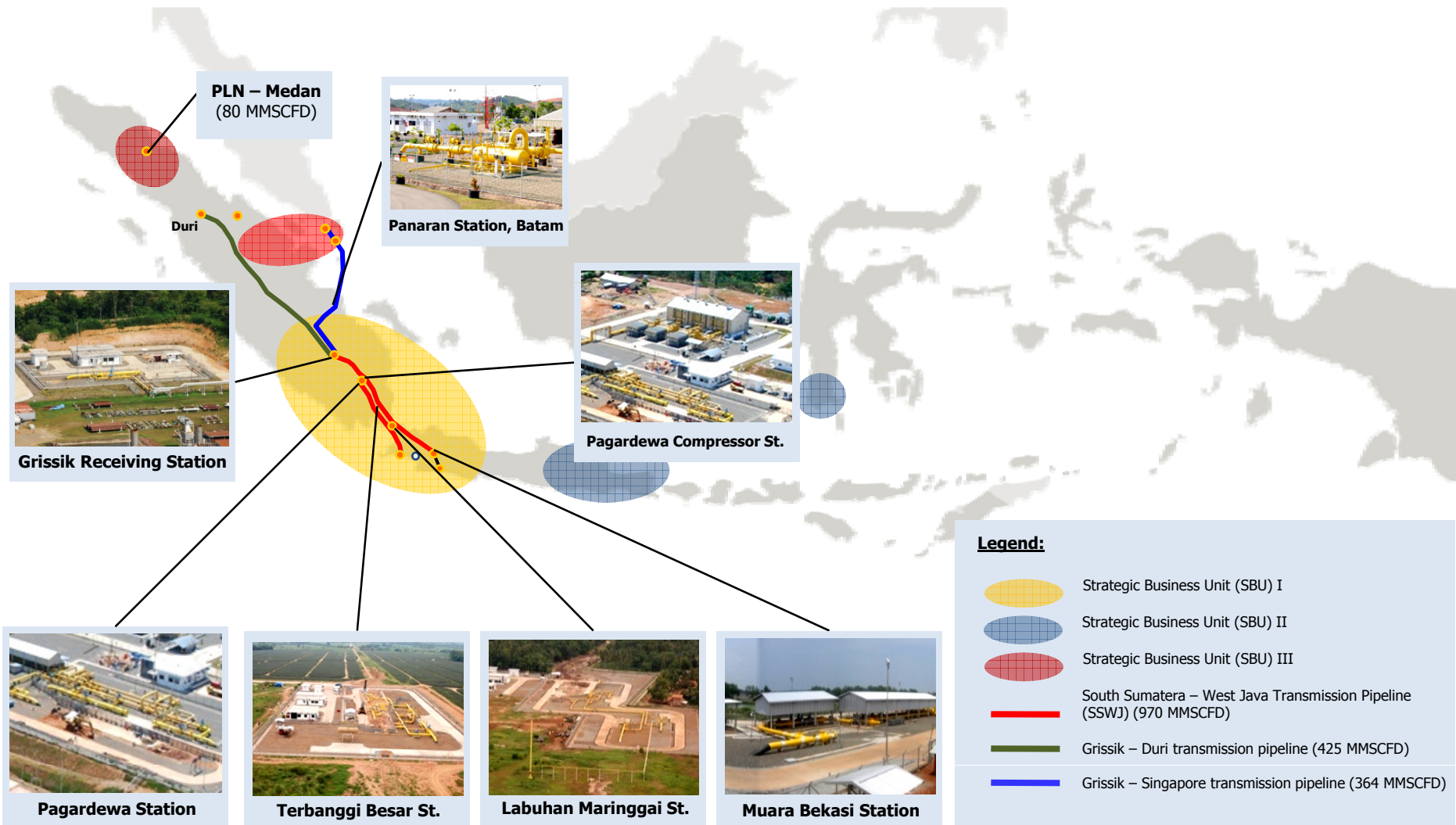


Our Business Model



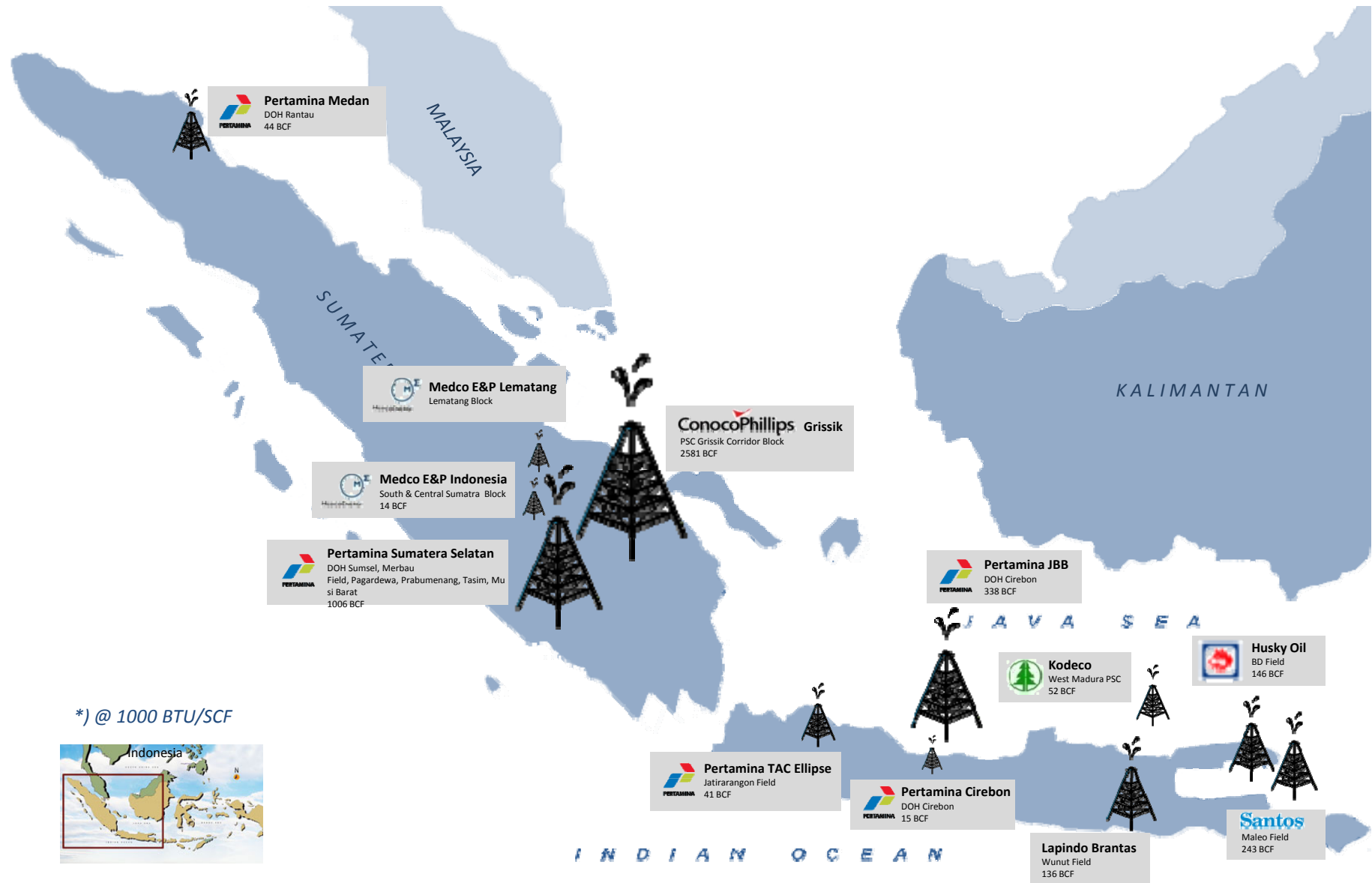


Our Network & Facilities





Our Sources of Gas



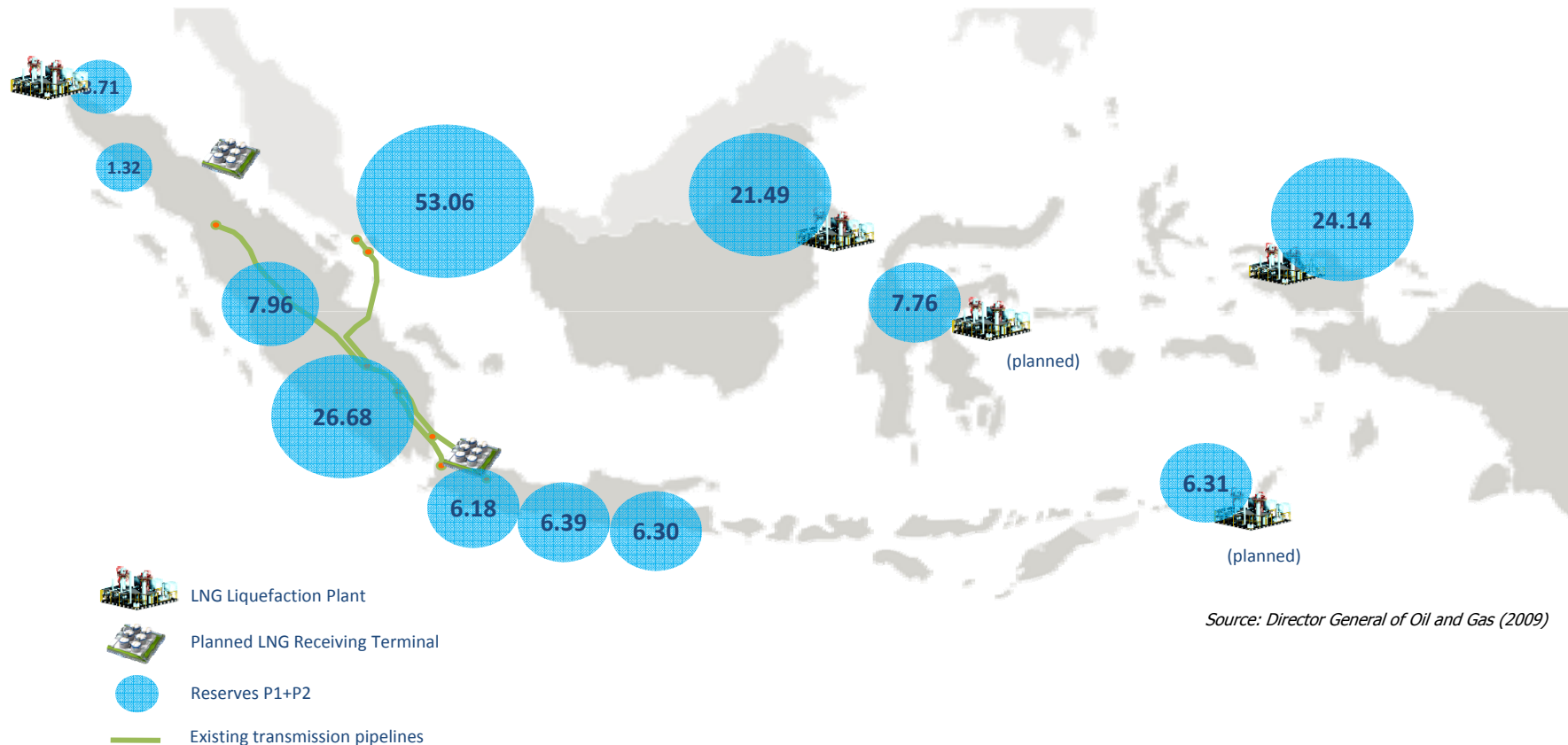
*) @ 1000 BTU/SCF





Opportunity : Future Gas Supplies

Indonesia has proven gas reserves 171.3 TCF (P1+P2)

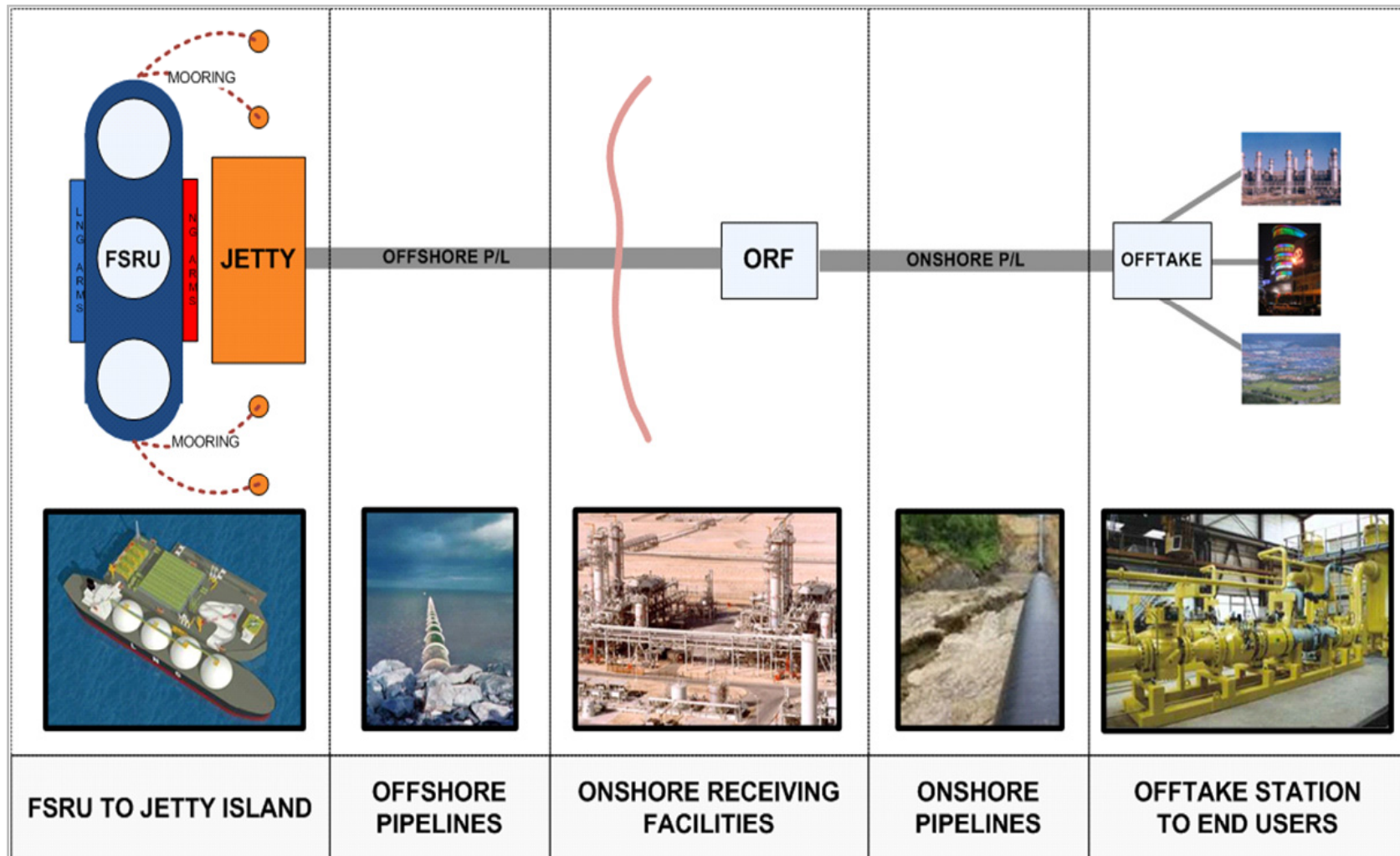




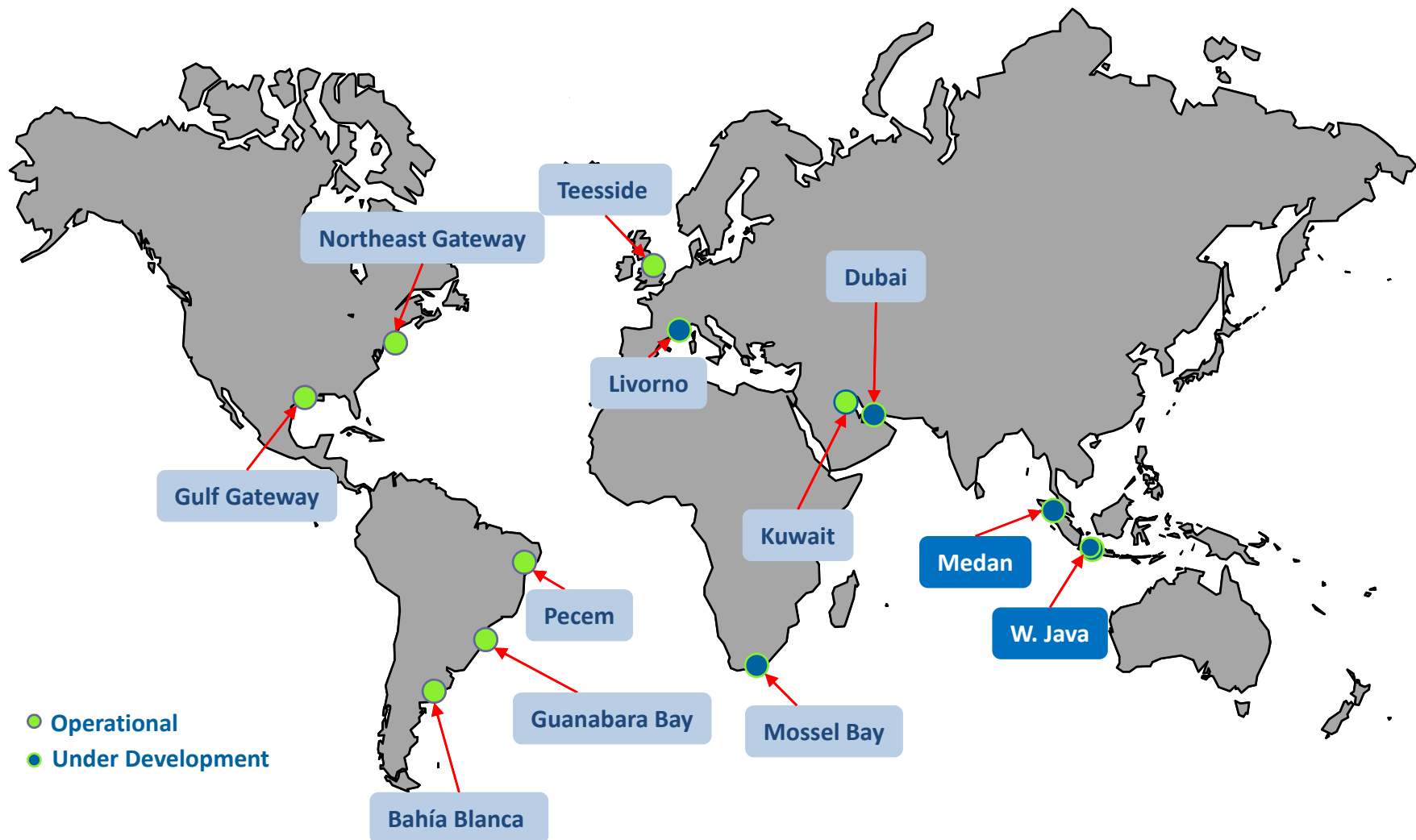
Recent Developments

Agreement on the adjustment of gas sales price, the application of surcharge and guarantee of payment	- Average selling price equivalent to approximately USD6.37/MMBTU (USD1 = Rp9,400) - Application of surcharge amounting to 300% for the volume exceeding maximum contract - Payment guarantee to cover 2 months worth of gas usage for all customers
Signing on statutes of incorporation PT Nusantara Regas	- Joint Venture Company Floating Storage and Regasification Terminal (FSRT) - Shareholder composition: Pertamina 60% and PGN 40% - Capital structure: authorized capital Rp2 trillion and paid-in capital Rp500 billion

Floating LNG Terminal Overview



Floating LNG Terminals





LNG Receiving Terminals

	WEST JAVA	NORTH SUMATRA
Location	Jakarta Bay	Belawan, Medan
Capacity (MTPA)	1.5 +	
Customers	Power plants, industry	
Potential Supply	Bontang and others	Domestic and international sources
Owner	PGN, Pertamina	PGN
Scope	FSRU, jetty, subsea and overland pipelines	



West Java FSRU – Recent Developments

Cooperation aspects:

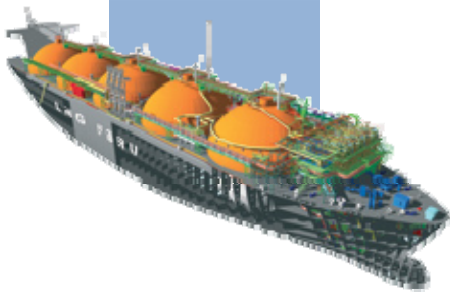
- PLN pulled out of consortium citing focus on core-business
- JV between PGN and Pertamina signed

Technical aspects:

- JV appointed WorleyParsons Indonesia as Project Management Consultant
- Tender for EIA Consultant in evaluation process

Commercial aspects:

- LNG SPA being negotiated
- JV preparing key terms of GSPA with PLN





North Sumatera FSRU – Recent Developments

Legal/Coordination:

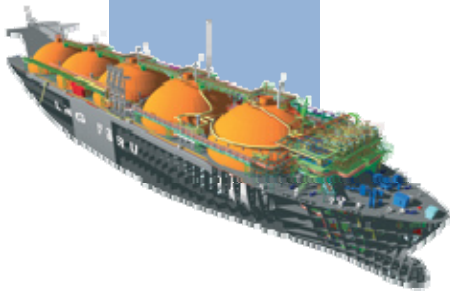
- Close coordination with Regional Government of North Sumatera and Belawan Port Authority

Technical aspects:

- Site has been selected in consultation with Belawan Port Authority and Regional Government
- Tender for EIA Consultant underway
- PGN tendered for PMC

Commercial aspects:

- MoU with PLN as gas offtaker signed
- Initial discussion with BP Tangguh and BP Migas on LNG supply

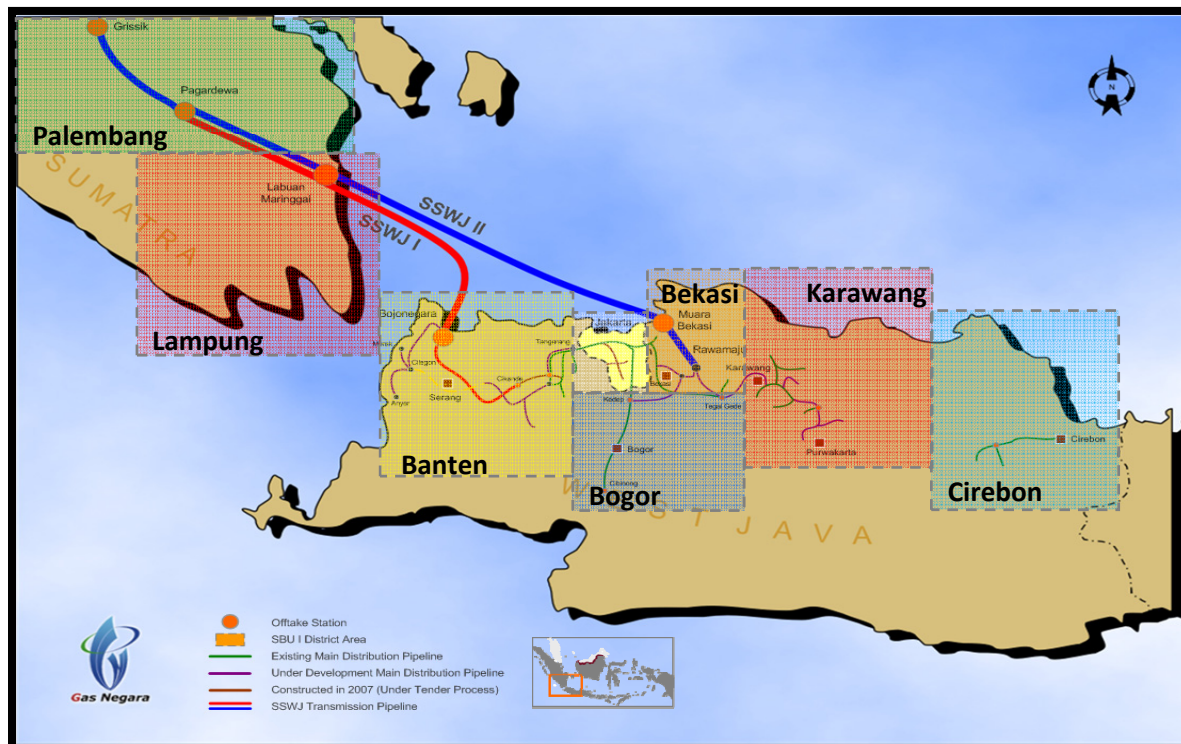




WEST JAVA DISTRIBUTION EXPANSION

460 km West Java Distribution Expansion Project

Distribution of SSWJ gas expected in 2011



460 km expansion of Jakarta, Bekasi, Cikampek, Bogor and Banten distribution system

System capacity increased by

- 85% in West Java
- 50% nationwide

Gas supply from South Sumatra

Scheduled for completion in 2011

Project funded by World Bank and PGN



Recently Issued Regulations

Government Regulation No. 55/2009

- Upstream has a mandate to meet domestic demand by allocating 25% of natural gas production

Ministerial Decree No. 19/2009

- Set the structure of natural gas trading, transmission and distribution business and licensing
- Provides special rights and licensing for dedicated downstream
- Set pricing mechanism for piped natural gas:
 - Residential regulated by BPH Migas
 - Special users determined by Minister of Energy
 - General users determined by the companies

Ministerial Decree No. 3/2010

- Upstream has a mandate to serve domestic demand by 25% of natural gas production
- Domestic gas utilization priorities for national oil and gas production, fertilizer, electricity and industrial uses
- Exemption for existing Gas Sales & Purchase Agreements, Heads of Agreement, Memoranda of Understanding or negotiations in progress





Guidance For 2010

Gas Flow Projections

- **Transmission: flat**
- **Distribution: 800-900 MMSCFD**

Capital Expenditure

- **Commitment in 2010: USD 200-250 million**



THANK YOU

Contact:

Investor Relations

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