

The background of the slide is a photograph of a female worker in an industrial setting. She is wearing a white hard hat with the PGN logo, safety glasses, and a bright orange safety suit with reflective silver stripes. She is holding a large black pipe or hose. The background shows yellow industrial structures and a clear blue sky.

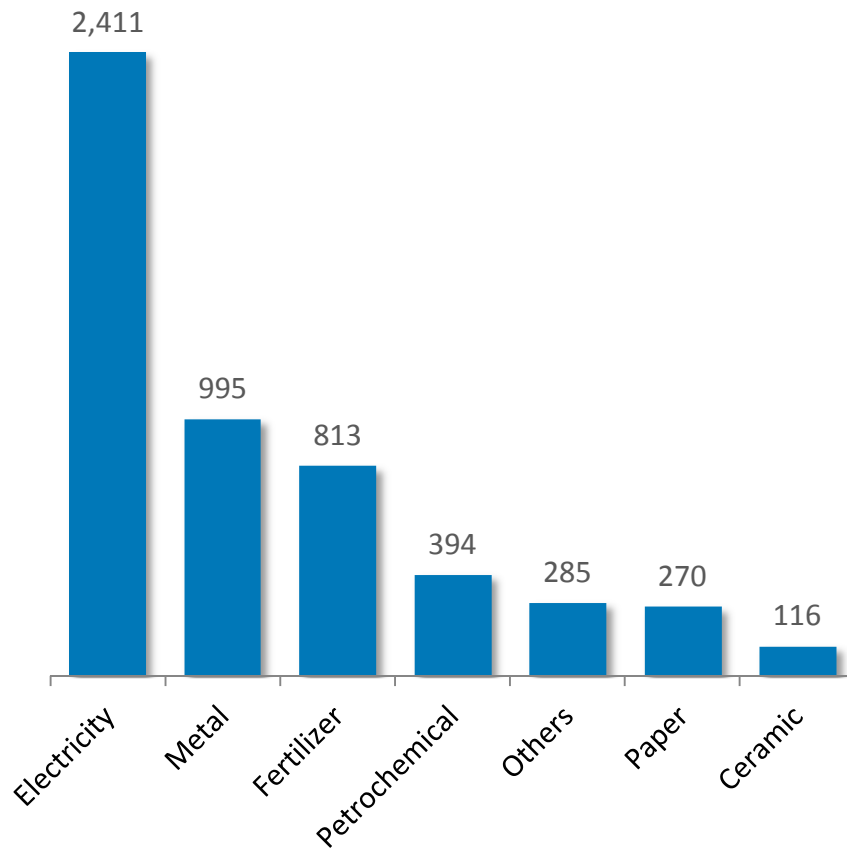
PT Perusahaan Gas Negara (Persero) Tbk

May 2012

***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.

Demand for Natural Gas 2012



Source: Ministry of Industry Republic of Indonesia & PLN

No Subsidy of Fuel for the Industries

Subsidies for industries revoked in 2005.

Pricing and Efficiencies

Significant price and efficiencies benefits by converting to natural gas, as well as environmental concerns.

Conversion of Power Plants

Pent-up demand from the conversion of existing dual fired power plants pending availability of gas.

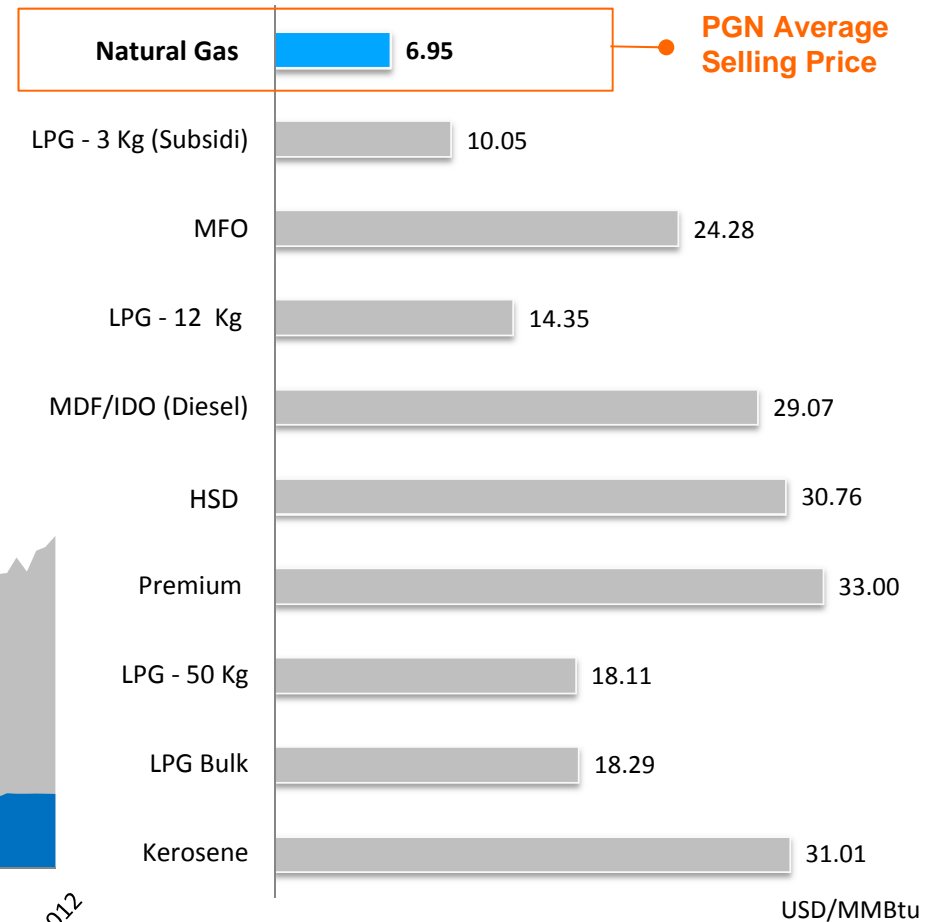
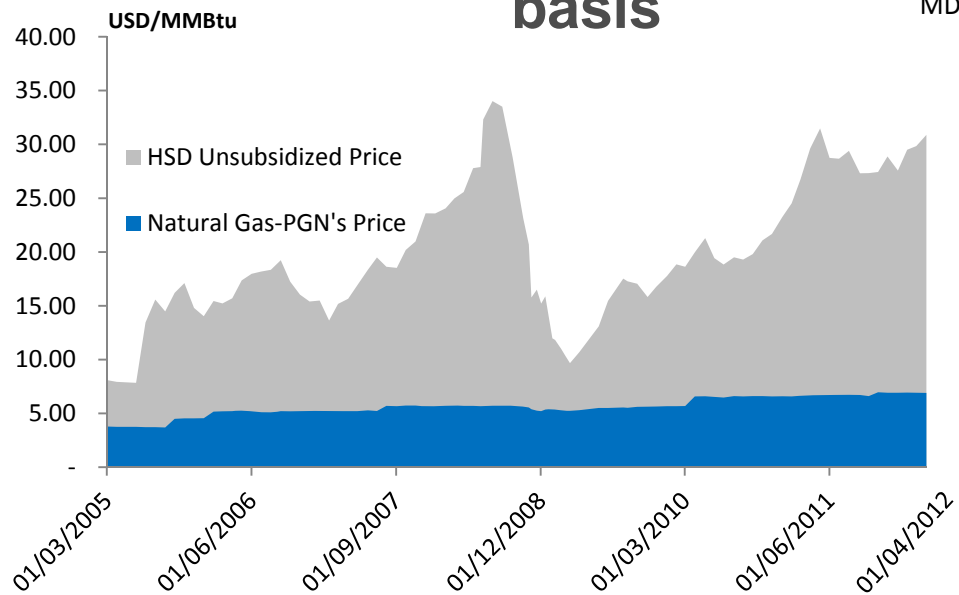
Demand from the industries

Require natural gas to compete in the era of Free Trade Agreement.

Opportunity: Price Advantage

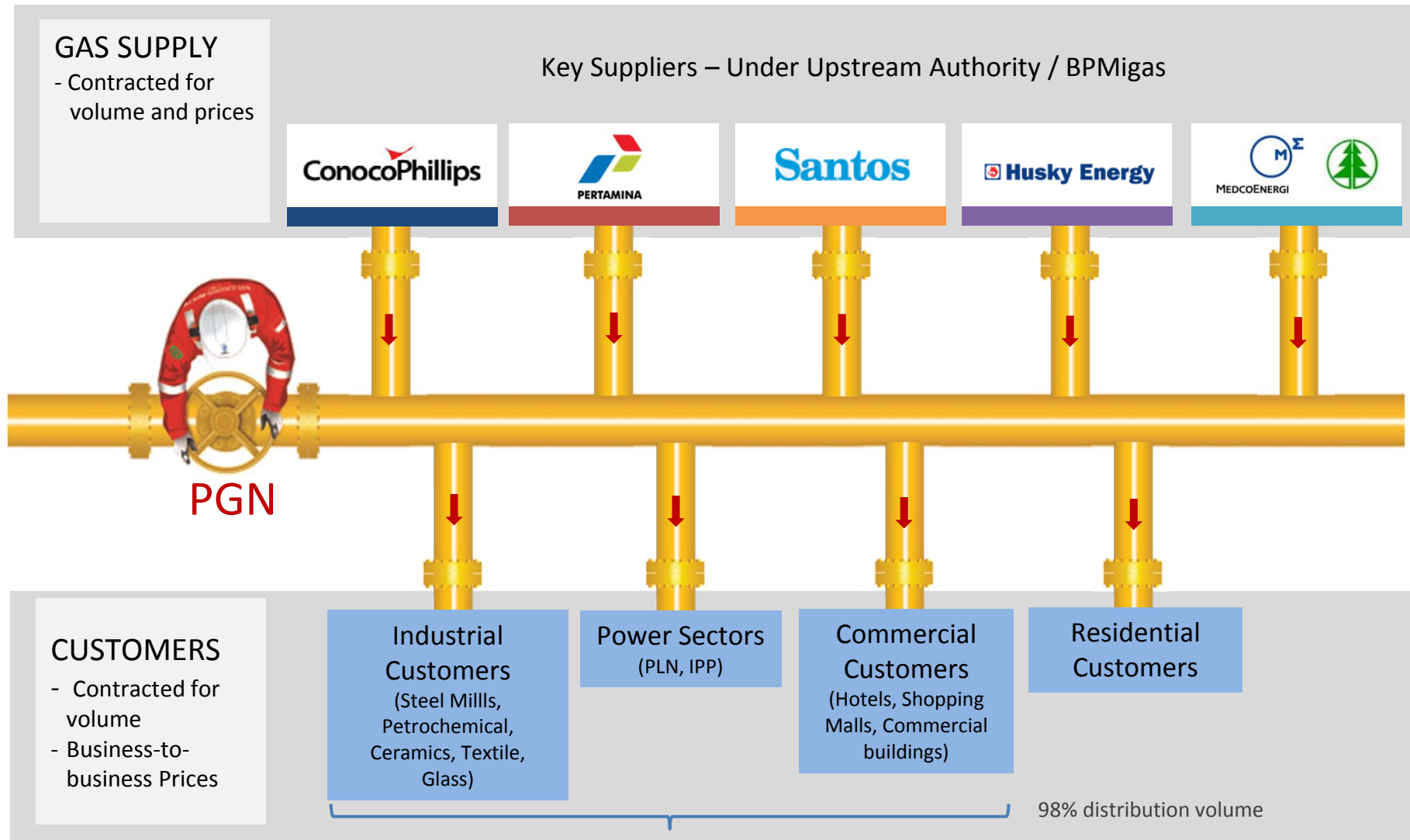
**Lower gas price
compares to
other fuels**

**Industrial Prices
are set on B-to-B
basis**

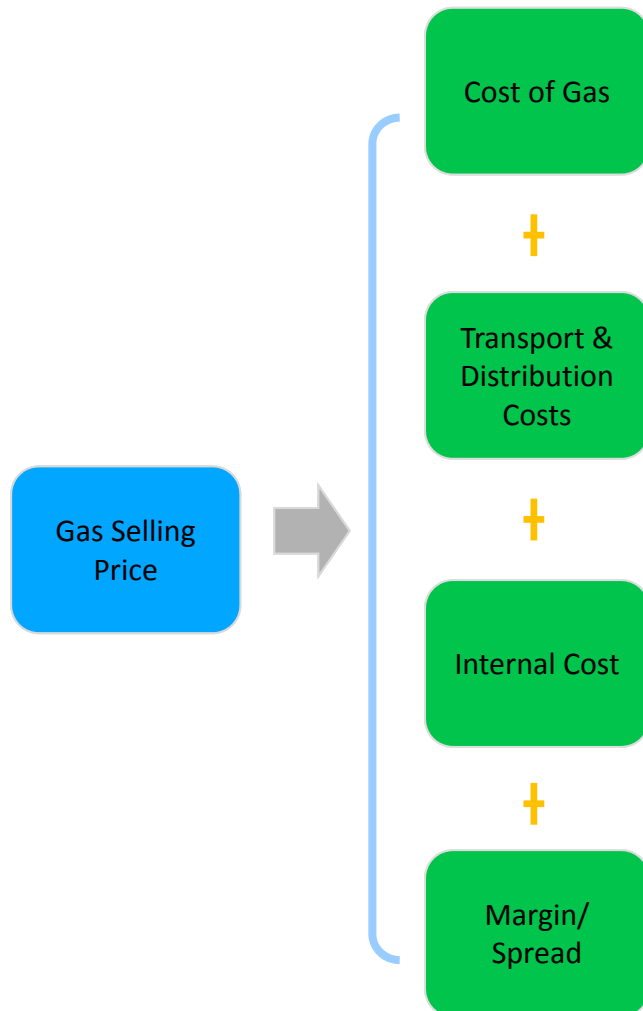


Note:
Fuel price Pertamina as of 1 May 2012
Exchange rate USD 1 = IDR 9,000

Our Business Model



Pricing Scheme



Minister of Energy and Mineral Resources Decree No. 19 Year 2009

- Allows pricing for “general users” to be determined by the Companies.
- General users are non-subsidized industries and power plants.

Pricing Considerations

- Demand and Supply Dynamics
- Affordability
- Reasonable Margin

Intended to stimulate more supplies to meet the growing demands

Implementation

- PGN has taken the effort to communicate and educate the end users market on the merit of new pricing flexibility.
- Implement new pricing scheme with “regionalized” and “differentiated pricing” on nationwide basis starting from 1 April 2010.



Key Stakeholders



Kementerian Negara
Badan Usaha Milik Negara

Minister of State Own Enterprise

To act as Government of Republic of Indonesia shareholder proxy.



Minister of Energy and Mineral Resources

To formulate national, implementation and technical policies in energy and mineral resources sector.



Upstream Oil and Gas Executive Agency

To supervise upstream activities by ensuring the utilization of oil and gas resources to maximize state income for development of national economy wealth.



Downstream Oil and Gas Regulator

To regulate and to supervise downstream oil and gas activities (processing, transportation, storage and trading).

Related Regulations

Minister of Energy and Mineral Resources 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.

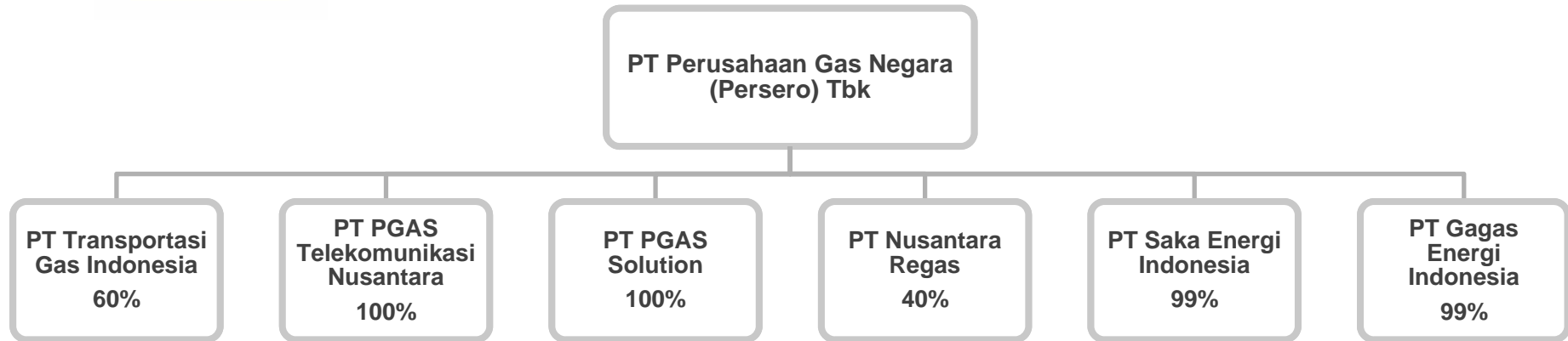
Minister of Energy and Mineral Resources Decree No. 3/2010

- 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.



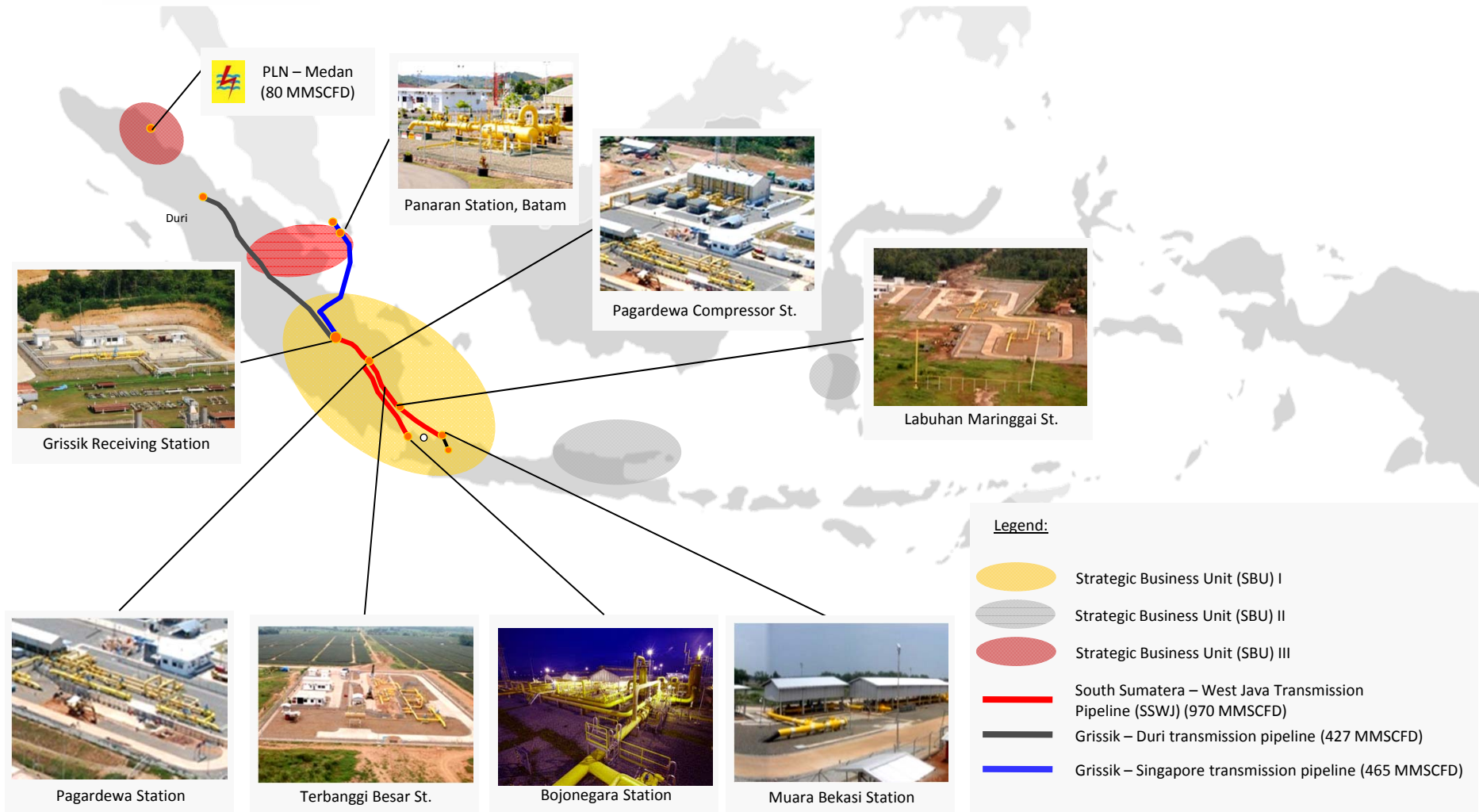


Subsidiaries and Affiliates



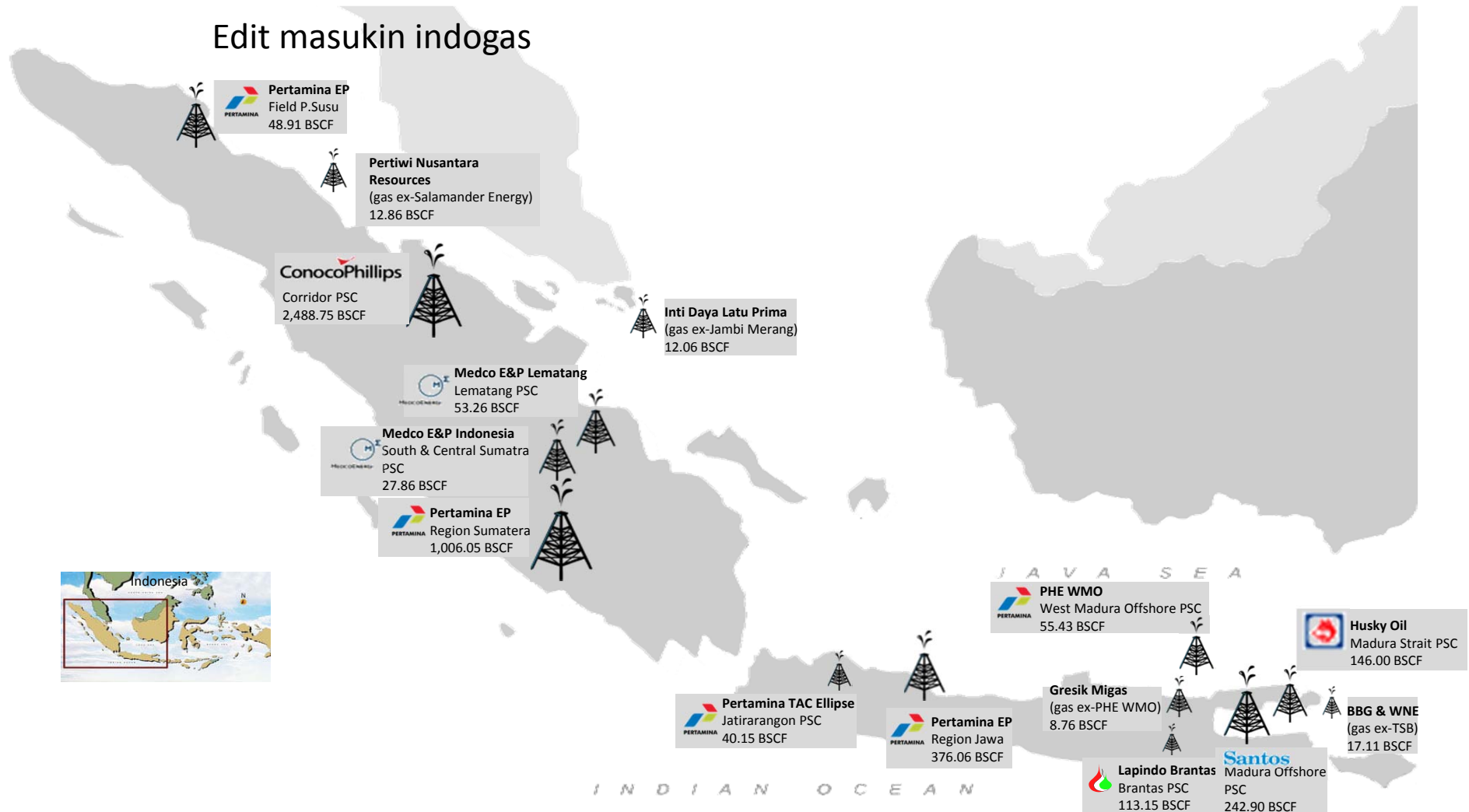
*PT Transportasi Gas Indonesia	**PT Nusantara Regas
PGN (60%)	PGN (40%)
Transasia Pipeline Company, Pvt. Ltd. (40%): <ul style="list-style-type: none"> - Petronas International Corporation Ltd. (35%) - Conoco Indonesia Holding Ltd. (35%) - SPC Indo-Pipeline Co. Ltd. (15%) - Talisman Transgasindo Ltd. (15%) 	Pertamina (60%)

Our Network & Facilities



Our Sources of Gas

Edit masukan indogas



Strategy to Fulfill Demand

Obtain access to new gas supplies

- Actively seeking new gas supplies, starting from the ones located in the proximity of existing infrastructure.
- Seek to obtain more allocation from the imposed domestic market obligations to new productions and contracts, but will require new infrastructure to be built.

Develop existing and build new infrastructure

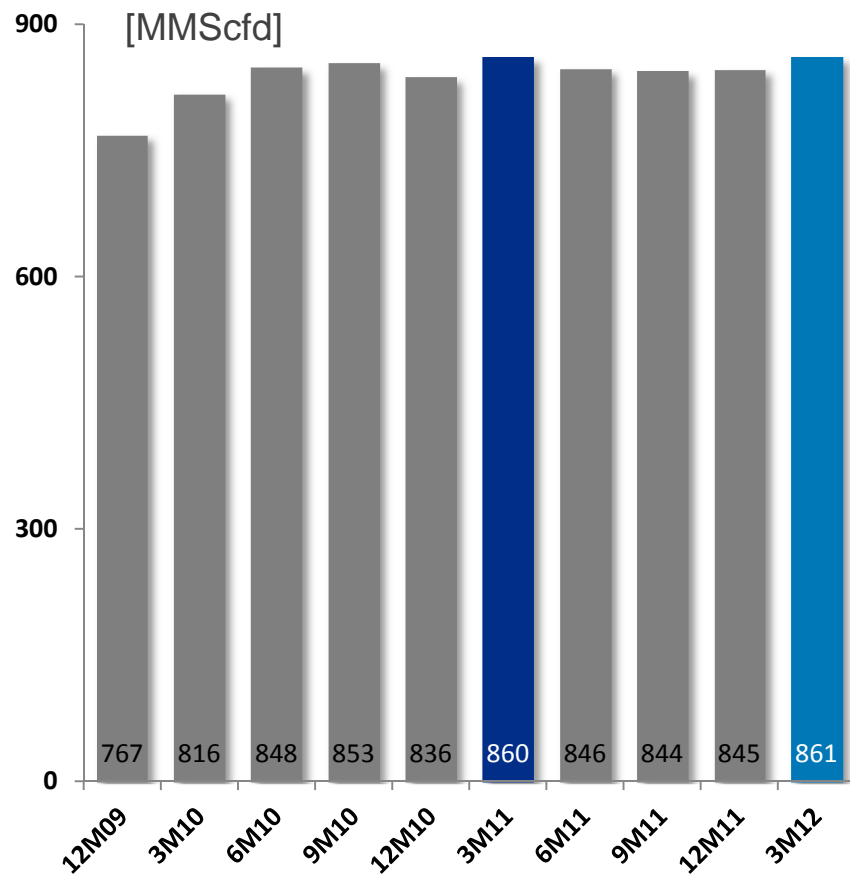
- Expand existing distribution and transmission capacity.
- Plan for inter-mode gas transportation such as CNG and LNG.

Aim for non-conventional sources

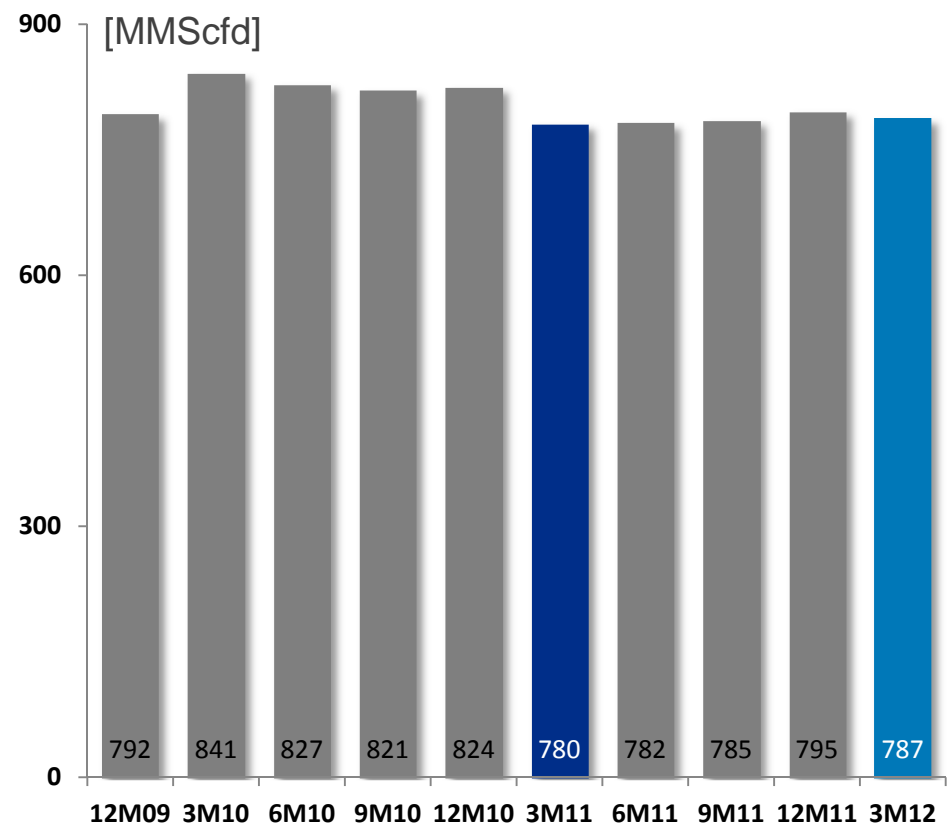
- Plan and anticipate the non-conventional sources such as Coal-Bed Methane.

Strong Operational Performance

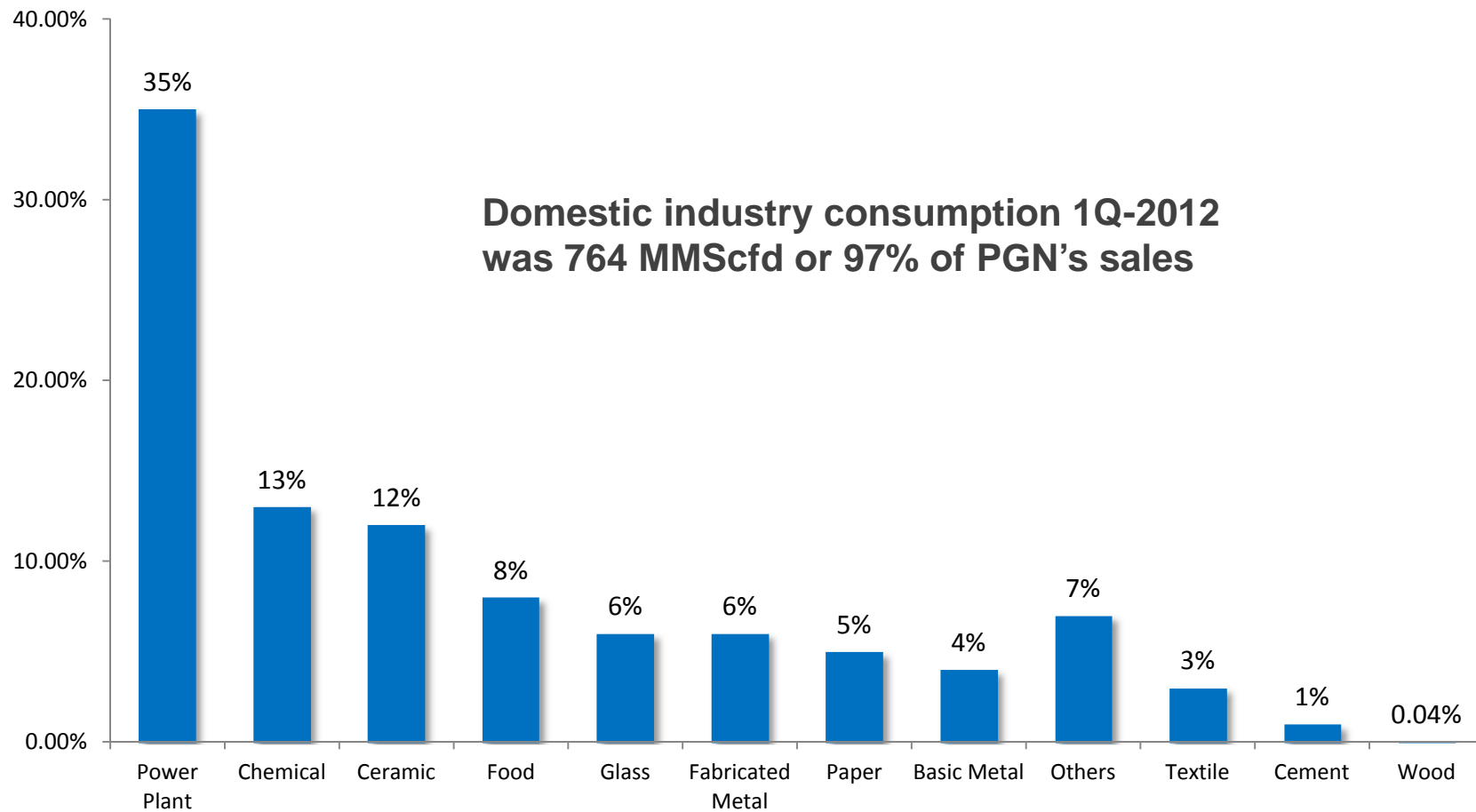
Transmission Volume








Distribution Volume



Diversified Industrial Customer



Interim Consolidated Statements of Comprehensive Income 1Q-2012

In USD Mio	1Q-2011	1Q-2012	Δ%
Revenues	534.6	582.1	9% 
Cost of Revenues	196.8	222.9	13% 
Operating Income	256.8	276.5	8% 
EBITDA	303.2	321.4	6% 
Net Income	242.2	275.9	14% 



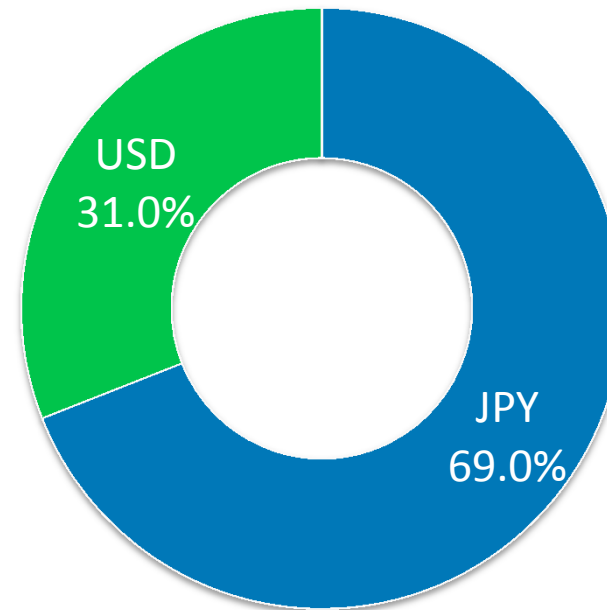
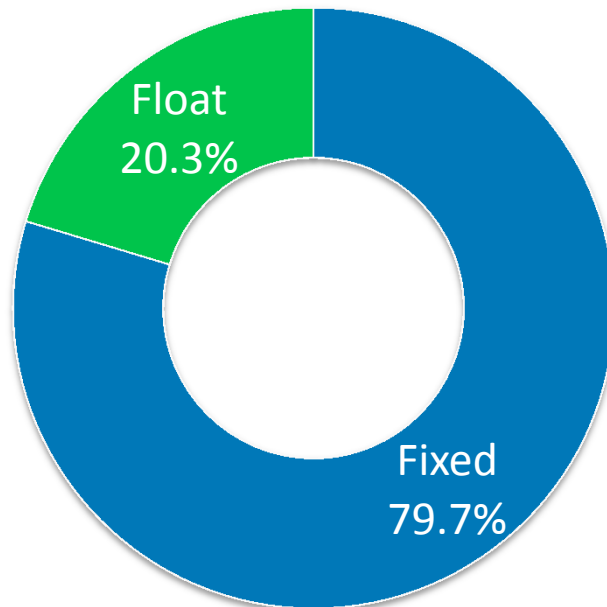
Interim Consolidated Statements of Financial Position

In USD Mio	Jan 1, 2011/Dec 31, 2010	Dec 31, 2011	31 Mar, 2012
Current Assets	1,542	1,507	1,736
Non Current Assets	1,997	1,895	1,870
Total Assets	3,539	3,402	3,606
Current Liabilities	449	274	311
Non Current Liabilities	1,440	1,247	1,132
Total Equity	1,650	1,881	2,163
Total Liabilities And Shareholders Equity	3,539	3,402	3,606

Key Ratios	2010	2011
Debt to Equity Ratio (x)	0.9	0.6
Net debt/Equity (x)	0.1	-
EBITDA/Interest expense (x)	28.9	38.9
Return on Investment (%)	33.4	30.6

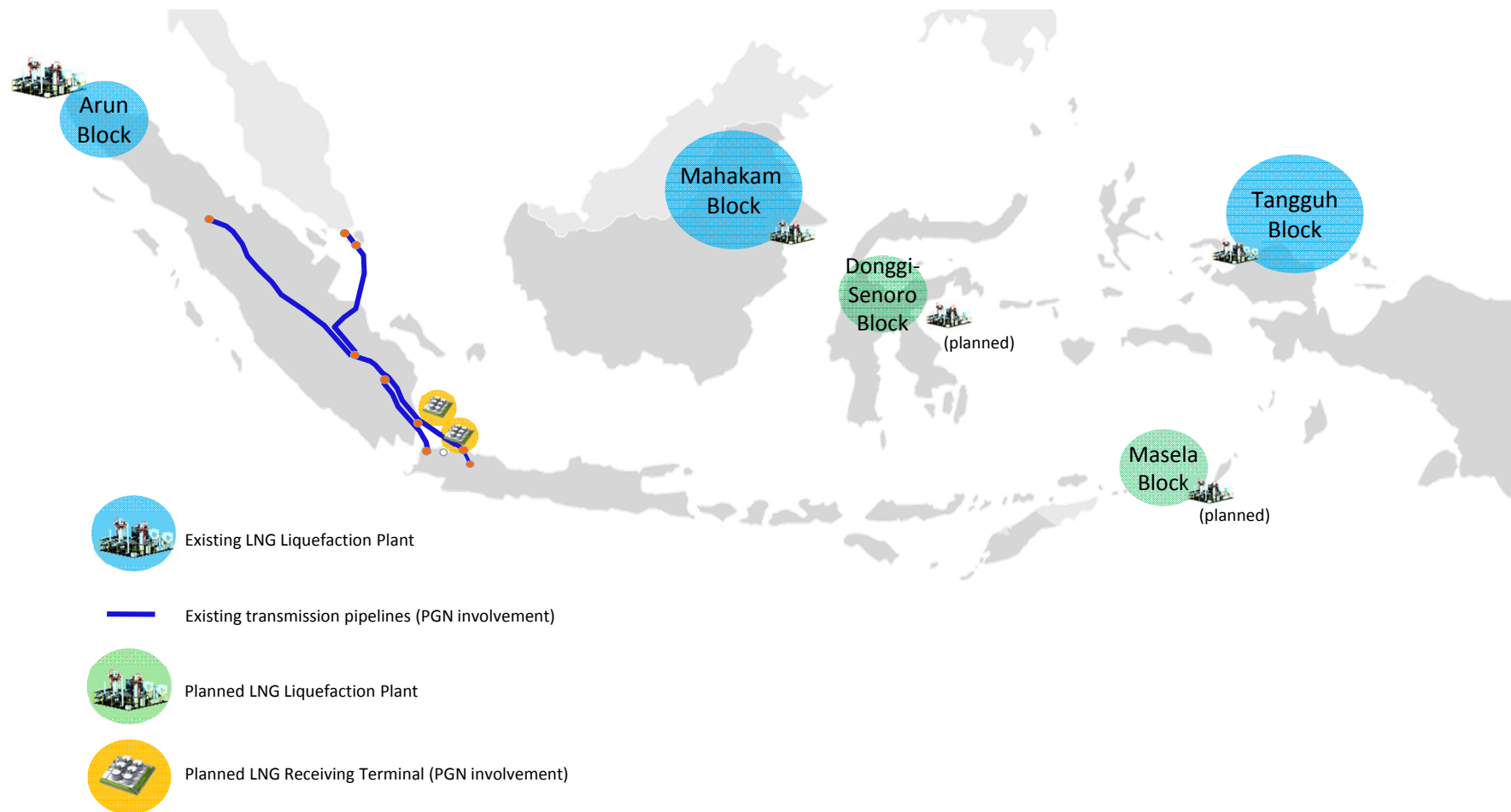
Debt composition (as of March 31, 2012)

Long-term debt amounting to
USD 853 million
Mostly long dated/maturity
loans from Developmental
Banks



**Effective Cost
of Debt of
Around 1.9%**

Plan for New LNG Infrastructure

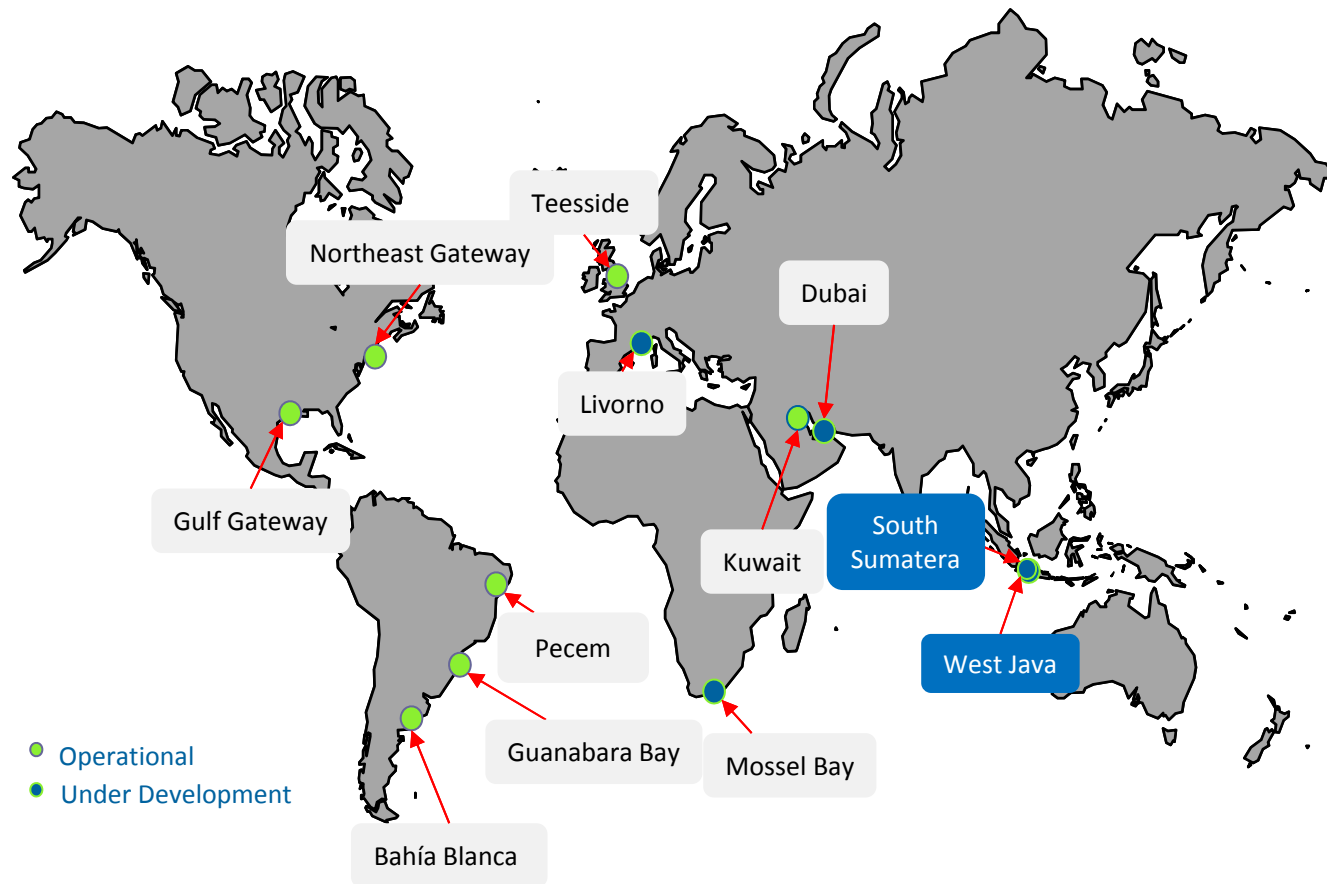


World Floating LNG Terminals

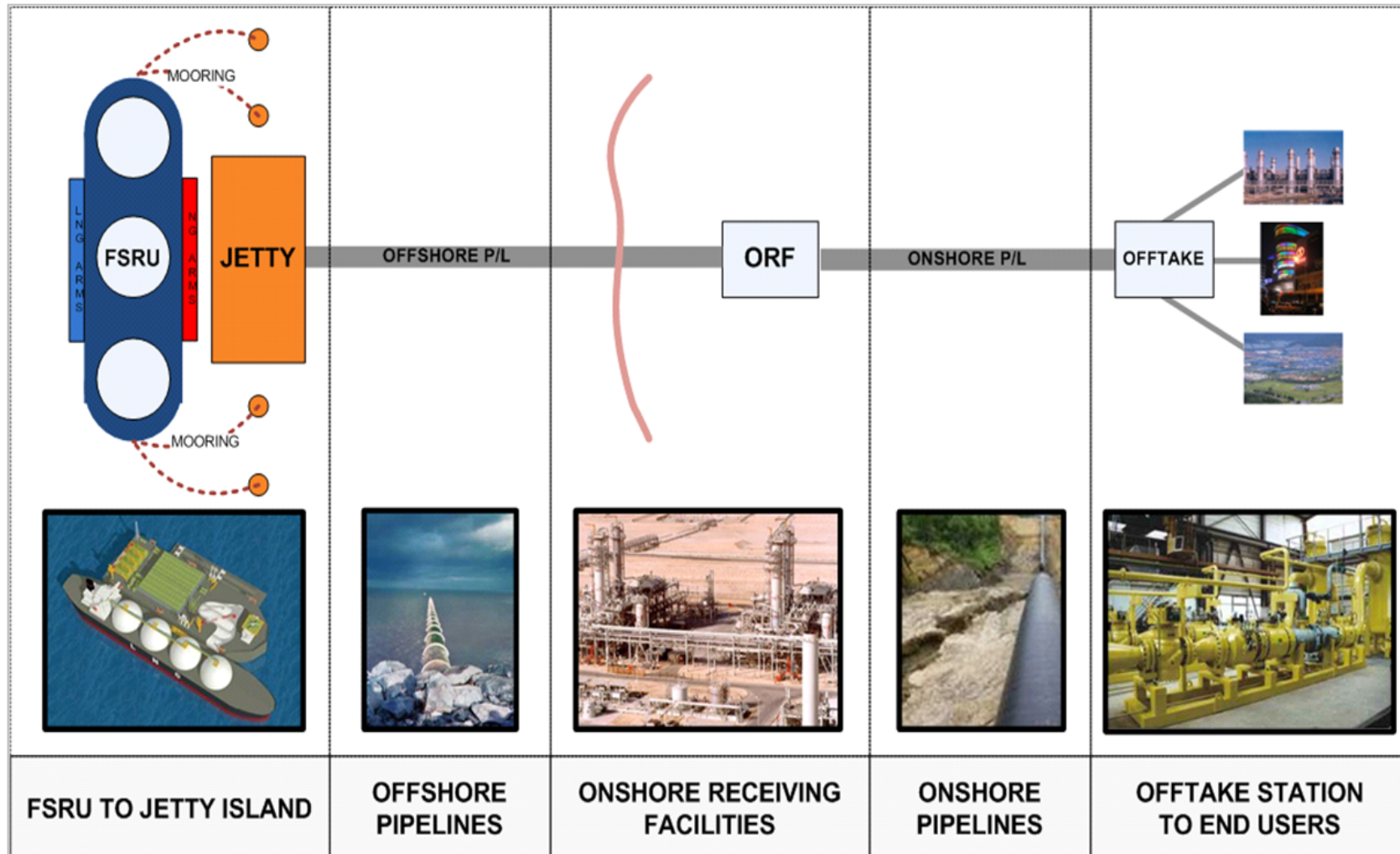


LNG Ship "Golar Spirit"
converted into LNG Regas
Terminal

Source: *LNGpedia*



Floating LNG Terminal Overview



LNG Receiving Terminals

	West Java	Lampung
Location	Jakarta Bay	Labuhan Maringgai
Capacity (MTPA)	3 MTPA	2-3 MTPA
Customers	Power plants, industry	
Owner	PGN (40%) Pertamina (60%)	PGN
Scope	FSRU, jetty, subsea and overland pipelines	

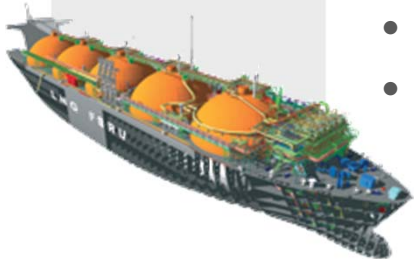
FSRU Projects – Recent Developments

West Java:

- HoA has been signed with Mahakam PSC for the provision of 11.75 MT of LNG supply over 11 years and back-to-back HoA with PLN as the offtaker.
- Nusantara Regas (a JV between Pertamina and PGN) signed Time Charter Party with Golar LNG for the hire of FSRU for 11 years.
- Golar LNG has positioned the LNG Carrier “Khan-Nur” in the Jurong Shipyard in Singapore for the conversion to FSRU.
- Nusantara Regas has appointed REKIN as the EPC for the undersea pipelines and the ORF.
- Plan for commissioning of FSRU in 2012.

Lampung:

- Preliminary survey completed in June 2011.
- Preparation stage in basic design.





Recent Updates

Event	Detail of Event
<p>1 September 2011</p> <p>Gas Sales Price Adjustment for Customers in Medan</p>	<p>The increasing gas sales price from the upstream producers in Medan (North Sumatera region) has impelled PGN to adjust its selling price to customers in that area. Effective 1 September 2011, PGN adjusted the selling price to an average of USD 8.9/MMBTU. (Exchange rate USD 1 = IDR 9,400)</p>
<p>1 November 2011</p> <p>Gas Sales Price Adjustment for Customers in East Java</p>	<p>The increasing gas sales price from the upstream producers (Santos) has impelled PGN to adjust its selling price to customers in that area. Effective 1 November 2011, PGN adjusted the selling price to an average of USD 8.6/MMBTU.</p>
<p>11 November 2011</p> <p>Dividen Interim 2011</p>	<p>Interim dividend will be distributed with amount . Rp263,485,084,590 equivalent to Rp10.87 per share.</p> <ul style="list-style-type: none"> • Cum dividend: <ul style="list-style-type: none"> - Regular and negotiable market 30 November 2011 - Cash market 5 Desember 2011. • Payment date of cash dividend 16 Desember 2011.
<p>25 January 2012</p> <p>EPCIC Contract Signing with Hoegh LNG – PT Rekayasa Industri Consortium</p>	<p>The consortium lease a newbuild vessel with capacity 170,000 m³ and develop mooring system, pipeline and gas station includes Onshore Receiving Facilities and Off-take Station based on a 20 year charter party and associated project agreement.</p>



Recent Updates

Event	Detail of Event
January 2012 Gas Supply Signing for 17.11 BSCF	New production from Terang Sirasun Batur Field, operated by Kangean Energy Indonesia. The contract duration will supply East Java market until 2013.
February 2012 Additional 12.06 BSCF Gas Supply for Sumatera	New supply from Jambi Merang Block, operated by Join Operating Body Pertamina-Talisman. The contract duration will feed demand in Batam Island until 2019.
17 February 2012 Gas Supply Signing with Indogas Kriya Dwiguna	Additional volume 20 BBTud from Terang Sirasun Batur Field in East Java with contract duration for 2 years.
7 March 2012 Resolution of Extra Ordinary General Meeting of Shareholders	Discharge of Mr. Michael Baskoro Palwo Nugroho in position as Director of Operation. Responsibilities on his position will be further determined by the Board of Directors and reported to Board of Comissioners.
20 Maret 2012 Relocation FSRU Medan in North Sumatera to Lampung in Southern Sumatera.	<p>PGN will relocate FSRU Medan to Lampung to fulfill demand requirement in West Java and South Sumatera.</p> <p>Pertamina will revitalize LNG Arun facility to fulfill existing demand in Aceh and North Sumatera and construct extended network from Arun to Sumatera Utara.</p>

Board of Commisioners



Tengku Nathan Machmud

President Commissioner and Independent Commissioner



Kiagus Ahmad Badaruddin

Commissioner
(Acting Secretary General
Ministry of Finance)



Widya Purnama

Independent Commissioner
(Former President Director
of Pertamina)



Pudja Sunasa

Commissioner
(Inspector General of the
Ministry of Energy and Mineral
Resources)

Board of Directors



Hendi Prio Santoso
President Director



M Riza Pahlevi
Director of Finance



M Wahid Sutopo
Director of Investment Planning
and Risk Management



Eko Soesanto Tjiptadi
Director of Human Resources
and General Affairs



Jobi Triananda Hasjim
Director of Technology
and Development



Thank you

Contact:

Investor Relations

PT Perusahaan Gas Negara (Persero) Tbk
Jl. K H Zainul Arifin No. 20, Jakarta-11140,
Indonesia

Ph: +62 21 6334838 Fax: +62 21 6331632
<http://www.pgn.co.id>