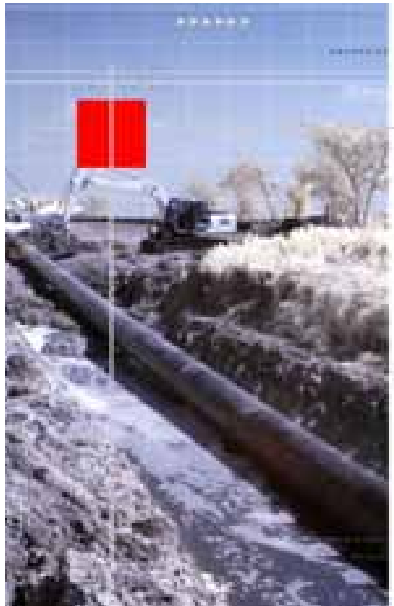
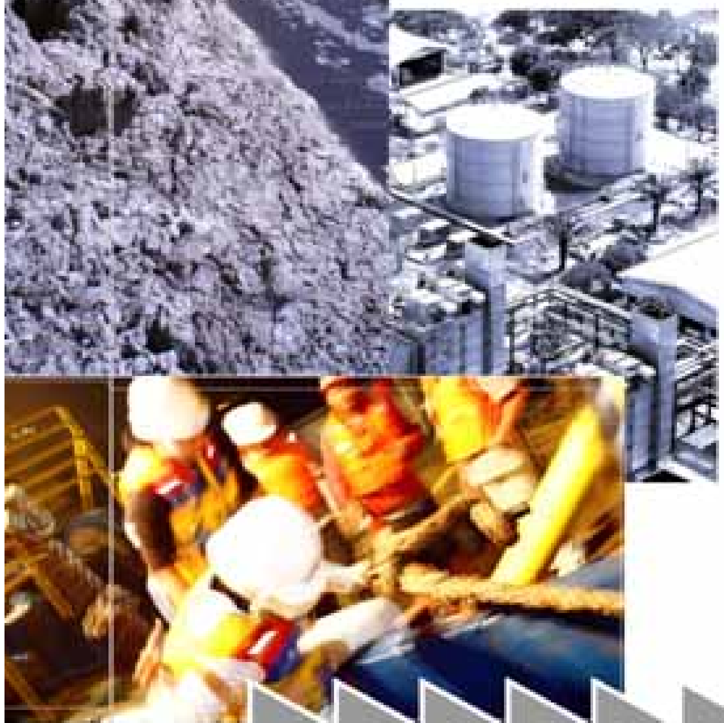


Perusahaan Gas Negara



December 2008

Table of Content

Recent Update

RECENT UPDATE

AGMS appointed new management team (June 2008)

Completion of SSWJ Pipelines (August 2008)

Major GSA with PLN (April & September 2008)

Gas Supply HOA from Ketapang Block PSC (April 2008)

Major LNG supply MOA with Total E&P (July 2008)

9M-2008 RESULTS (YOY COMPARISON)

Consolidated Revenues	Rp9.02 T	↑ 47.2%
Consolidated EBITDA	Rp4.61 T	↑ 63.8%
Consolidated Net Profit	Rp2.04 T	↑ 56.8%
Transmission Flow (MMScfd)	747	↑ 1.8%
Distribution Flow (MMScfd)	566	↑ 40.4%

SSWJ IN OPERATION AUGUST 2008

The 1035 km length of gas transmission pipeline has been in operations since August 2008 with capacity of 970 MMScfd

Gas Negara

Gas Negara

Background & Overview

OVERVIEW

Established in 1859 as a private Dutch company
Firma L.I Einthoven n Co Gravenhage

Established as Perusahaan Gas Negara in 1965

Licensed under the Oil and Gas Law Number 22 Year 2001

Underwent IPO in 2003

Stock-split 5:1 in August 2008

Stock price IDR 2175, Mkt. Cap. IDR 49.95 Trillion (per Sept. 30)

CORPORATE STRUCTURE

PT Perusahaan Gas Negara (Persero) Tbk

Distribution

SBU I
(Western Part of Java and South Sumatera)

SBU II
(Eastern Part of Java)

SBU III
(Northern Part of Sumatera)

Transmission

SBU Transmission
SSWJ

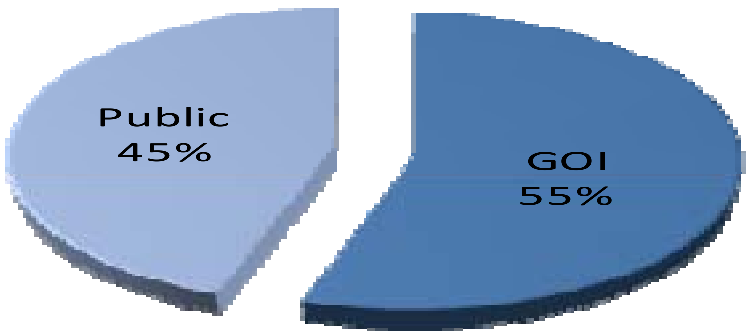
PT TGI
Grissik-Duri and Grissik-Singapore

Gas Negara

OUR SHAREHOLDERS

As of September 30, 2008

Shareholders	Shares	IDR	Percentage
The Government of The Republic of Indonesia			
Series A Dwiwarna Share	1	100	
Series B Shares	12,534,716,524	1,253,471,652,400	
Total Government Shares	12,534,716,525	1,253,471,652,500	54.58%
Public			
Series B Shares	10,432,469,440	1,043,246,944,000	45.42%
Total Shares	**22,967,185,965**	**2,296,718,596,500**	**100.0%**

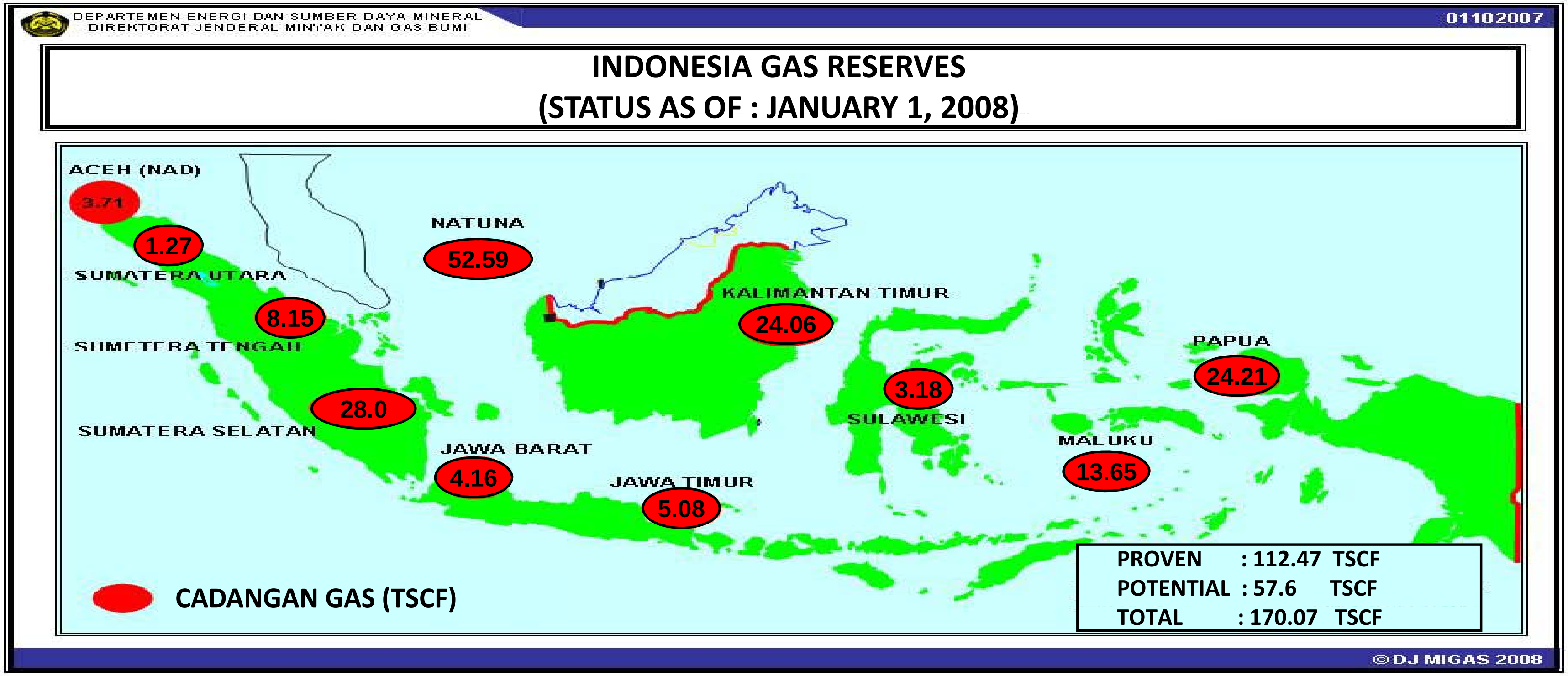


Gas Negara

INDONESIAN GAS MARKET OVERVIEW

Indonesia has proven gas reserves 112.47 TCF

Underserved Domestic Gas Demand (Geographical Constraints)

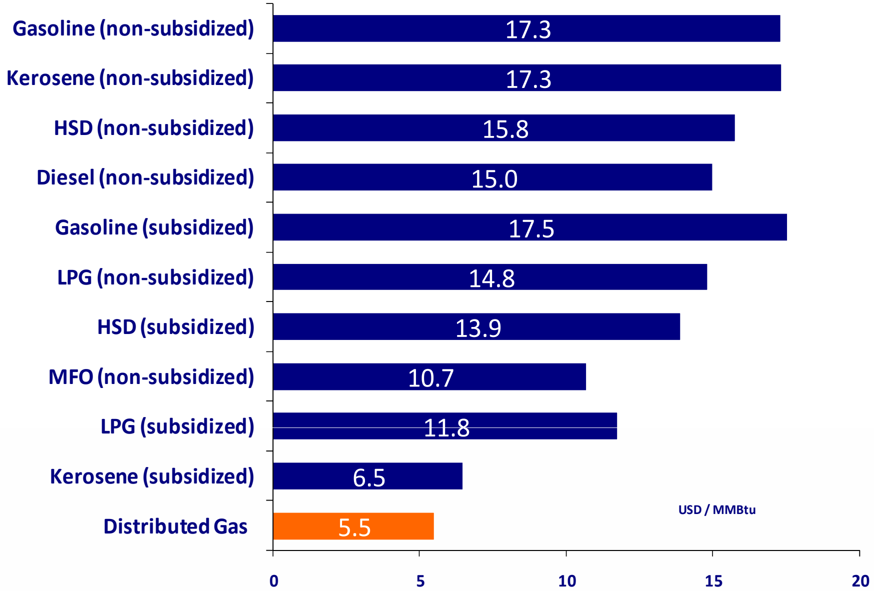


POTENTIAL SHIFT FROM OIL TO GAS

Competitive gas price relative to other sources of energy

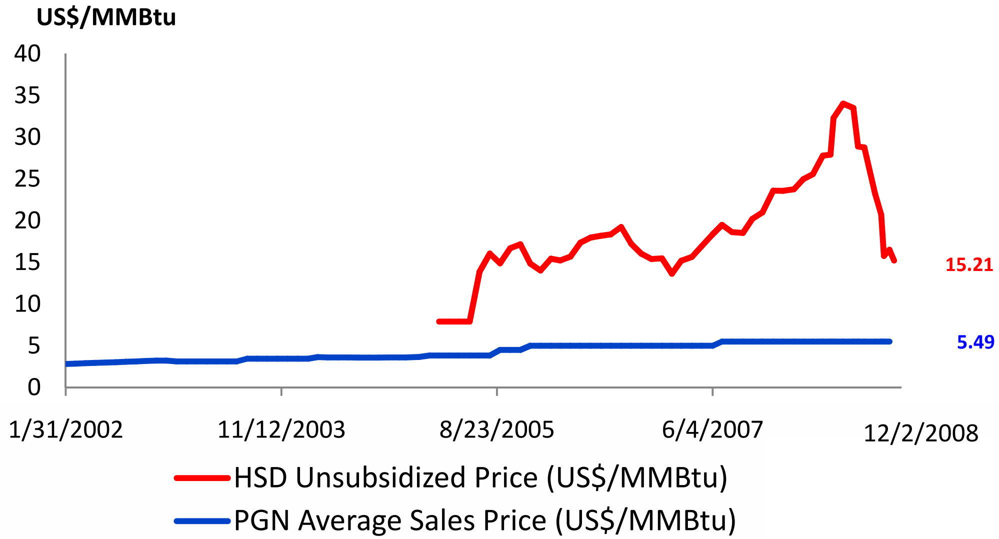
Demand for gas exceeds supply

Relative Energy Price (as of November 1, 2008)



Source: Pertamina

PGN Gas Price Vs HSD Price



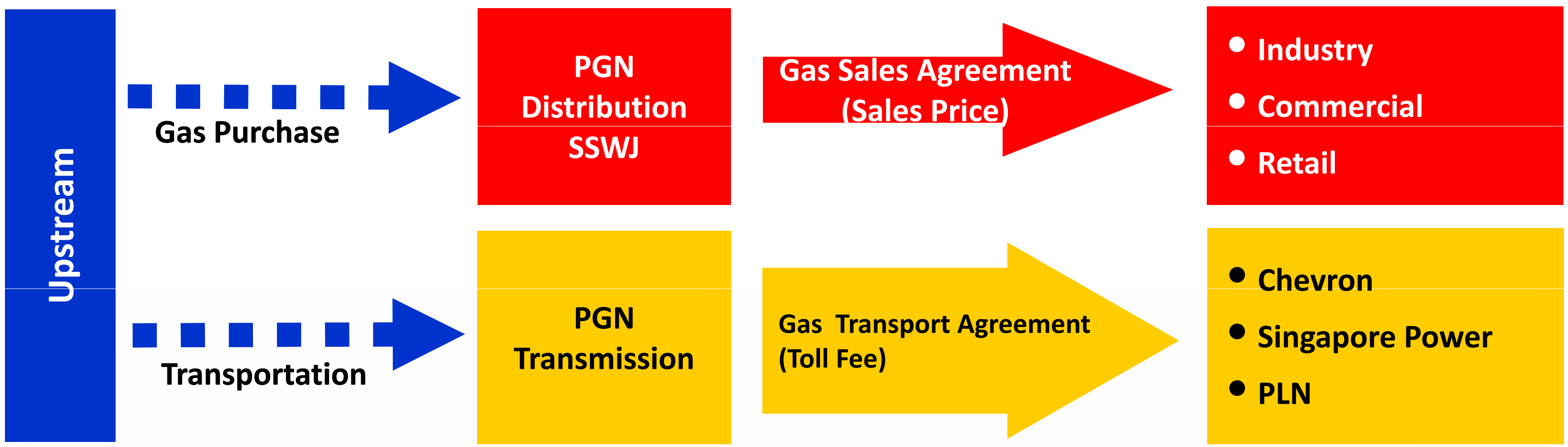
Note: based on crude oil price of USD 49/barrel

Operational Review & Performance

OUR BUSINESS MODEL

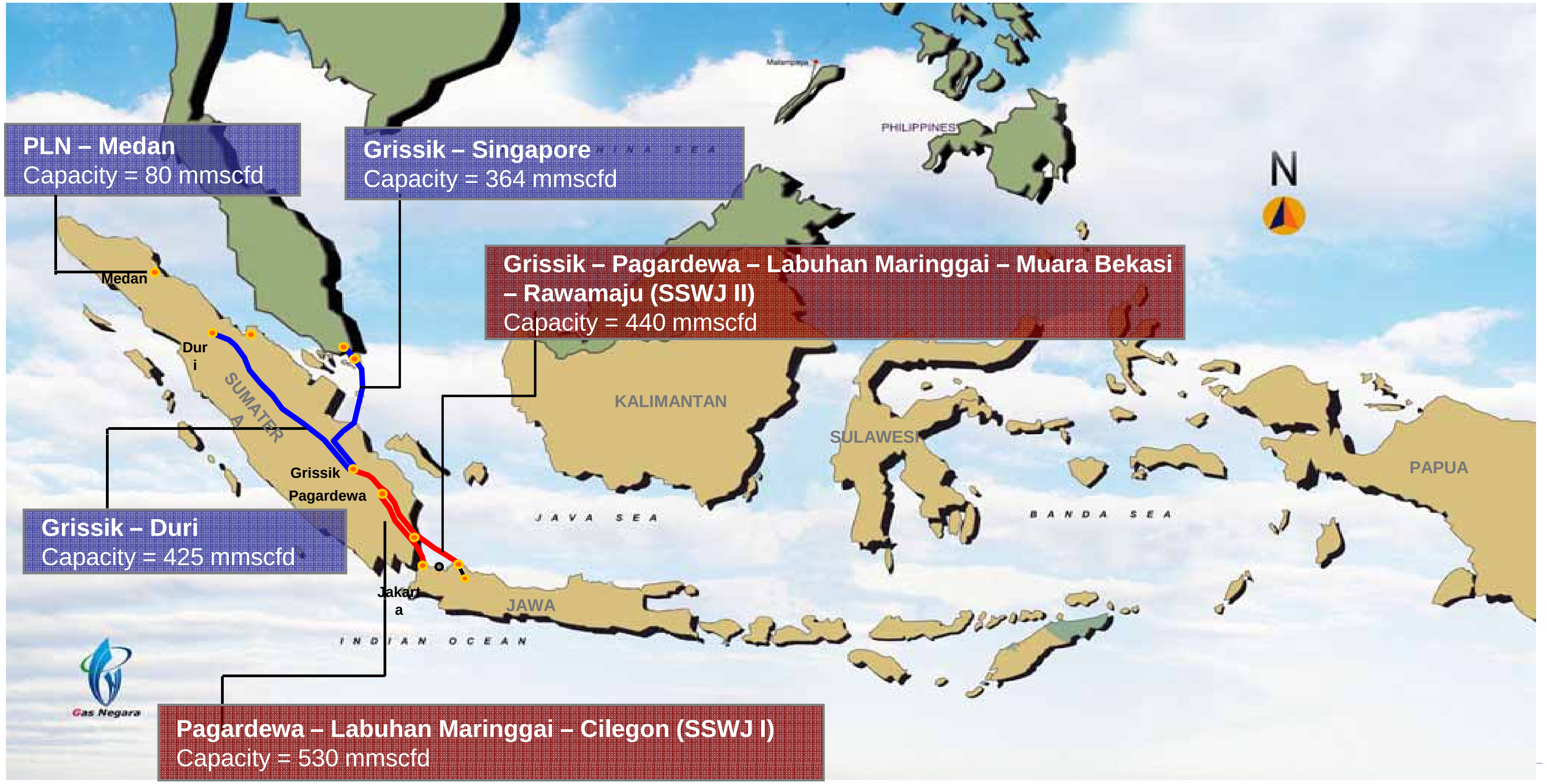
We have strong market position in gas distribution and transmission

Our transmission network allows for greater control over distribution volume



OUR TRANSMISSION NETWORK

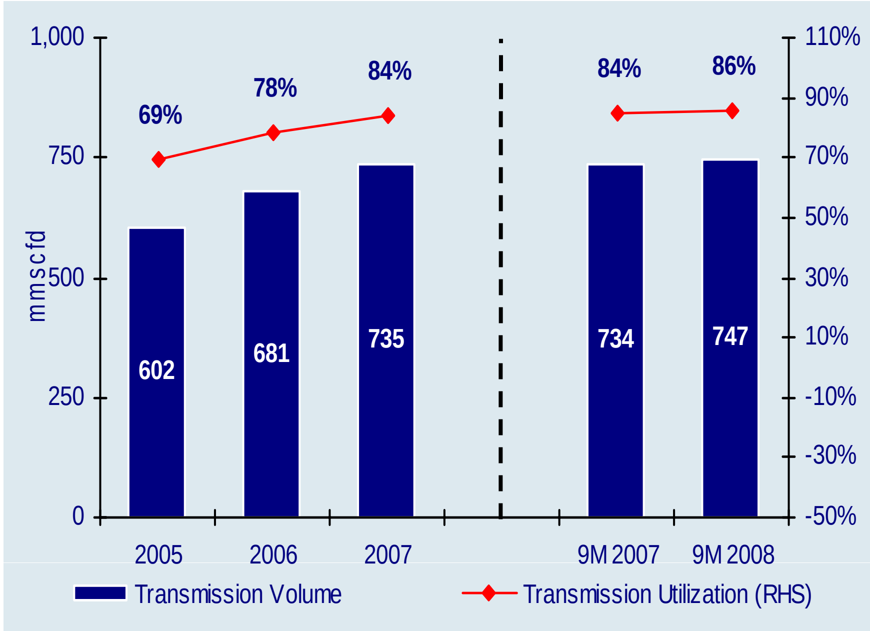
Completion of the SSWJ Gas Transmission Pipeline enables PGN to operate transmission pipelines with a total length of 2109 km



OUR TRANSMISSION BUSINESS

Gas Transportation Agreement (GTA)

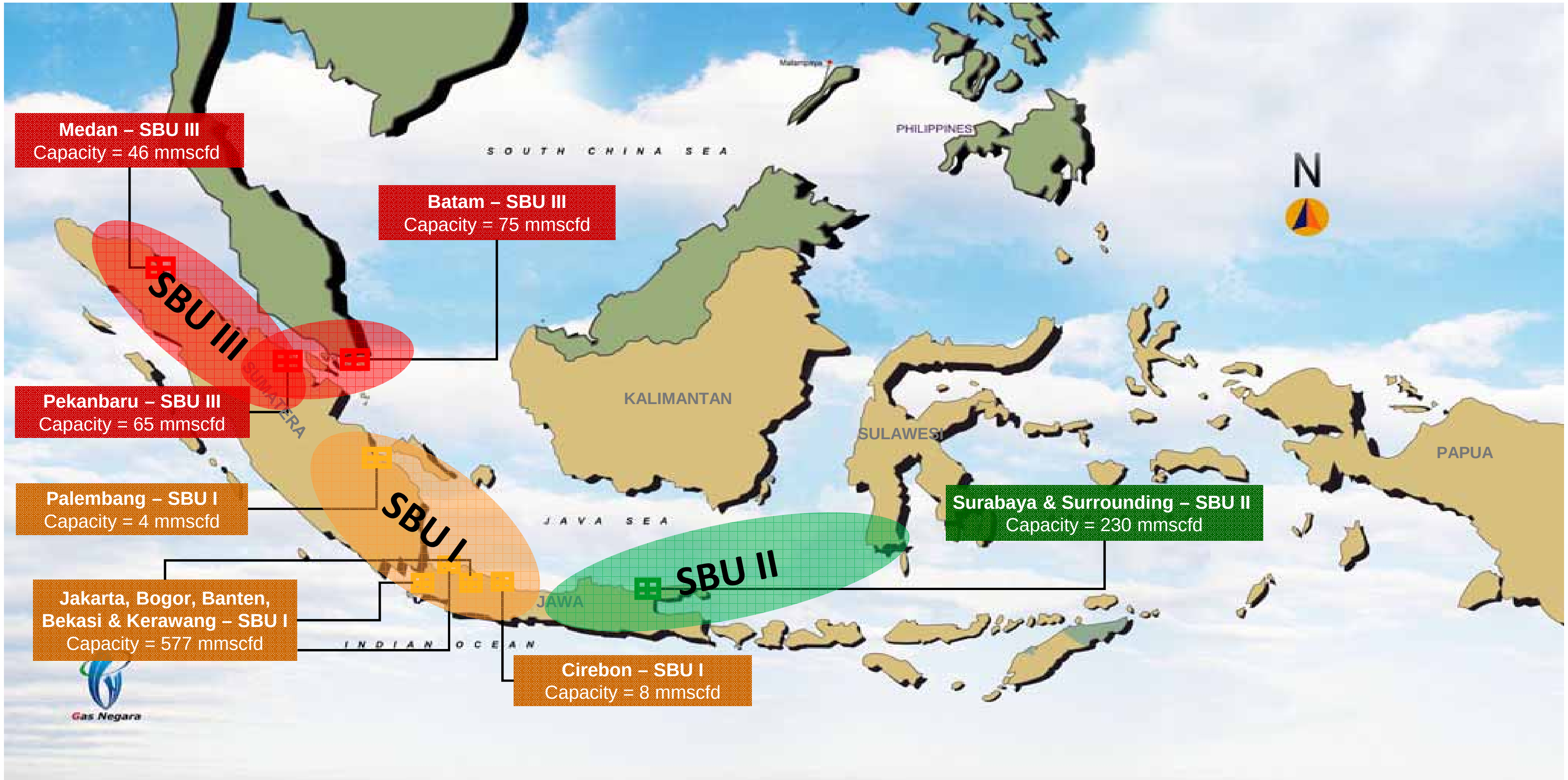
- Long-term contract (USD)
- Minimum ship-or-pay volumes
- Tarif regulated based on 12% IRR and 80% utilization rate
- Grissik-Duri US$ 0.62/ MMBtu
- Grissik-Singapore US$ 0.69/ MMBtu



Transmission Business represented 12% of cons. revenues in 9M 2008

OUR DISTRIBUTION NETWORK

- Extensive distribution network covering 9 major cities in Indonesia with capacity of 1005 MMScfd (56% utilization rate)
- The network and facilities are managed by three SBUs – West Java (SBU I), East Java (SBU II) and Sumatra (SBU III)



OUR DISTRIBUTION BUSINESS

Distribution – Sale of Gas to End User

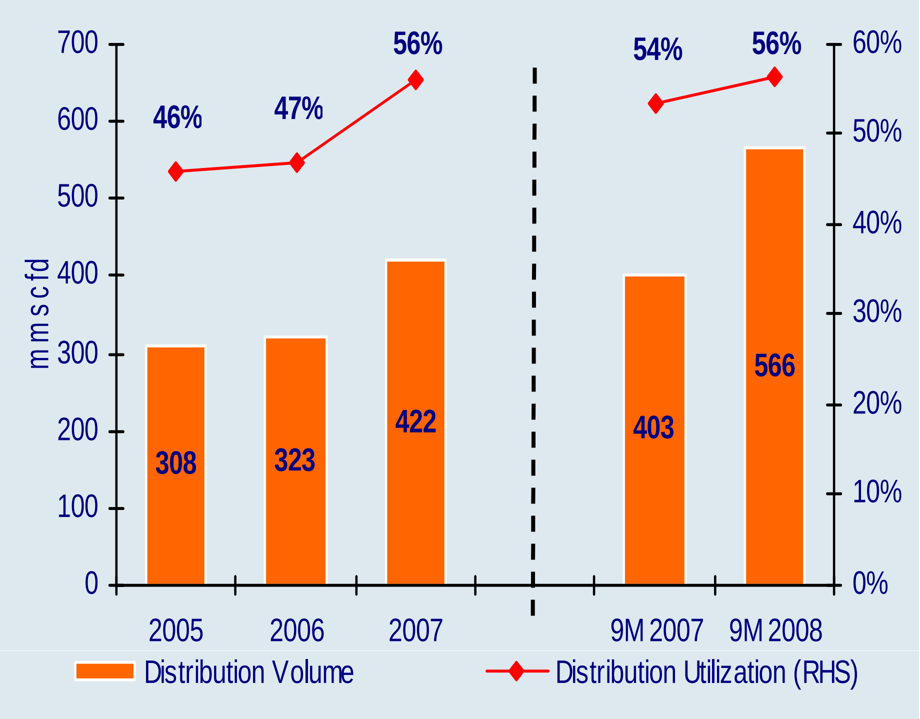
- **Gas Sales Agreements (GSA)**
  - Minimum pay volumes
  - Price in US$ & IDR

Selling Price (per MMBtu)

– Industry / Commercial	US$ 5.49
– Household	US$ 6.62

Distribution Volume Breakdown

– Industry	98.7%
– Commercial	0.94%
– Household	0.35%

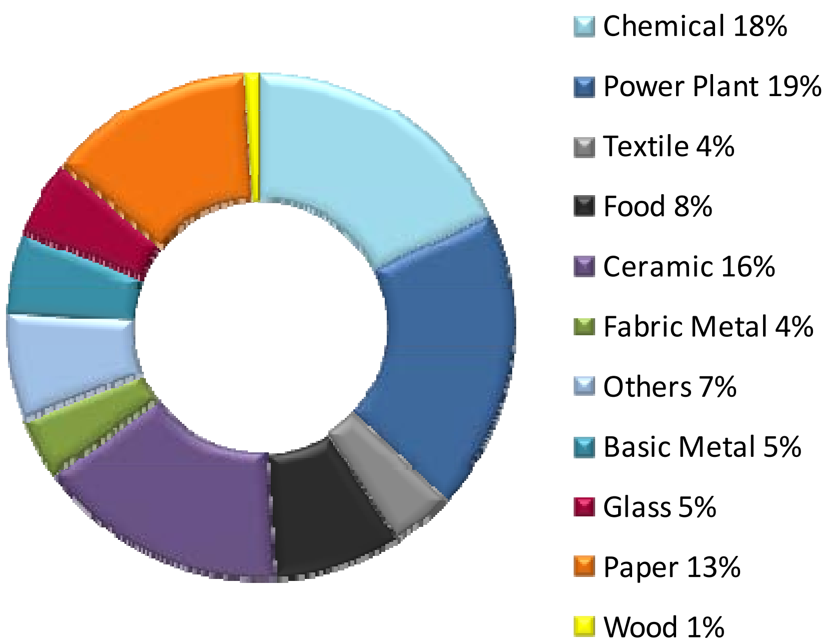


Distribution Business represented 88% of cons. revenues in 9M 2008

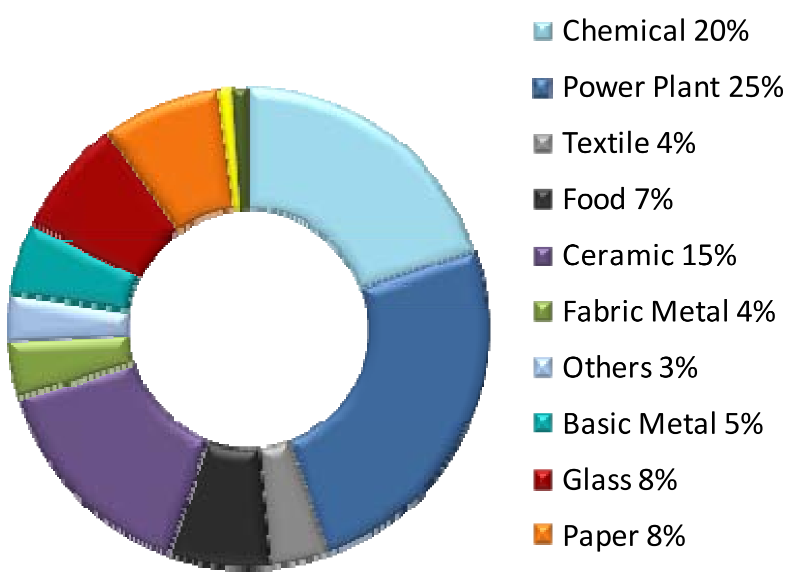
STRONG DISTRIBUTION CUSTOMER BASE

- Industrial customers continue to dominate PGN's customer base and drive PGN's distribution business growth. As of September 30, 2008, sales volume of industrial customers was 558 MMScfd or equal to 98.7% of PGN's sales.

9M07 Industrial Customer Consumption

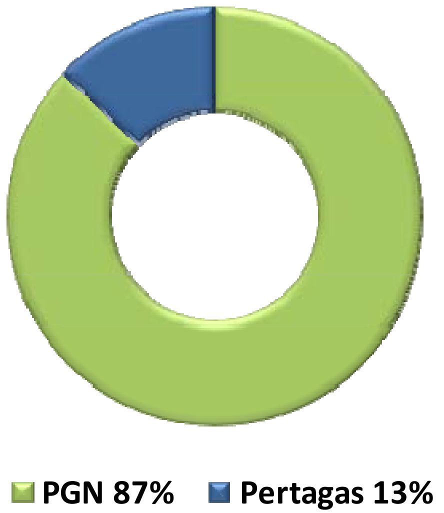


9M08 Industrial Customer Consumption

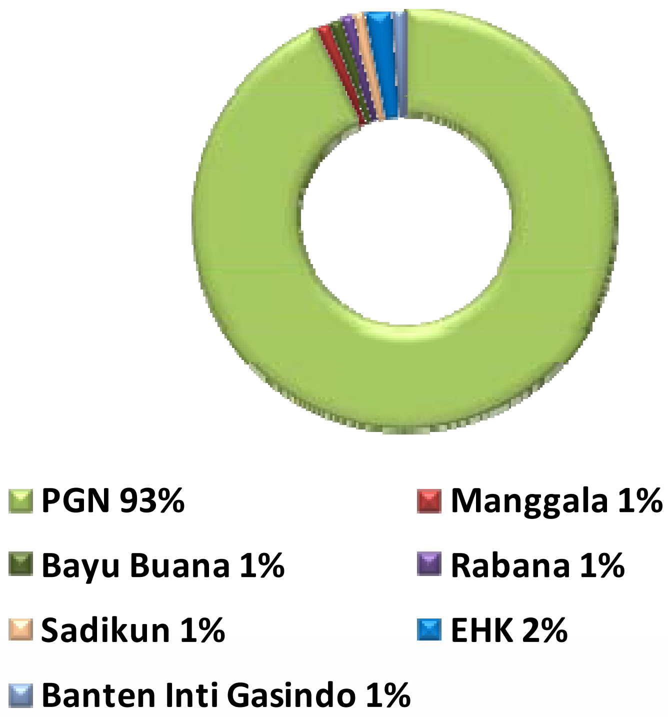


OUR MARKET SHARE

H1 2008 Transmission



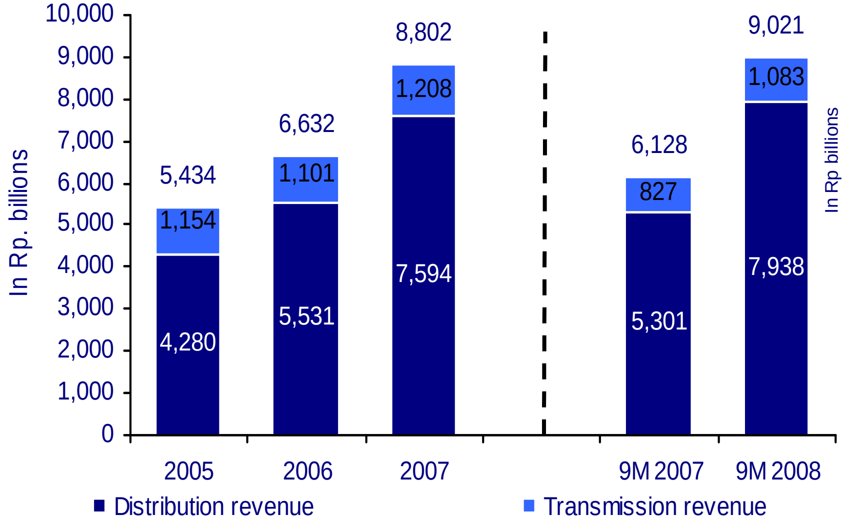
H1 2008 Distribution



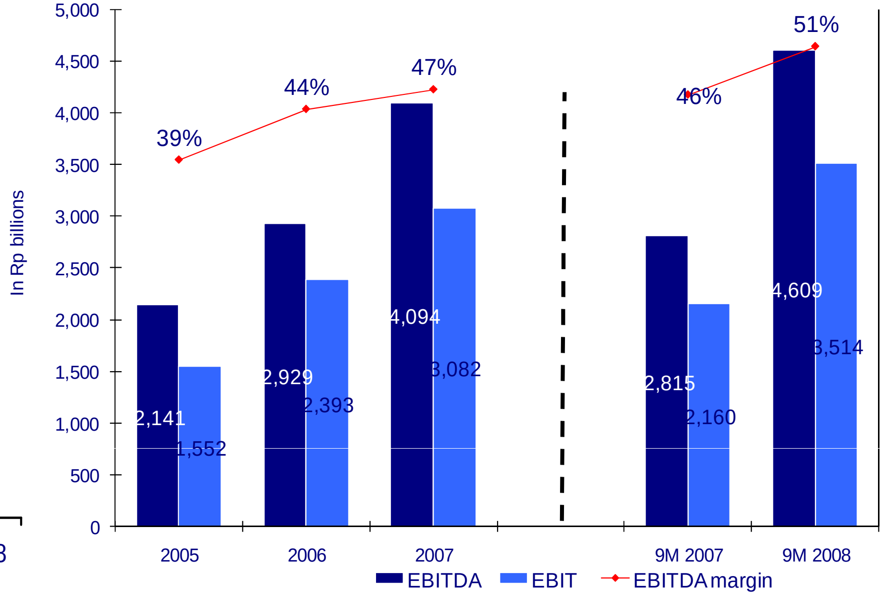
Financial Review & Performance

FINANCIAL HIGHLIGHTS

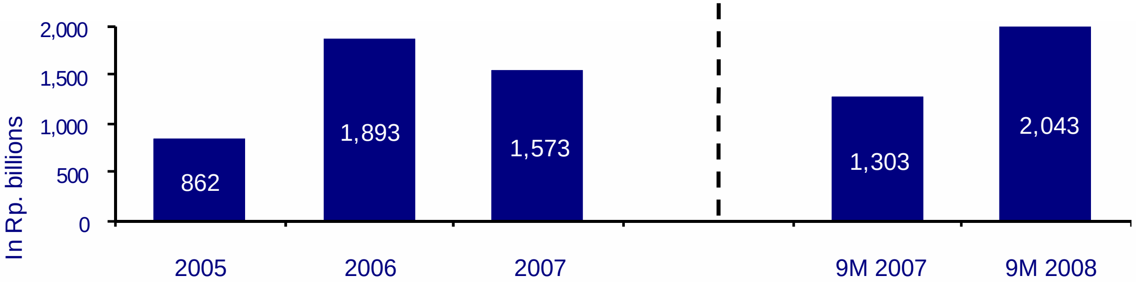
Revenue Trend



EBITDA and EBIT Trend



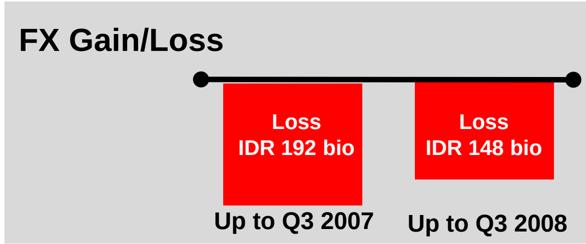
Net Income



Gas Negara

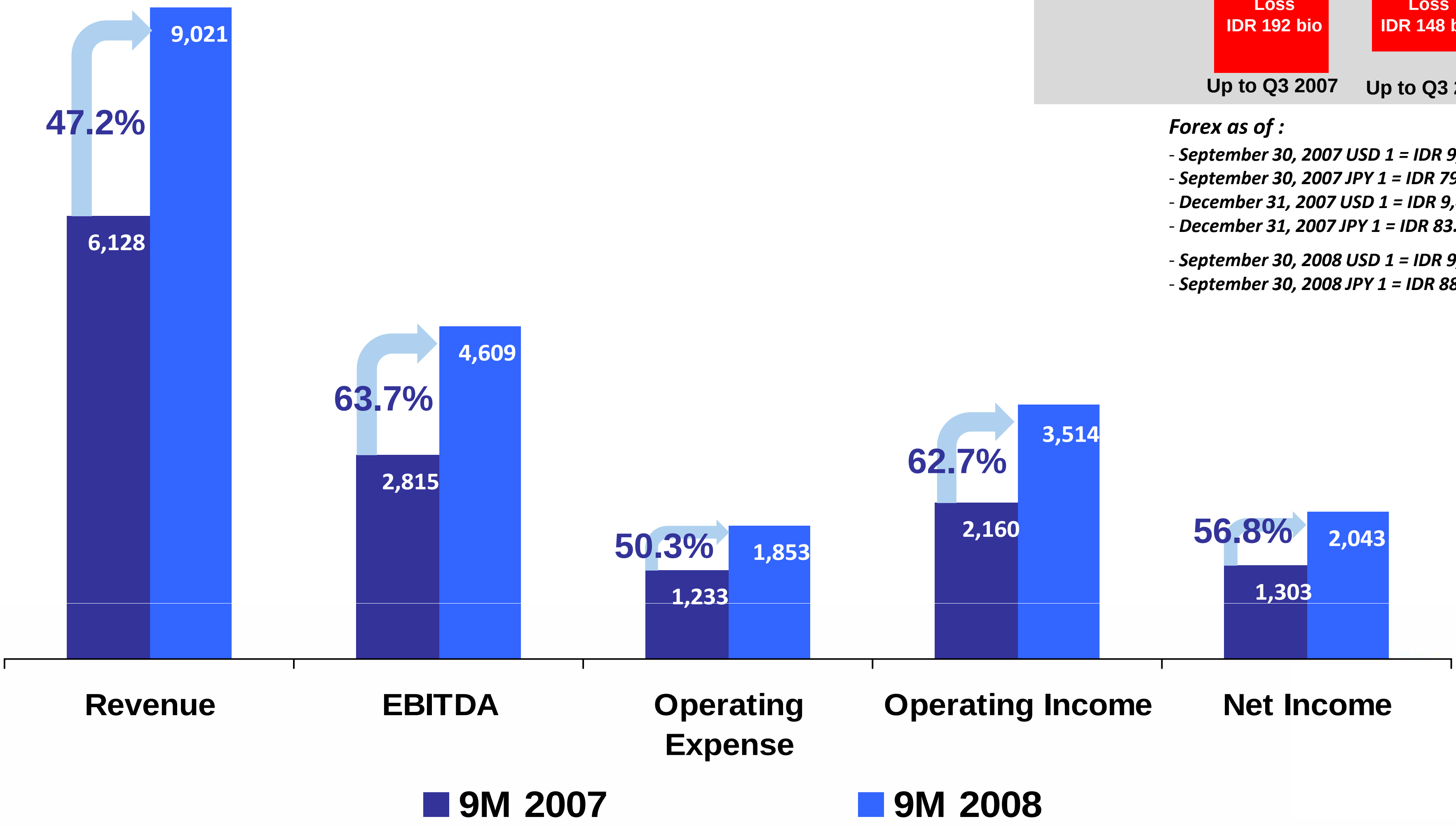
INCOME STATEMENT

(billion rupiah)



Forex as of :

- *September 30, 2007 USD 1 = IDR 9,137*
- *September 30, 2007 JPY 1 = IDR 79.35*
- *December 31, 2007 USD 1 = IDR 9,419*
- *December 31, 2007 JPY 1 = IDR 83.06*
- *September 30, 2008 USD 1 = IDR 9,378*
- *September 30, 2008 JPY 1 = IDR 88.53*



CONSOLIDATED BALANCE SHEET

(billion rupiah)

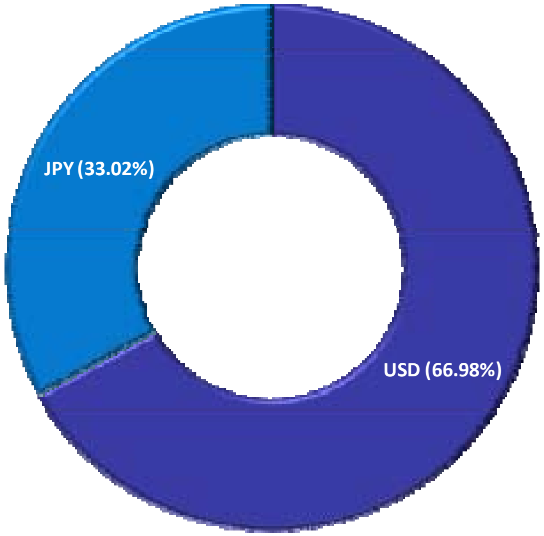
	Dec 31, 2007	Sept 30, 2007	Sept 30, 2008	% (30 Sept 2007 vs 30 Sept 2008)
Current Assets	3,715	3,907	4,935	26
Non Current Assets	16,633	16,359	16,994	4
Total Assets	**20,348**	**20,266**	**21,929**	**8**
Current Liabilities	3,169	3,924	2,338	(40)
Non Current Liabilities	10,015	9,622	10,507	9
Minority Interest In Net Assets of a Subsidiary	729	631	837	33
Government Project Funds	127	127	127	0
Total Equity	6,308	5,962	8,120	36
Total Liabilities And Shareholders Equity	**20,348**	**20,266**	**21,929**	**8**

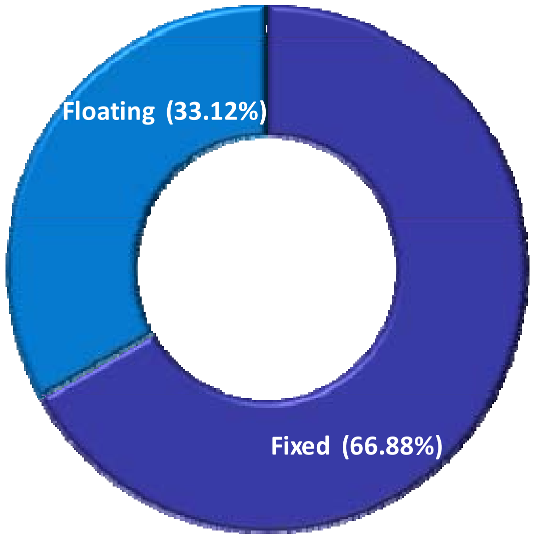
Forex as of :

- ***September 30, 2007 USD 1 = IDR 9,137***
- ***December 31, 2007 USD 1 = IDR 9,419***
- ***September 30, 2008 USD 1 = IDR 9,378***

DEBT COMPOSITION AS OF Sep 30, 2008

Long-term debt amounting to USD 1.056 billion
Mostly long dated/maturity loans from Developmental Banks



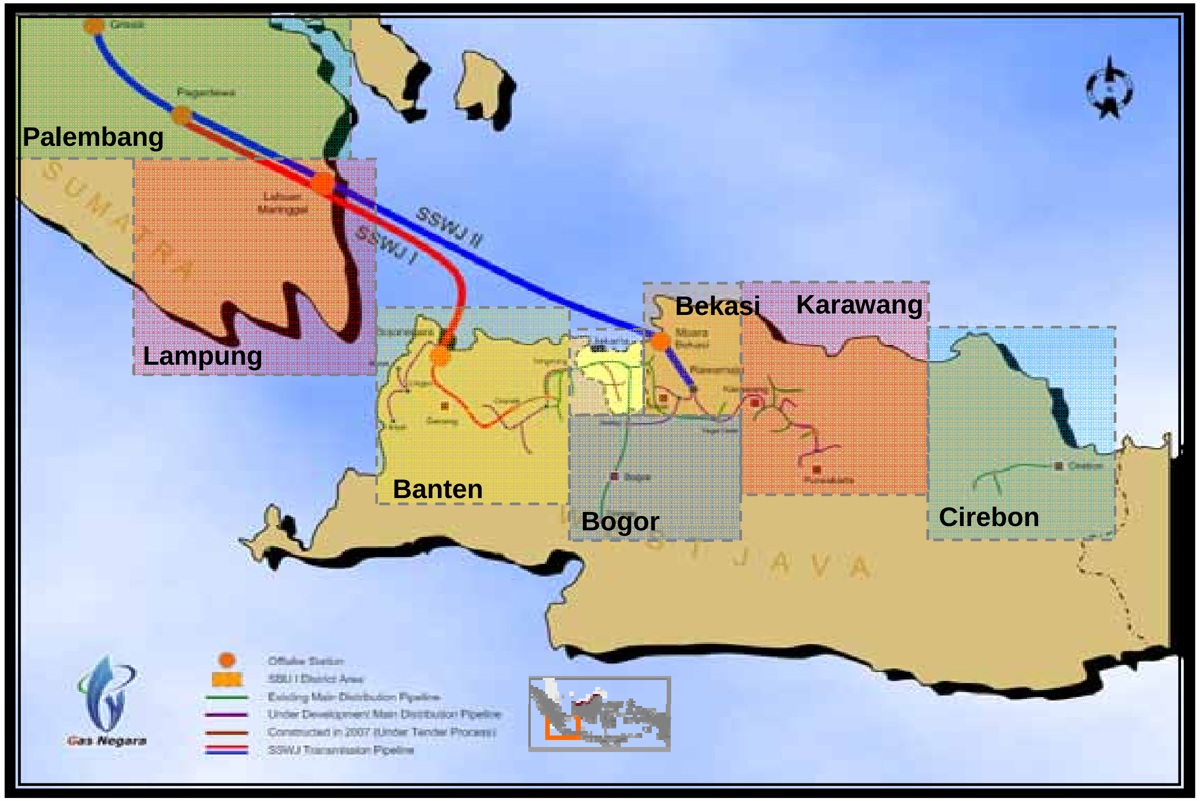


Gas Negara

Project & CAPEX

WEST JAVA DISTRIBUTION EXPANSION

The West Java Distribution Expansion Project with 463km main pipelines commenced in 2005. The project aims to distribute the gas from SSWJ and is expected to be fully completed in 2009



PGN is expanding its distribution network in Jakarta, Bekasi, Cikampek, Bogor, Banten and the surrounding areas

The expansion started in 2005 and is scheduled to reach completion in 2009. The Project will expand the distribution network in West Java by 463 km in line with increasing gas volume transported from South Sumatra.

After completion PGN total distribution capacity will reach ±1,500 MMScfd.

The project is funded by World Bank via IBRD (USD 80 million) and PGN's internal cash flow

Gas Negara

WEST JAVA DISTRIBUTION PROGRESS & KEY MILESTONES

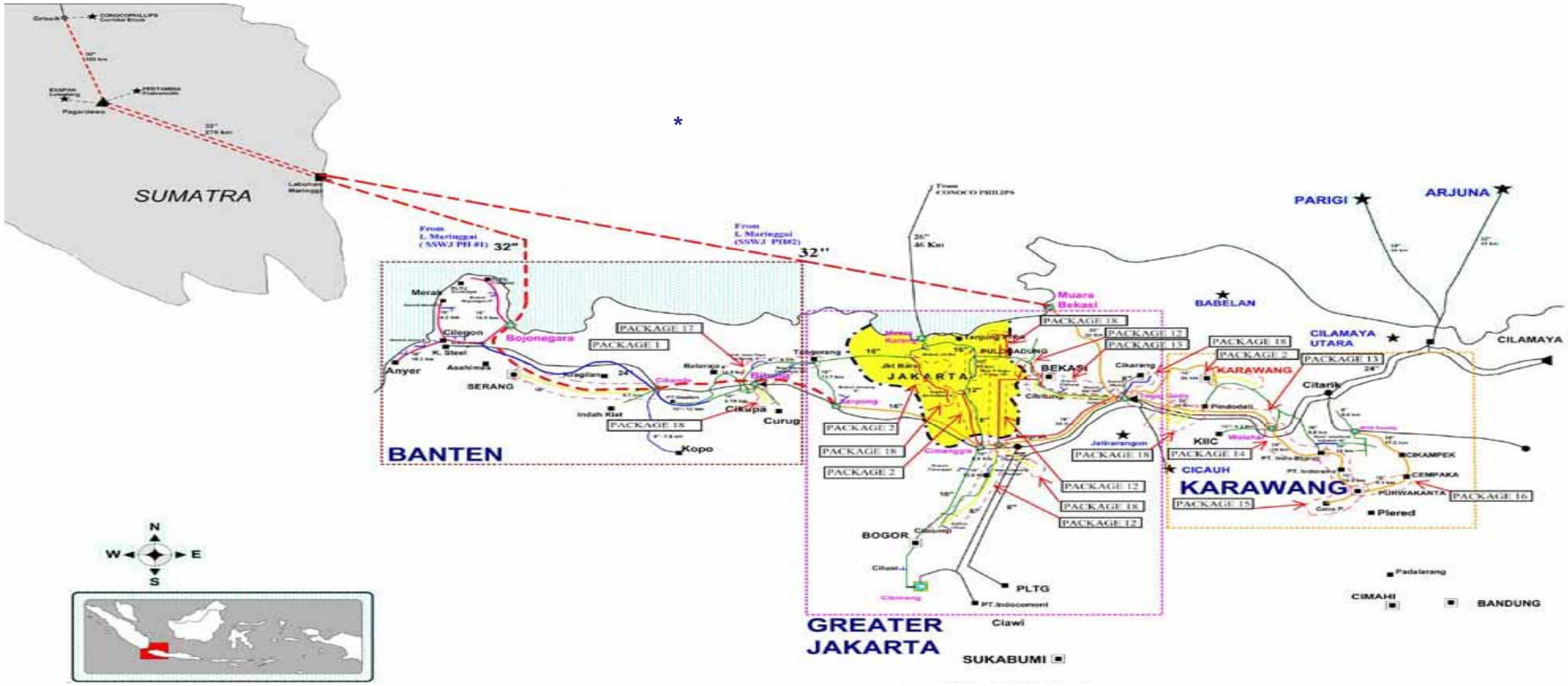
Aug 2007
Distribution mainlines for Rawamaju-Kalimalang-Kedep-Pondok Ungu and Rawamaju-Walahar were partially completed and commenced operations. The pipelines received gas from SSWJ to PGN's existing and new customers

Sept 2007
Distribution mainline for Bitung-Batu Ceper was partially completed and commenced operations to strengthen the existing network

Dec 2007
Distribution mainline for Bitung-Batuceper and distribution branchlines for Banten, Bogor, Jakarta, Bekasi and Karawang are expected to complete by Dec 2007

Mar & Jun 2008
Distribution mainlines for Banten and Greater Jakarta are expected to complete

Oct 2008 – Pipeline Completion of World Bank Packages
Feb 2009 – Pipeline Completion of PGN Packages
Dec 2009 – Completion of Bojonegoro-Serpong transmission mainline



PROJECTED CAPEX

(Million USD)

Project	2008E
Transmission	191
Distribution	54
LNG	0.9
Total	**245.9**

(Million USD)

Source of Fund	2008E
PGN	106.9
JBIC & World Bank	139

Outlook & Future Plan

FUTURE PROJECTS

PILOT PROJECT CNG PONDOK UNGU

LNG RECEIVING TERMINAL

DURI – MEDAN TRANSMISSION PIPELINE

Integrated CBM Development with Pipeline Transmission

Gas Negara

Thank You

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