2011
Annual Report

transforming for future growth

pull

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IDX : PGAS
PT PERUSAHAAN GAS NEGARA (Persero) Tbk


transforming
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for future growth

Change brings both opportunities and challenges.
PT Perusahaan Gas Negara (Persero) Tbk (PGN), as a growing organization, engages with every change in the belief that change will make the Company grow stronger. PGN is currently capitalizing on the momentum of change to strengthen its position as a State-Owned Enterprise (SOE) in the business of supplying and exploiting natural gas in an effort to support national economic growth. 2011 was a year of transition for the natural gas industry. Changes in the paradigm and the regulation of the natural gas sector, coupled with the dynamics of the national and global economies directly and indirectly influenced PGN's business.

PGN responded to these conditions by transforming its business model into an integrated natural gas transportation-distribution and utilization business by expanding our presence along the natural gas value chain, covering the upstream, midstream (infrastructure & transportation) and downstream businesses. This transformation addresses the challenges and changes of the future and moves us closer towards our 2020 Vision: becoming a world class energy company in the utilization of natural gas.

Introducing The New Business Scheme

minority participation in the upstream

In the upstream sector, PGN, through its subsidiary PT Saka Energi Indonesia (SiNERGI), which was established on 27 June 2011 has recruited professionals and works with Production Sharing Contractors on the exploration, exploitation and processing/ refining of gas.

SiNERGI

midstream

expanding modes of transportation and infrastructure

In the midstream sector, PGN and Pertamina established a Joint Venture, PT Nusantara Regas to develop the first Indonesia's LNG FSRU, located in Jakarta Bay. PGN and Pertamina have 40% and 60% interest, respectively in the Joint Venture.

Transgasindo

NUSANTARA REGAS
a joint venture company between PERTAMINA & PGN

downstream

more than natural gas

Downstream, PGN, through its subsidiary, PT Gagas Energi Indonesia (GoENERGI) which was, established on 27 June 2011 and began its operation on 21 October 2011 will strengthened PGN's role and expand customers base premium services.

PT GAGAS ENERGI INDONESIA

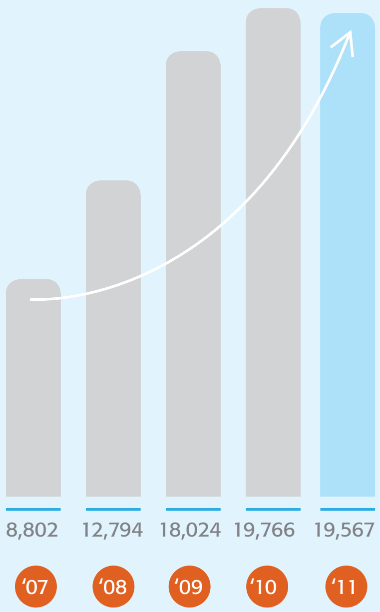
pgascom Communication Solutions

PGAS SOLUTION

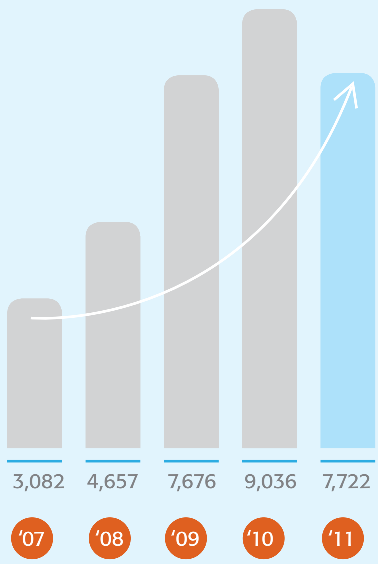
Key Achievements and Performance Highlights 2007-2011

In 2011, PGN booked Rp7.7 trillion in Operating Profit and EBITDA of Rp9.5 trillion, generating Rp5.9 trillion in Income Attributable to the Parent Company.

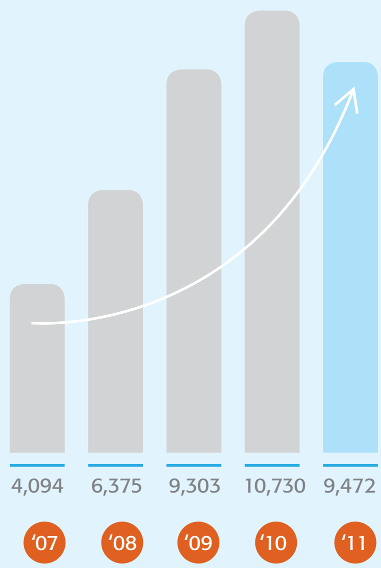
Net Revenues
(in billion Rupiah)



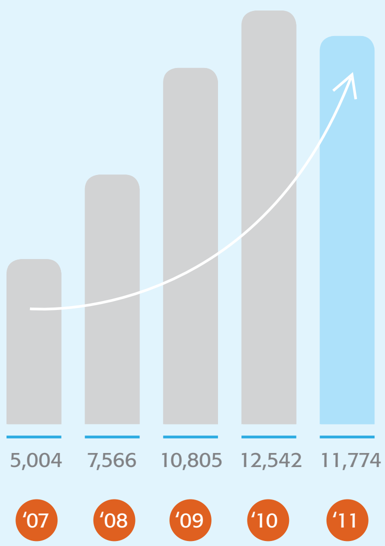
Operating Profit
(in billion Rupiah)



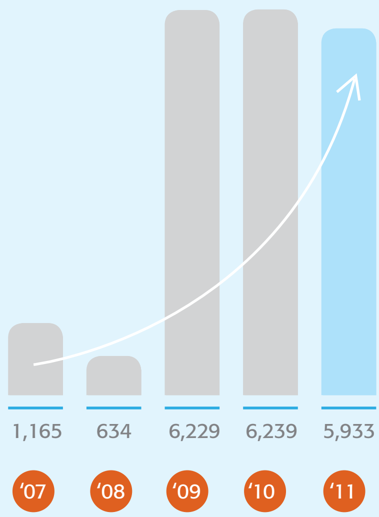
EBITDA
(in billion Rupiah)



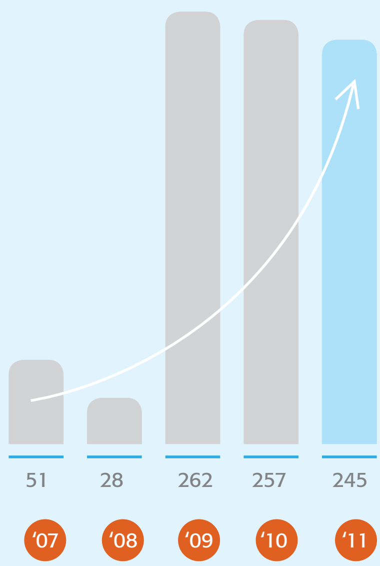
Gross Profit
(in billion Rupiah)



Total Income Attributable to Owners of The Parent Entity
(in billion Rupiah)



Basic Earnings Per Share
(in billion Rupiah)



Performance Highlights 2011

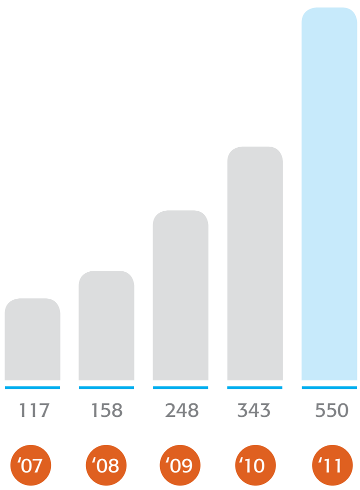
Financial Highlight

in million Rupiah, unless otherwise stated

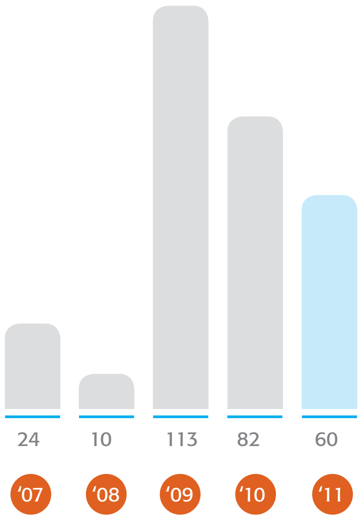
Consolidated Statements of Comprehensive Income	2011	2010	2009	2008	2007 (Restated)
Net Revenues	19,567,407	19,765,716	18,024,279	12,793,849	8,801,822
Cost of Revenues	(7,793,751)	(7,223,570)	(7,219,635)	(5,227,444)	(3,798,009)
Gross Profit	11,773,656	12,542,146	10,804,644	7,566,405	5,003,813
Operating Expense	(4,051,278)	(3,506,421)	(3,128,618)	(2,909,153)	(1,922,122)
Operating Profit	7,722,378	9,035,725	7,676,025	4,657,252	3,081,690
Other Income (Expense)	(68,189)	(972,551)	571,147	(3,375,762)	(1,210,114)
Profit before Tax	7,654,189	8,063,173	8,247,172	1,281,490	1,871,576
Tax Expense - Net	(1,535,979)	(1,599,774)	(1,814,304)	(476,267)	(609,024)
Total Income Attributable to Non Controlling Enterests	(185,146)	(224,038)	(203,825)	(171,364)	(97,557)
Total Income Attributable to Owners of the Parent Entity	5,933,063	6,239,361	6,229,043	633,860	1,164,995
EBITDA	9,472,878	10,730,347	9,302,828	6,375,235	4,094,428
Consolidated Statements of Financial Position					
Assets	30,976,446	32,087,431	28,670,440	25,550,580	20,444,622
Liabilities	13,791,734	16,986,477	15,892,627	17,480,500	13,687,951
Equity	17,184,712	15,100,954	12,726,426	8,041,921	6,629,239
Capital Expenditure	848,769	1,936,074	1,683,952	1,631,699	2,478,014
Net Working Capital	11,172,978	9,822,902	5,532,917	1,898,680	526,370
Investment on Other Entity	411,772	197,852	25	25	1
Share Data					
Total Weighted	24,241,508,196	24,239,658,196	23,782,019,486	22,947,947,780	22,698,328,190
Average Common Outstanding	24,241,508,196	24,241,508,196	24,241,508,196	22,967,185,965	22,699,429,025
Investment on other Entity	245	257	262	28	51
Financial Ratios					
Gross Profit Margin (%)	60.17	63.45	59.94	59.14	56.85
EBITDA Margin (%)	48.48	54.29	51.61	49.83	46.52
Net Liabilities/EBITDA (X)	-	0.16	0.55	1.55	2.14
EBITDA/Interest Expose (X)	38.89	28.87	16.66	11.65	9.98
EBITDA/(interest Expense+Principal) (X)	2.43	9.69	10.43	7.37	3.51
Current Ratio (%)	549.92	343.40	248.34	157.57	116.66
Debt to Equity Ratio (%)	57.63	92.21	99.87	188.42	167.17
Return on Investment (%)	30.62	33.44	32.45	24.95	20.03
Return on Equity (%)	59.89	81.78	113.19	9.80	23.78
ROCE (%)	28.51	32.40	31.34	21.71	18.24
Price Earnings Ratio (X)	12.96	17.17	15.16	67.32	59.82
Price to Book Value (X)	4.85	7.73	8.05	6.01	11.49

Financial Ratios

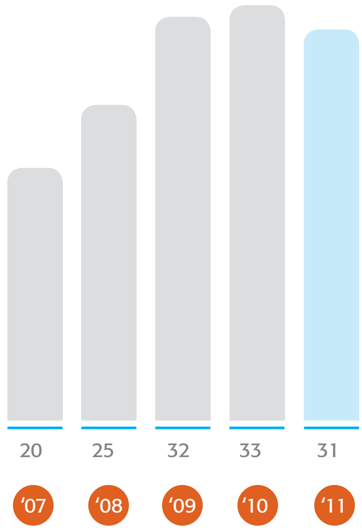
Current Ratio
(in %)



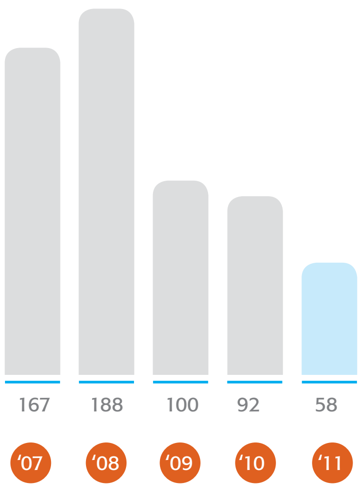
Return on Equity
(in %)



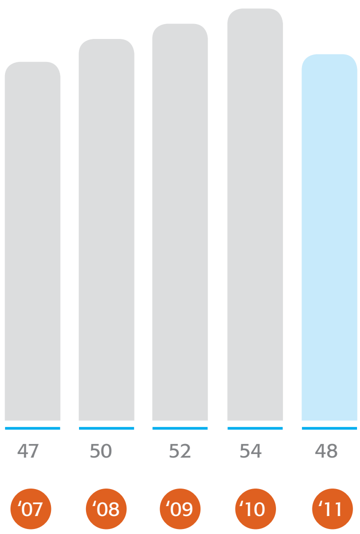
Return on Investment
(in%)



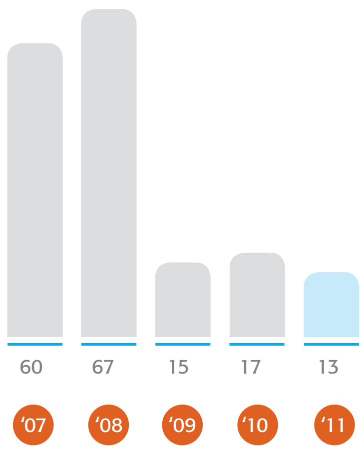
Debt to Equity Ratio
(in %)



EBITDA Margin
(in %)



Price Earning Ratio
(in %)



Performance Highlights 2011

Operating Highlight

PGN'S GAS DISTRIBUTION VOLUME

in MMScfd

	2011	2010	2009	2008	2007
Distribution	795.28	824.35	792.07	577.88	422.52
Transmission	845.49	836.37	766.91	758.29	735.94
Total	1,640.76	1,660.72	1,558.98	1,336.17	1,158.45

PGN'S CUSTOMERS

Household	86,167	85,326	83,519	82,123	81,294
Commercial	1,641	1,592	1,593	1,498	1,468
Industry	1,245	1,216	1,180	1,099	873
Total	89,053	88,134	86,292	84,720	83,635

PGN'S PIPELINE LENGTH

in Km

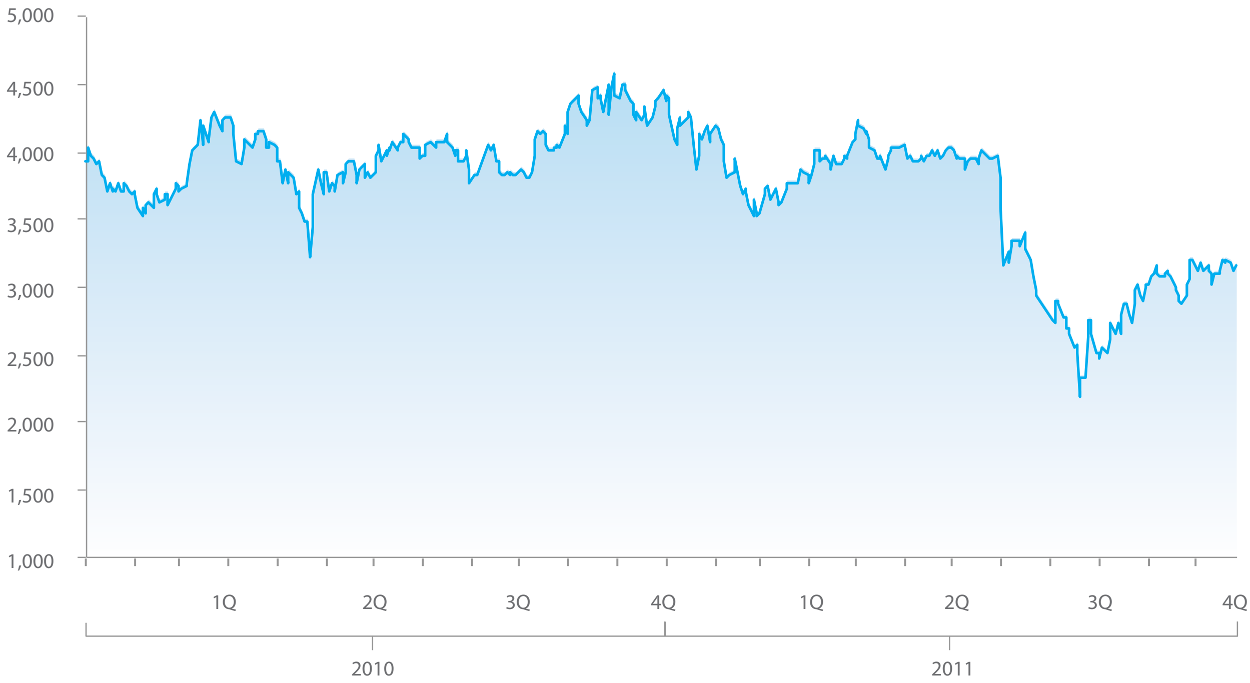
Distribution	3,804	3,752	3,654	3,411	3,171
Transmission	2,158	2,158	2,158	2,158	1,894
Total	5,962	5,910	5,812	5,569	5,065

Stock and Other Securities Highlight

PGAS QUARTERLY PERFORMANCE

	2011				2010			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Highest (Rp)	3,250	4,125	4,250	4,500	4,650	4,200	4,350	4,400
Lowest (Rp)	2,400	2,025	3,775	3,475	3,800	3,725	3,250	3,500
Closing (Rp)	3,175	2,675	4,025	3,900	4,425	3,850	3,875	4,250
Volume (Average) [Lot]	**58,503**	**123,032**	**50,181**	**79,989**	**71,698**	**63,757**	**68,158**	**81,014**

PGAS SHARE PRICE MOVEMENT



BOND HIGHLIGHT

Type of Security	Value	Coupon Rates	Maturity Date	Ratting	Status
Guaranteed Notes	USD 150 million	7,5%	10 September 2013	Ba2 by Moody's	Fully paid at par value as of 24 December 2009
Guaranteed Notes	USD 125 million	7,5%	13 February 2014	BB- by S&P	

Significant Events in 2011

25|05|2011
Assistance, in synergy with other SOES, for the construction and renovation at 46 schools and the launch of a series of 20 comics on Indonesian heroes produced by PGN.

01|04|2011
Signing of an MOU of Coorperation in Capacity Building PT PGN & GE in Indonesia.

21|06|2011
Singing of an MOU on Natural Gas Exploitation between the Industry Gas Users Forum and PGN.

27|06|2011
Establishment of PT PGN's upstream subsidiary, PT Saka Energy Indonesia, and PT Gagas Energy Indonesia, which operates in the downstream sector.

27|06|2011
At the General Meeting of Shareholders on 27 June 2011, PGN decided on a dividend of Rp 3.74 trillion or 60% of the 2010 net profit of Rp 6.22 trillion.

01|07|2011
Signing of an MOU between PT Perusahaan Gas Negara, PT Pupuk Sriwidjaja Palembang, PT Krakatau Steel (Persero) Tbk, PT Bukit Asam (Persero) Tbk, and PT Pertagas Niaga to expedite natural gas buying-selling activities.

30|07|2011
Signing of an MOU with Baznas at the "National Zakat Dissemination" event at the State Palace, Jakarta, which was attended by the President of the Republic of Indonesia and the First Lady, several Ministers, the Leader of the DPD-RI, and several Directors of SOEs.

19|08|2011
PGN Management and Employees Meeting.

14|09|2011

PGN was the Runner Up at the 2010 Annual Report Awards in the Listed Non-Financial SOEs category.

06|10|2011

Signing of an LC Facility, SBLC and Supply Chain Financing Agreement with PT Bank Mandiri (Persero) Tbk.

23|10|2011

Launch of the new corporate brand, with a new logo, the brand name PGN and a new corporate tagline: energy for life.

24|11|2011

SHE day 2011, helds as an Implementation of Safety Health and Environment program to Achieve the vision of becoming a world class company.

13|12|2011

Signing of a contract for the Cikande–Bitung Distribution Pipeline with PT Promatcon Tepat.

14|12|2011

Official opening of the Development Village at Pagar Dewa village, Lubai Subdistrict, Muaraenim District, South Sumatra.

14|12|2011

PGN won a 2011 Investor Award for the category Best Non-Finance company in the mining and oil & gas sector.

15|12|2011

Journalism competition for journalists working in both print and elektronic media.

Performance Highlights 2011

Awards and Certification

2nd place in the 2010
Annual Report Awards, out of a total of 16 participants in the Listed Non-Financial SOEs category and 8th overall out of 191 entrants

3rd place
in the Best Financial Performance for Non-Finance Companies category and 4th for the Best Operation Management at the 2011 Business Review Awards.

Best SOE
in the Mining and Oil & Gas Category by Investor Magazine at its 2011 Awards.

Awarded an extension of the ISO 9001:2008 certificate for the expansion of the scope of our Quality Management System.

3rd place
in the 2010 Indonesia Sustainability Reporting Awards (ISRA).

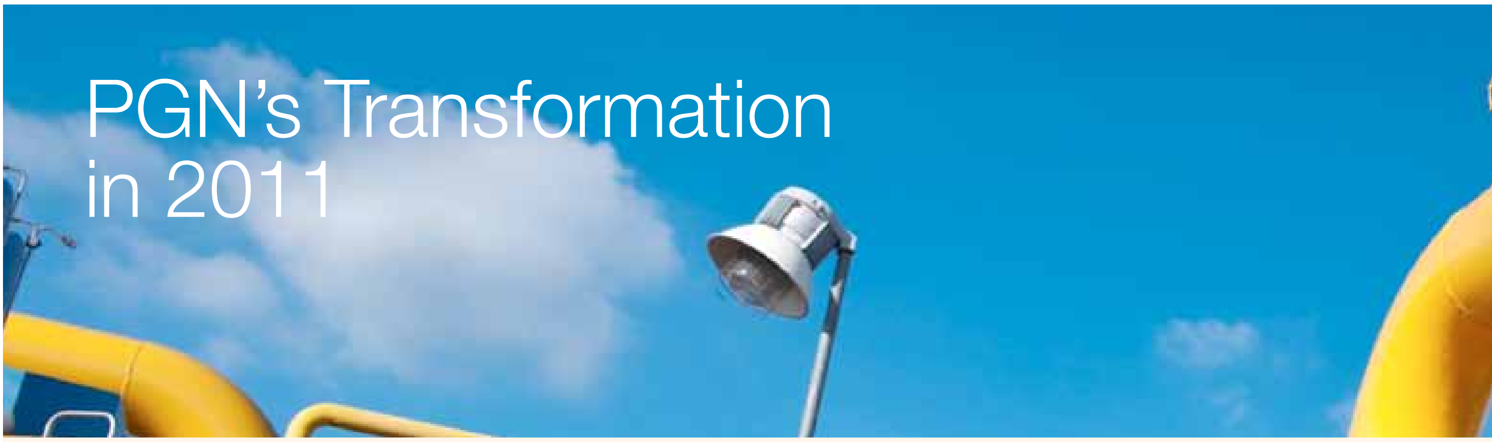
The Forbes Global 2000

Ranked 6th in Forbes' 10 Best Public Companies in Indonesia and ranked at number 1,351 in the Forbes Global 2000 list.

Received a Gold Award in the 2010 Annual Report Competition organized by the League of American Communications Professionals (LACP).

Won a 2011 CSR Award from Seputar Indonesia Daily for our CSR programs.

Most Organized Investor Relations award at Southeast Asia's Institutional Investor Corporate Awards, organized by Alpha Southeast Asia Magazine.



PGN's Transformation in 2011

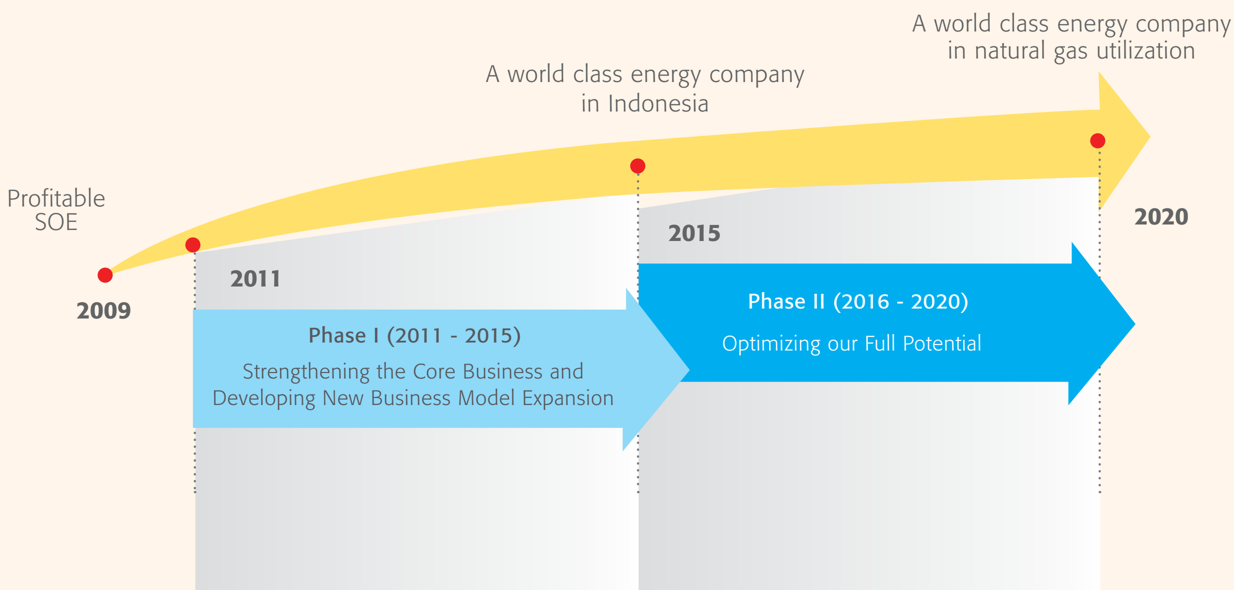
To achieve our long-term strategic objectives, as set out in the Corporate Long-Term Plan, of developing businesses right along the gas value chain and creating a world class organization, PGN has had to undertake a transformation of the business in order to position itself to respond effectively to the new business challenges, the need to develop the business "Beyond Pipeline", the rapidly changing business environment and the new aspiration emerging from within PGN.

A comprehensive and continuous transformation is underway. This transformation encompasses the way of thinking, perspective and actions of the Company, and its business strategies, corporate culture and organizational behavior and capacity. The transformation is divided into two phases which are:

1. Phase I : strengthening the core business and developing new business model expansion
2. Phase II : optimizing our full potential

Below is the timeline of PGN's transformation phases:

PGN's Transformation Program Phases



The transformation began in 2011, with the introduction of PGN's "Beyond Pipeline" strategy, aimed at making the Company a High Performing Organization.

The first step had already been taken in 2010 with the transformation of PGN's corporate culture. The new culture is built around five corporate values known collectively as "ProCISE".

Then, in 2011, PGN updated our corporate identity by expanding our vision from "A World Class Company in Natural Gas Utilization" to "A World Class Energy Company in Natural Gas Exploitation", and changing the Corporate Identity. This rebranding reflects the changes that are taking place in PGN:

1. PGN play a vital role not only in distributing gas, but also as a provider of crucial energy;

2. The development of "Beyond Pipeline" business as our commitment to supplying sustainable energy to our customers over the long term.

In support of the ongoing transformation, PGN have restructured the organization to accommodate the need for further growth. The new constellation includes one new Directorate, the Directorate of Investment Planning and Risk Management.

The Directorate of Investment Planning and Risk Management was established to support the Company's planning and evaluation of corporate strategies to assure the achievement of our vision and mission, through, for example, corporate planning, expanding businesses that can support the core business and controlling the corporate portfolio, undertaking the business transformation, monitoring the achievement of corporate performance, and managing corporate risks, all of which can boost the Company's competitiveness in a sustainable way.

A unit under the Directorate of Investment Planning and Risk Management, the Transformation and Performance Control Division, has the responsibility for the implementation of PGN's transformation, which illustrates how seriously PGN take this endeavor.

These are the transformation programs PGN undertook in 2011:

1. LNG:
   Developing the business "Beyond Pipeline" in an effort to fulfill demand.
2. Logistics Transformation:
   Upgrading and accelerating procurement processes, cost efficiency, optimal pricing and quality goods and services.
3. Synergy between Subsidiaries:
   The scope for synergy encompasses all activities beyond the Company's business that can strengthen the core business and create new business opportunities.
4. Performance Management System:
   Improving the performance management system by harmonizing KPIs from top to bottom in alignment with the Company's Long-Term Plan.

All these transformation programs have a common purpose: to accelerate the achievement of PGN's vision, mission and objectives, drive value from the implementation of the program, and advance PGN's growth.

Development in Energy Business

DOMESTIC CLIMATE

The pace of national economic growth in 2012 is predicted to improve. The Government has set an economic growth target of 6.7% in 2012 State Budget. This target is supported by a stabil in public consumption rate, an improvement in the countries investment rating, and a strengthening of sectoral performance. To meet its economic growth target, in 2011 the Government launched its Masterplan for the Acceleration and Expansion of Indonesia's Economic Development (MP3EI).

As demand for electricity in the country continues to rise year on year, MP3EI plans to build more electricity infrastructures through the development and construction of power plant and electricity transmission network. The plan will stimulate PGN's business growth as i'l aligned with PLN and other independent power plant producer to provide adequate energy.

In line with economic growth, demand for energy which includes natural gas will significantly increase. Demand for natural gas will surge in tandem with the growing awareness of environment-friendly energy use and the conversion of power stations from oil to gas.

ESTIMATION OF GAS DEMAND FROM INDUSTRY BY SECTOR

(MMScfd)

Sector	2012	2013	2014
For Feedstock (fertilizer and petrochemical)	1,043	1,113	1,113
For burner :			
a. Processing (ceramics, glass, glassware, metal)	1,830	1,845	1,882
b. Fuel (food, textile, cement and paper)	1,285	1,290	1,327
Total	2,873	2,958	2,995

Source Natural Gas Industrial Customers Forum (FIPGB)

REGULATION

The oil and natural gas ('migas') sector is a highly strategic for the national economy and economic development. In view of Indonesia's oil reserves of 7.4 billion barrels and natural gas reserves of up to 157 TSCF alongside rising oil and gas prices, the role of the oil and gas sector in state revenues is clearly very significant.

However, Indonesia is currently to experience a natural decline in oil and gas production and reserves, and over the last three years it has been increasingly difficult to meet target production. According to data released by the Ministry of Energy and Mineral Resources and BP Migas, in 2009, oil production was around 949,000 bopd (barrels of oil per day), and was down to 945,000 bopd in 2010. In 2011, it declined further to 902,000 bopd.

NATIONAL OIL PRODUCTION TARGETS AND REALIZATION

Year	Target	Realization	% Achievement
2009	960,000	949,000	98.85
2010	965,000	945,000	97.92
2011	945,000	902,000	95.44

Source: Ministry of Energy and Mineral Resources and BP Migas

Declining production at a time of high oil prices forces the Government to allocate a very substantial portion of the state budget to fuel subsidies. As a strategic measure, therefore, the Government is encouraging the use of natural gas as a substitute for oil by by taking a series of steps to regulate natural gas:

1. **The price mechanism and the separation of the pipeline business.**
   The Government began by reviewing the economic value of natural gas, adjusting the prices set by gas producers in order to support exploration for new gas reserves.

At the same time, the Government stipulated, through the Minister of Energy and Mineral Resources' Decree No.19 year 2009, that prices for gas trading (to downstream gas users, particularly industry) should be determined on 'business to business' basis. This regulation also provides for the separation of the natural gas transportation and trading businesses to accelerate the development of infrastructure and create a healthier investment climate.

2. **Allocation of natural gas**
   The dwindling oil reserves have caused a growth in demand for gas. To meet domestic demand for natural gas, starting 2010, the Government has obliged each production sharing contractor in the upstream sector to allocate a minimum of 25% of its production or new contracts to domestic off takers. To meet the increasing demand in various strategic sectors in the country, the Government introduced a policy that sets priorities on the allocation of gas for domestic purposes. Top priority goes to boosting oil and gas production, followed by the fertilizer industry, the electricity/ power sector and finally other domestic industry. This is regulated in the Minister of Energy and Mineral Resources' Regulation No. 3 year 2010.

3. **Regulations related to regional autonomy**
   Through Government Regulation No.35/2004, production sharing contractors are required to offer a 10% participation stake to regionally owned enterprises. This regulation has provided local enterprises an opportunity to engage in the natural gas trading business.

REGULATOR

In 2011, Ministries of Energy Mineral and Resources and State Owned Enterprises took a number of actions to optimize their performance and accelerate the achievement of existing programs and policies.

1. The Ministry of Energy and Mineral Resources resolved various problems relating to the shortfall in gas supplies for PLN and domestic industry

2. The Ministry of State Owned Enterprise supported the construction of floating LNG terminals in areas where it is difficult to meet gas supply needs. The Ministry will also prioritize the domestic industry sector's need for gas ahead of the needs of PLN or export (Bisnis Indonesia, 18 January 2012)

CHANGES IN THE NATURAL GAS BUSINESS CLIMATE

Natural gas has taken on an increasingly important role as a substitute energy. It has strategic role to reduce the carbon emission (CO2) and to deal with the climate change and global warming.

The Government has encouraged the development of new gas fields requires to augment the gas supply.

To encourage production sharing contractors to develop new gas fields, the Government evaluated the situation and concluded that gas selling prices needed to be made more attractive for producers. PGN was therefore been asked to renegotiate its gas prices with producers based on the market price.

This has had an impact on the selling price of PGN's gas to customers. However, the price adjustment was unavoidable in the context of ensuring the long-term security of gas supplies and in anticipation of an escalation in the contract prices with producers as well as adjustments in the price of the LNG that we will soon be distributing to PLN and domestic industry customers.

Strategic Actions In 2011

Establishment of Subsidiaries

a. PT Saka Energi Indonesia ("SiNERGI")
b. PT Gagas Energi Indonesia ("GoENERGI")

LNG Business

PT. Nusantara Regas

External Synergies

Organizational Restructuring

Customer Service Excellence

Strategic Map for 2012

Security of Supply

Expansion and Diversification of The Business All Along The Natural Gas Value Chain

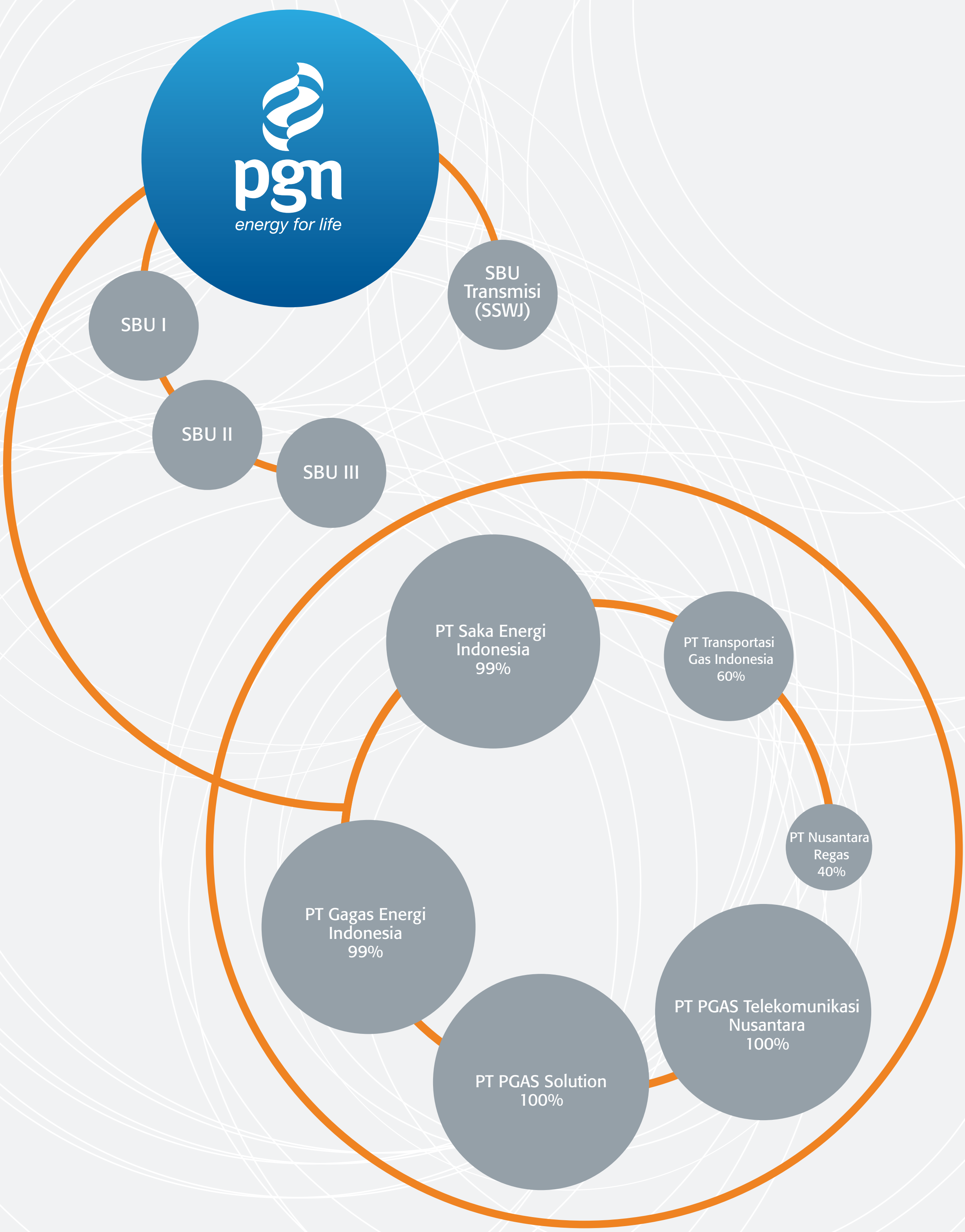
Simplification of Business Processes Through Technology and Information Systems

Developing The Organization and Enhancing Internal Capabilities

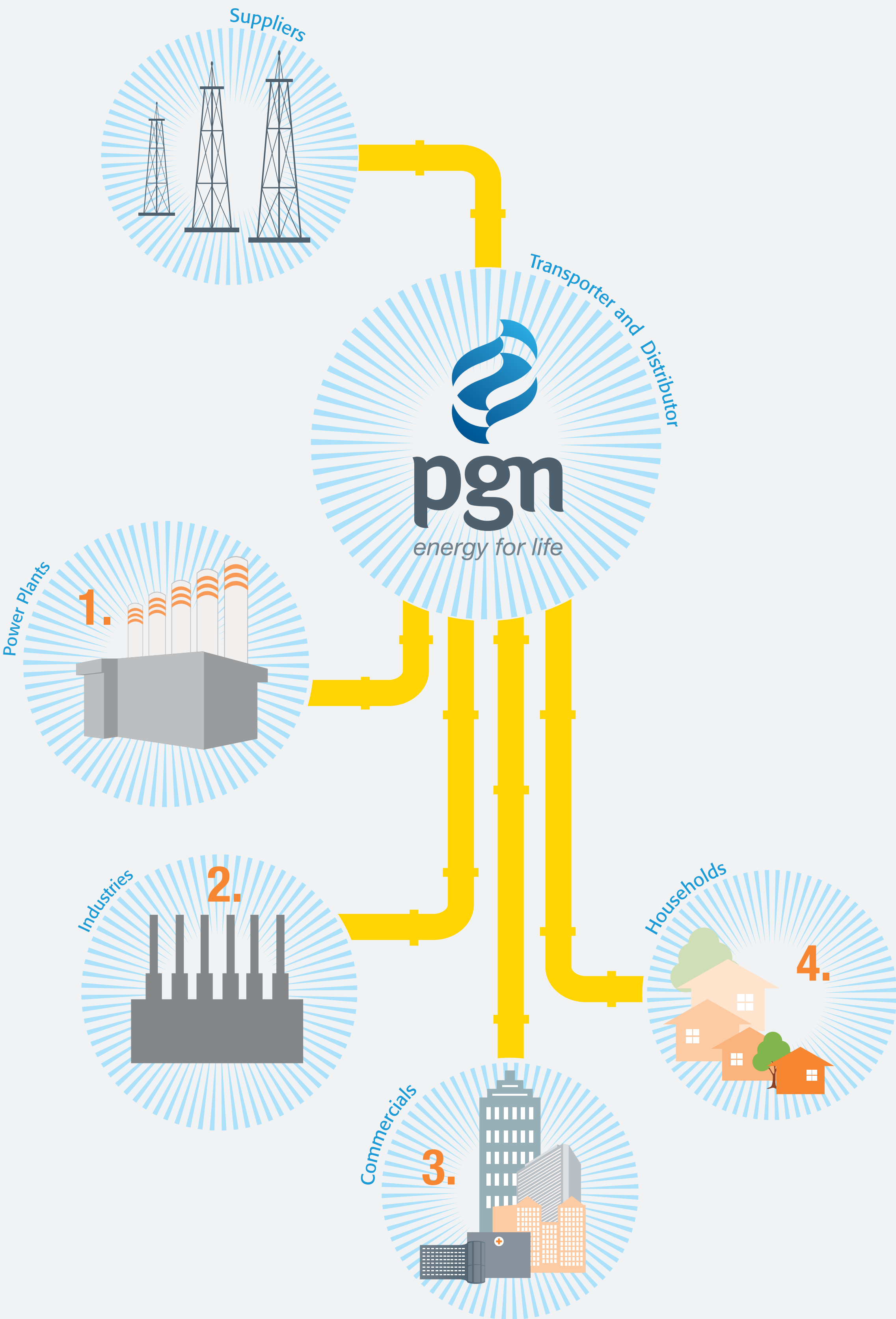
Management Regulation and Strengthening Engagement with Stakeholders

Achieving Safety Through Operational Excellence

Subsidiaries and Affiliates



How Our Gas Reach Customers



Profile PGN

Pursuant to Government Regulation No. 19.1965, PGN become a legal entity having the right to execute it's business independently with the scope of business covering gas provider for power and industry primarily to improve the quality of the public life.

NAME OF THE COMPANY	PT Perusahaan Gas Negara (Persero) Tbk
LINE OF BUSINESS	Transmission and distribution of natural gas
OWNERSHIP	Goverment of Indonesia 56.97% Public 43.03%
DATE OF ESTABLISHMENT	13 May 1965
LEGAL BASIS	PP No.19/1965
AUTHORIZED CAPITAL	Rp7,000,000,000,000
ISSUED AND FULLY PAID CAPITAL	Rp2,424,150,819,600
STOCK EXCHANGE REGISTRATION	The Company's shares were registered on Jakarta Stock Exchange and Surabaya Stock Exchange on 15 December 2003 with Shares Code: PGAS

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Line of Business

LINE OF BUSINESS

PGN's line of business is as set forth in the Articles of Association stipulated on 6 April 2011.

1. Planning, construction and development of downstream natural gas businesses, including processing, transportation, storage and trading.

2. Planning, construction and development of production, supply, transmission and distribution of manufactured gas (hydrocarbon gas).

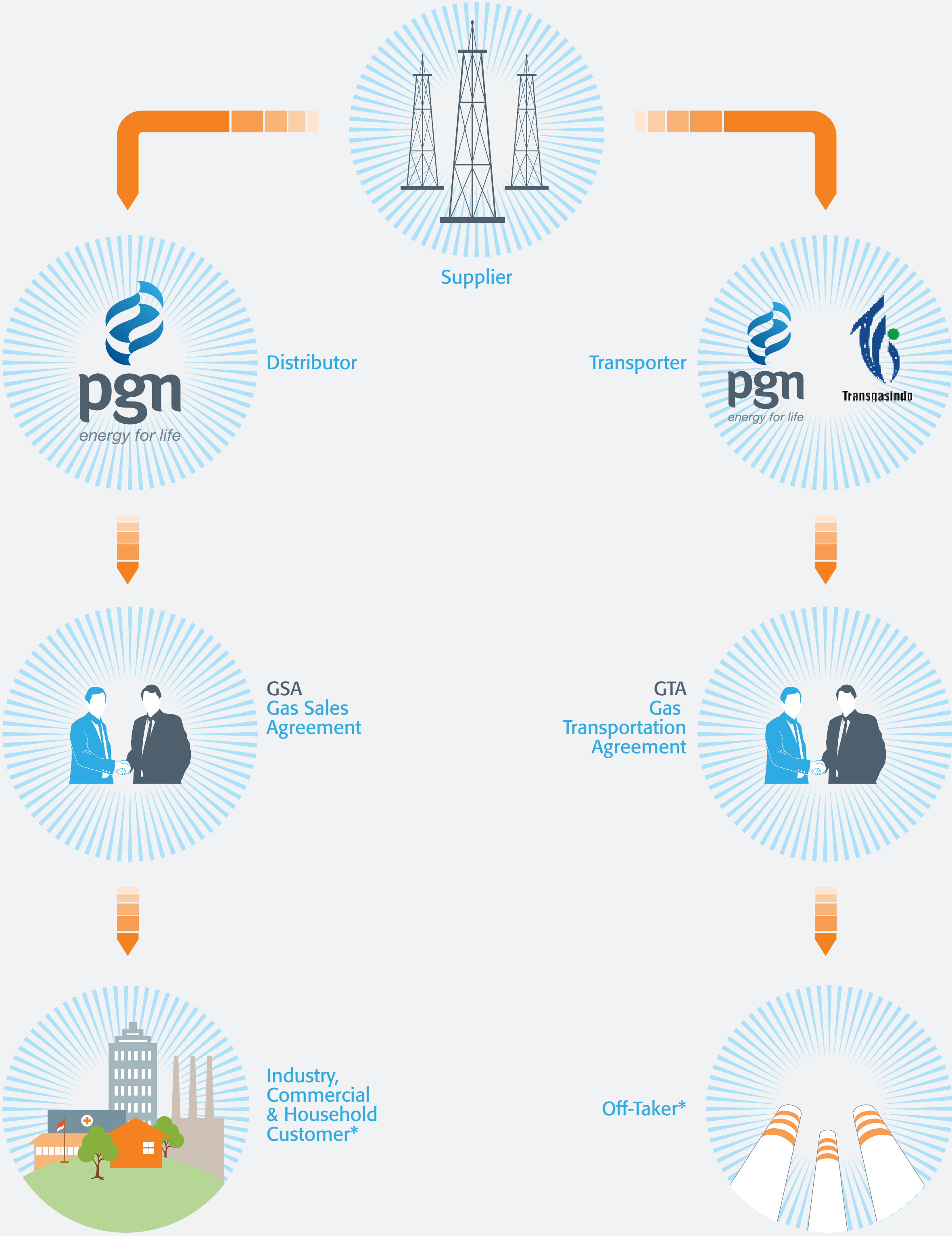
3. In addition to these core business activities, the Company may engage in other ancillary business that is directly related to and/or supports the core business, pursuant to the laws and regulations in effect.

PRODUCT OR SERVICES PRODUCED

Pursuant to Oil and Gas Law No.22 year 2001 which separates upstream and downstream oil and gas business, PGN has concentrated its business in the downstream business, connecting gas producers (suppliers) to gas customers.

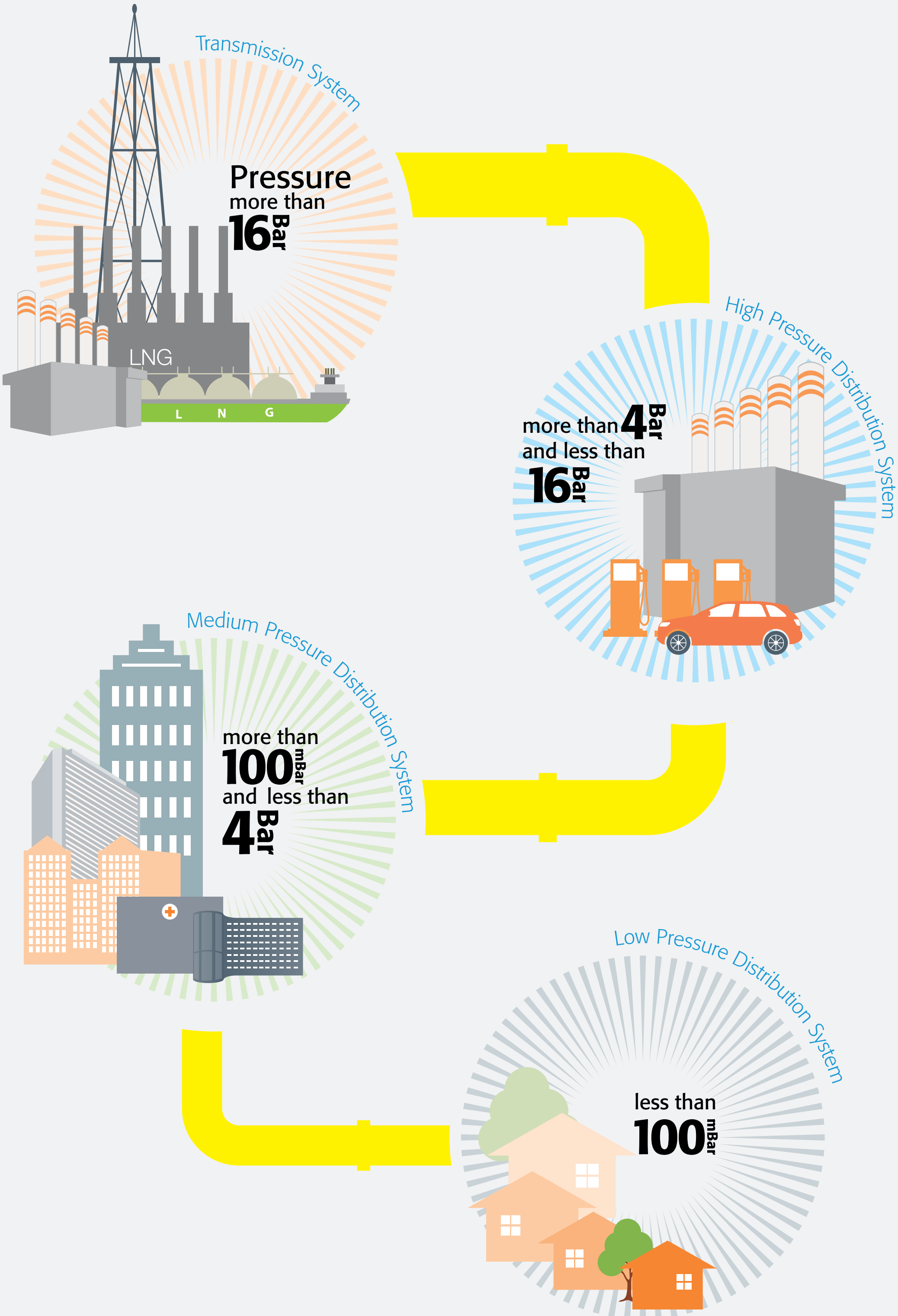
To achieve its target from the management of gas, PGN has divided its business area into three main business segments namely:
1. Transmission/Transportation
2. Distribution/Trading
3. Other business segments

Business Model



*Gas can be utilized to generate electricity, feedstock, raw material, feedstock for fertilizer, fuel glass pocessing.

Schematic flow of PGN's Network



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Vision, Mission and Culture of PGN

Vision

To be a world class energy company in natural gas utilization

PGN's Vision is stipulated based on the Decree of the Board of PT Perusahaan Gas Negara (Persero) Tbk No: 015700.K/HM.03/UT/2011 issued on 20 September 2011

Mission

To enhance the value of the organization for stakeholders:

- Strengthening the core business in natural gas transportation and trading
- Developing gas manufacturing business
- Developing operational, maintenance and engineering business associated with oil and gas industries
- Profiting from the Company's resources and assests by developing other business

PGN Culture

The corporate culture represents the values and philosophies that everyone in the Company have agreed to accept as the foundation and the guidance for the Company to achieve its goals. PGN has defined its corporate culture in terms of five values, which are abbreviated as 'ProCISE' and articulated as the 10 Major Corporate Behaviors.

ProCISE–5 PGN'S Corporate Values

Professionalism
Always giving the best results by improving relevant competencies and being responsible for all decisions taken.

Continuous Improvement
Committed to continuously seek improvement.

Integrity
Honest with oneself and with others. Consistent in mind, word and behavior by having a strong ethical core.

Safety
Always prioritizing health and safety at work, for oneself and for the surroundings.

Excellent Service
Prioritizing satisfaction for both to internal and external customers by giving excellent service.

PGN's 10 Major Behaviors

Report to the Shareholders

Report from the President Commissioner

Dear Shareholders,

In 2011, the Company made tremendous progress towards its vision of becoming a world class gas company. An ambitious transition to a new, more diversified business model is well underway, and the Company has taken very significant steps towards delivering long-term solutions to the supply challenges that threaten to impede growth.

Assessment on the performance of the Board of Directors

The Company overcame some considerable and persistent challenges over the year to turn in a satisfactory financial performance. The Board of Directors took early and concerted actions to avert the potential impact of these challenges, ensuring that the Company experienced only a slight year-on-year decline in revenue. Despite the fact that the supplier was unable to deliver a gas volume as contracted and there being a demand from upstream authorities to negotiate a price increase for the gas.

One of the principal challenges was the increasing pressure on the Company from the regulator to renegotiate its gas purchase prices with the upstream producers in order to encourage investment in exploration. While this threatened to impact the Company's margins, the Management successfully managed to pass most of the price increases on to the customers without losing their goodwill and support. Nonetheless a timing difference, namely the gap between the time of the increase of purchase price and the selling price was un-avoidable.

Our overriding concern, however, remains the challenge of securing sufficient gas supplies to meet the growing demand from domestic customers. There is enormous potential for gas, as a clean, relatively cheap source of energy, to make a major contribution in driving economic growth in Indonesia. However, in the current energy policy environment, the export and oil extraction sectors continue to take precedence over the domestic industry, power and consumer sectors in the allocation of domestic gas supplies. An additional challenge is the entry of new competitors into the gas transmission and trading business, which has intensified the competition for already limited supplies.

Having anticipated these challenges well in advance, the Management has, over the last two years, been executing a long-term strategy of vertical integration to strengthen security of supply and underpin the growth of the Company. In 2011, the Management, with the approval of the Board of Commissioners, advanced this agenda by setting up two new subsidiaries to support the integration and improve future profitability.

PT Saka Energi Indonesia (SiNERGI) will realize the Company's ambitions in the upstream sector by identifying and managing suitable investments in gas producing blocks as well as unconventional sources such as Coal Bed Methane (CBM). This is a long-term strategy to ensure a more secure and competitive source of gas to reduce the domestic supply gap.

PT Gagas Energi Indonesia (GoENERGI), meanwhile, will pursue opportunities to derive greater value from the Company's downstream presence by improving our support to existing and future customers through procuring and trading of gas through various channels. It will also explore opportunities in trading, compressing and other activities in downstream side of the gas business.

One of the most significant achievements during the year was the tangible progress made on the Company's LNG agenda, and particularly the construction of PGN's—and Indonesia's—first LNG receiving terminal in Jakarta Bay.

This facility, a joint venture with Pertamina, will begin operations in the 2012 to supply gas to PLN's Muara Karang power plant. The facility is expected to be operational in mid 2012. An EPC contract has been signed for the construction of the second receiving terminal near Medan, North Sumatera but in March 2012, the Minister of State-Owned Enterprise issued an order to relocate the terminal to Lampung, in the southern-tip of Sumatera. The approval and licensing process for the facility, in Lampung, is underway. The addition of LNG to the country's energy mix marks a major milestone in addressing Indonesia's requirements for secure and economical sources of energy to sustain economic growth.

Committees under the Board of Commissioners
Through a process of rigorous, ongoing supervision and review, the Board has continued to encourage continuous improvement in the standard of the Company's governance. The Board committees are central to this process. During the last two years, the Audit Committee has worked intensively to prepare the Company for the adoption of the new financial reporting rules arising from the convergence of the Indonesian accounting standards with international financial reporting standards (IFRS). Thanks to the hard work of the Audit Committee, the Company was able to fulfill all the requirements well ahead of time and even serve as a benchmark for other companies as they took their own steps towards compliance with the new reporting regime. The new standards have been applied in the preparation of this report.

The Nomination and Remuneration Committee reviewed the policies on Board remuneration and oversaw the nomination of the new members. The GCG Committee continued to monitor and support the strengthening of governance principles in the Company's strategic business units across the country, particularly through facilitating the adoption of PROCISE, PGN's framework of corporate values and behaviors.

The transformation and diversification of the Company's business has brought in its wake a broader and more complex risk profile, in which the Company is potentially exposed to greater uncertainties than ever before. To ensure that these risks and uncertainties are properly managed, the functions of the Risk Management Committee have now been augmented by a new Risk Management Unit headed by a Vice President, which will afford a more comprehensive and intensified approach to identifying, understanding and mitigating risk. We also applaud the initiative of the Company to enhance its safety standards and practice, in commensurate with a world-class standard to manage the operations risks.

Our View on the Prospect of the Company's Business

In 2012 we expect to see the Company build on the momentum of this year's progress. With natural gas set to play an increasingly important role in the energy mix in future, both in Indonesia and globally, there is immense potential to grow the Company. We believe that the Board of Directors is putting the right strategies in place to drive the expansion of the business and deliver sustainable growth. Targeted recruitment of specialists and professionals will become a top priority to support the ongoing diversification of the business.

The Board of Directors worked hard to maintain a positive relationship with all our stakeholders in 2011 and this was a very significant factor in optimizing the Company's performance during the year. Continued constructive engagement, particularly with the government, will be essential amid the increasing dynamism in Indonesia's natural gas sector. We therefore urge the Board of Directors to work closely with the new Ministers for Energy and Mineral Resources and State-Owned Enterprises to ensure a level playing field and support the use of gas for domestic priorities.

BOARD OF COMMISSIONERS

TENGKU NATHAN MACHMUD
President Commissioner and Independent Commissioner

KIAGUS AHMAD BADARUDDIN
Commissioner

MEGANANDA DARYONO
Commissioner

PUDJA SUNASA
Commissioner

WIDYA PURNAMA
Independent Commissioner

The repositioning of PGN as an integrated gas company is reflected in the Company's revitalized image and a new tagline—energy for life. PGN is no longer just a pipeline company. Over the coming years, we expect to see the Company invest in building a competitive portfolio of businesses right along the natural gas value chain to capture appropriate opportunities to deliver value from upstream to downstream.

Changes in the Composition of the Board of Commissioners

The Extra Ordinary General Meeting of Shareholders on 6 April 2011 determined changes in the composition of the Board of Commissioners. We had Mr Widya Purnama replacing Ms. Nenny Miryani Saptadji as Independent Commissioner and Mr. Megananda Daryono and Mr. Pudja Sunasa replacing Mr. Ilyas Saad and Mr. Kardaya Warnika as Commissioners of PGN.

On 1 March 2012, the Ministry of State owned Enterprise appointed Mr. Megananda Daryono to serve the CEO position of Perkebunan Holding. In relation to that, Mr. Megananda Daryono submitted his resignation from the Company's Board of Commissioners effective from 1 March 2012. Therefore, we would like to offer our appreciation to Mr. Megananda Daryono for his service to the Company with dedication and contribution to the Board of Commissioners.

We would like to give appreciation to all member of the Board of Commissioners who had concluded their tenures in supervising the Company's operational management.

Appreciation to Our Stakeholders

On behalf of the Commissioners, I would like to thank the Board of Directors and all the employees of the Company for their vision, commitment and hard work in making the transformation a reality. We are also deeply appreciative of the trust shown by the shareholders, and, as ever, look forward to your continued support in the coming year.

Tengku Nathan Machmud
President Commissioner

Report from the Board of Directors

Dear Shareholders,

In a year of global uncertainty, a deepening crisis in Europe and a slowdown in the US economy, Indonesia continued to thrive, posting a growth rate of 6.5% in 2011. With an economy driven largely by domestic consumption, Indonesia has fared better than more export-led economies, and the sustained growth has amplified demand for energy, and particularly—in light of escalating oil prices—gas as a relatively cheap and efficient energy source.

Our Performance in 2011

Since 2011, the Government has determined priorities for the country's gas sector which have put increasing pressure on the supplies available for domestic use. At the same time, challenges in the operations and maintenance acivities in the upstream side have resulted in lower distribution volumes compared to 2010.

Having anticipated this unfavorable climate, we executed a survival mode strategy in 2011, with good results under the circumstances. We dealt with the pressure from upstream entities that affected supply and net profit; yet, even after taking pricing actions in response to upstream pressures, we managed to maintain the goodwill and good faith of our customers. Nonetheless, we cannot avoid the impact from timing difference between the increase of gas supply price and the effective increase of the selling price of the gas.

We took a proactive approach to the worsening supply situation: seeking to preserve a conducive relationship with our key suppliers, we performed a due process, facilitated by the government to rationalize and verify some of the demands coming from the upstream producers and BPMigas to renegotiate the supply price. We now have a more positive understanding with the suppliers and the upstream authority, which is improving the conditions for greater security of supply and increased volume allocations going forward to sustain our core business of gas transmission and distribution.

Other than addressing immediate supply concerns, our highest priority has been to continue the vertical integration of our business by aggressively expanding our presence up and down the natural gas value chain. We strongly believe that gas will have to be an increasingly important factor in the country's energy mix, and we fully intend to play an instrumental role in making this happen. We have therefore taken strategic moves to secure gas supplies from both conventional and non-conventional sources such as coal bed methane, for domestic consumption over the long term, and to develop the infrastructure and services needed to make it accessible. The transformation of our business model therefore sees the Company taking up positions both upstream in sourcing energy supplies, and downstream in businesses that will deliver greater value added, as well as strengthening our gas transportation capacity.

Challenges in 2011

Challenges that we dealt with in 2011 relates to the security and reliability of our natural gas supply. The naturally declining nature of existing gas field resulted in the limitation of natural gas supply. Government policy to prioritise gas for oil lifting, fertilizer and electricity also limit the volume allocated to the Company. The trend of the upstream Company to demand price renegotiation also exert pressure to the cost of gas supply. And lastly, the regional autonomy that endorses allocation of gas supply to local government related entities, requires PGN to set cooperation with local government related entities.

Strategic Policy

1. Broadening our stake in the gas business
   In 2011 we drove this agenda hard, setting up two new subsidiaries to undertake the business diversification upstream and downstream. The magnitude of the transformation called for a new organizational setup, with new groups and divisions being created to oversee strategic planning, portfolio management, risk management, as well as a new unit to centralize the management of our non-core assets. To signal this paradigm shift to the public as well as internally we carried out a corporate rebranding, updating our corporate identity and uniting all our

business lines under the tagline 'energy for life'—a reflection of our commitment to delivering clean, affordable energy solutions to meet the long-term needs of current and future customers.

Spearheading our upstream diversification is PT Saka Energi Indonesia (SiNERGI). Saka is currently exploring investment opportunities for minority interests in productive gas concessions and coal bed methane (CBM), but is also designed to be a learning organization that will eventually have the capacity to operate in exploration and exploitation in its own right.

Towards the other end of the gas value chain, PT Gagas Energi Indonesia (GoENRGI) was established at the end of 2011 to advance our downstream integration strategy by engaging in joint ventures, trading partnerships and investments in downstream gas business opportunities. From a strategic perspective, through GoENERGI, we will be able to broaden our access to the gas market and derive greater value added from the gas.

Since 2011 we also began to set up cooperation regional companies to capture opportunities to cooperate with local government-owned enterprises on offtaking the gas from regional production allocations. Such arrangements are already in place in West Java, East Java and Sumatera.

In the midstream sector, we continued to build the Company's core expertise in gas transportation and related services by expanding our midstream infrastructure, including the transmission pipeline network, compressor stations, and floating storage and regasification facilities for LNG, to drive better operational returns. These initiatives are supported by our existing businesses: PT Transportasi Gas Indonesia (Transgasindo), which operates Grissik-Duri and Grissik-Singapore transmission pipelines; PT PGAS Solution, which has continued to make a strong showing in delivering technical services and support for existing and prospective gas customers; and PT Gas Telekomunikasi Indonesia (PGASCOM), an important support player in the country's telecommunications and data services sector by virtue of the long haul fiber optic transmission systems it operates through our gas pipelines.

2. Securing our future supply
   Securing gas supplies is the most critical challenge we face, now and in the future. In 2011 our new business, SiNERGI, started doing due diligence on potential upstream assets that will be the cornerstone of our long-term solution to this issue. A more immediate solution is various arrangement to procure gas supply through co-operations with regional companies., Some of these will come onstream to augment our existing supply contracts in mid-2012.

   Anticipating the surging demand for natural gas, PGN made a strategic decision some years ago to pioneer the development of liquefied natural gas (LNG) in Indonesia as one of the solutions to the domestic supply shortfall.

   Our floating LNG receiving terminal in Jakarta Bay, the country's first such facility, will be commissioned in the second quarter of 2012 and commence operations by mid 2012. This is a joint venture between the Company and Pertamina. In the fourth quarter of 2011 the Company signed an EPC contract with Norway-based Hoegh and PT Rekayasa Industri Consortium (Rekin) for the construction of a second floating storage and regasification facility (FSRF) off the shore of Belawan, North Sumatra. In March 2012,

BOARD OF DIRECTORS

HENDI PRIO SANTOSO
President Director

JOBI TRIANANDA HASJIM
Director of Technology and Development

MOCHTAR RIZA PAHLEVI TABRANI
Director of Finance

M. WAHID SUTOPO
Director of Investment Planning and Risk Management

EKO SOESAMTO TJIPTADI
Director of Human Resources and General Affairs

MICHAEL BASKORO PALWO NUGROHO
Director of Commerce

we received a letter from the Minister of State Owned-Enterprise to relocate the terminal from Medan to Lampung. Strategically located in Lampung, the terminal in this new location will interface with existing transmission pipelines that bring gas to West Java.

The output from both the Jakarta Bay facilities is currently contracted to state-owned electricity company PLN to feed its power plants. However, as this accounts for around one-third of the terminal capacity, we expect to secure additional LNG from domestic and international suppliers in order to maximize capacity utilization and help meet industry demand for gas.

The industry as a whole is increasingly turning its attention to unconventional sources of gas as the combination of growing demand and technological advance makes it economically and technically feasible to extract supplies from previously inaccessible deposits. One of our strategic priorities is to invest in the considerable potential for CBM exploitation in Indonesia, and in 2011 our upstream subsidiary, SiNERGI, acquired a stake in a production sharing contract for a CBM block in Lematang, South Sumatra. The PSC is expected to begin a 3-year exploration phase.

3. Our people
   Our people are playing a critical role in the success of PGN's transformation into a vertically integrated gas business. In 2011 we continued to strengthen our human resource management systems to ensure that our recruitment, placement, capacity development and remuneration policies are getting the right people into the right jobs, and providing sufficiently competitive rewards and opportunities to attract and retain high caliber people with the right mix of skills, experience and potential to take the Company's business agenda forward.

   We have adopted an increasingly professional approach to succession planning. The Human Capital Committee has been established to identify and nurture talent within the Company for prospective appointment to senior management levels, ensuring that they are able to gain the knowledge, experience and training they need to become capable future leaders of the Company. We have also adopted a more advance performance management system. With the emphasis to align the performance of the individuals with the overall objective of the Company.

   Ensuring the safety and health of our employees, contractors and other stakeholders remains a top priority. During the year we continued to implement a targeted program of training and awareness raising activities designed to reinforce a safety culture throughout the organization and reduce the number of recordable incidents. We have set-up a Health and Safety Division to oversee the process and cooperate with globally-acknowledged organization to improve our safety standard and practice.

Good Governance

Our ongoing commitment to strengthening the Company's corporate governance performance was reflected in the results of our second annual independent GCG assessment in 2011, in which we improved our total score to 85 from 78 in the previous year. PGN's high standards of transparency and disclosure are also reflected in the stock price performance, an indication of the strength of investor confidence in the Company. As a further measure of PGN's transparency and communication, the Company placed second in its category in the Annual Report Awards sponsored by Indonesia's financial regulatory authorities, and was also a runner-up in the Indonesia Sustainability Reporting Awards (ISRA).

Despite this welcome recognition, there is still considerable scope for improvement. Priorities for the coming year include revising the Board Manual, reinforcing the whistle blower policy and updating the Code of Ethics.

Under the new business model, PGN is potentially exposed to a new set of risks. To ensure that the Company has the capacity to manage this expanded risk profile, we revised our risk management arrangements and adopted the COSO principles on enterprise risk management, following a preliminary assessment by Deloitte Touche. The new Risk Management division leads the process of risk identification, analysis, monitoring and mitigation in each unit, reported not only to Board of Directors but also to the Risk Management Committee under the Board of Commissioners, which provides assurance on the process.

Building sustainability

CSR is part of the new paradigm for the Company. PGN has one of the highest CSR budget allocation and realization rates among its state-owned enterprise peers. We have used this to deliver tangible and sustainable improvements for communities, with a focus on health, education and local small and medium enterprise development.

The return on this investment is the long-term sustainability of the Company. We engage closely with our stakeholders—the communities and local governments in our operating areas—to motivate and empower them to take action on reducing poverty, improving performance on education and health indicators, and stimulating the local economy. Since 2009, local administrations and communities have been playing a central role in the planning of our CSR programs to ensure that they are closely aligned with local development priorities. Through this approach we are not only contributing to the nation's development, but also establishing strong, mutually beneficial relationships with local administrations that are essential in achieving the long-term strategic objectives of the Company.

Outlook for 2012

A combination of robust fundamentals and financial discipline has provided a strong platform for the further expansion of the business, through both organic growth and acquisitions. Moreover, our increasingly diversified business portfolio will give us greater flexibility to pursue strategic opportunities and deliver a more balanced and sustainable performance under a range of conditions.

2012 will be a landmark year for the Company as we inaugurate Indonesia's first LNG receiving terminal and take a significant step towards narrowing the supply gap and meeting domestic energy needs. We will also continue to execute our upstream strategy: we will continue seek for opportunity for taking minority interest in producing blocks and will continue to seek additional investment prospects. Further investment in CBM is also high on the strategic agenda for 2012.

We are also setting our sights beyond pipeline by looking into new modes of gas transportation such as compressed natural gas (CNG) and mini LNG. These technologies offer a potential solution to the challenge of delivering gas to off-pipeline customers, particularly in more remote locations, and we will be closely monitoring developments in this sector to be ready to invest when the time is right.

Changes in the Composition of the Board of Directors and Board of Commissioners

To meet the demands of our new organizational set-up, the Extra-ordinary General Meeting of Shareholders on 6 April 2011 approved a number of changes in the composition of the Board of Directors in 2011. We welcomed three new Directors, Mr. Muhammad Wahid Sutopo as Director of Investment Planning and Risk Management, Mr. Eko Soesamto Tjiptadi as Director of Human Resources and General Affairs, and Mr. Jobi Triananda Hasjim as Director of Technology and Development.

The Extra Ordinary General Meeting of Shareholders, held on 5 March 2012 approved changes in the composition of the Board of Directors. Mr. Michael Baskoro Palwo Nugroho will not be with us as we move forward. Mr. Megananda Daryono had also submitted his resignation from the Board of Commissioners, following his appointment as the President Director of PT Perkebunan Nusantara III (Persero). We thank Mr. Megananda for his dedication and contribution as a Commissioner to the Company and wish him the success with the new appointment.

Appreciation to Our Stakeholders

The success of our transition to a new business model in 2011 was due in no small part to our employees, who did a magnificent job in overcoming the challenges the Company faced during the year. I would like to thank them and all our customers and business partners, and ask for your continued support and trust in the coming year, as we build on the momentum of the business transformation to pursue sustainable growth and deliver value across the entire natural gas value chain.

Hendi Prio Santoso
President Director

Management's Discussion and Analysis

Operational Review

transforming to always improve reliability of networks

845.49
MMScfd
Transmission Volume

795.28
MMScfd
Distribution Volume

PGN recorded a volume growth of 1.09% in 2011 from its transmission business, with a 19.7% five-year compounded annual growth in the distribution business.

OPERATIONAL REVIEW ON BUSINESS SEGMENTS

Pursuant to Oil and Gas Law No.22 year 2001 which separates upstream and downstream oil and gas business, PGN has concentrated its business in the downstream business, connecting gas producers (suppliers) to gas customers.

To achieve its target from the management of gas, PGN has divided its business area into three main business segments namely:

1. Transmission/Transportation
2. Distribution/Trading
3. Other business segments

TRANSMISSION/TRANSPORTATION BUSINESS SEGMENTS

Transmission Business

The transmission business involves the transportation of natural gas from the producer's gas field belonging to a through a network of high pressure transmission pipeline network to off taker's delivery point. The Company receives a toll fee for these transportation services.

Below is the highlight of PGN's transmission pipeline area covering the location of the pipeline the length and in Km, the operator of the transmission pipeline.

TRANSMISSION PIPELINE NETWORK 2011

No.	Transmission Pipeline	Length (km)	Shipper	Offtaker	Operator
1	Wampu-Belawan	68.6	PT PLN	PT PLN	PGN-SBU DW III Sumbagut
2	Grissik-Duri	536	ConocoPhillips	Chevron Pasific Indonesia	PT Transgasindo Indonesia
3	Grissik-Batam-Singapura	470	ConocoPhillips, Petro China	PGN-SBU DW III Sumbagut, Gas Supply Pte. Ltd (Singapura)	PT Transgasindo Indonesia
4	SSWJ	1,083	PGN-SBU DW I JBB	PGN-SBU DW I JBB	PGN-SBU Transmisi Sumatera Jawa
	Total	2,158			

Transmission/Transportation Business Performance

In 2011, transmission/transportation business grew by 1.09%. This was attributable to the increased volume delivery to 845.49 MMScfd from 836.37 MMScfd in 2010.

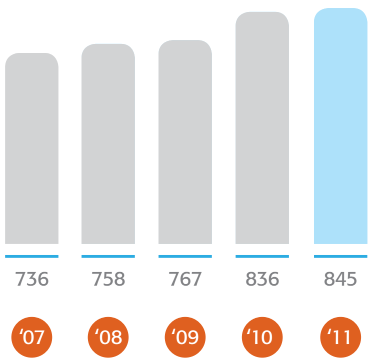
The business grew slightly due to (1) lower gas absorption by Chevron, (2) declining gas production in North Sumatera which supplied gas to PLN.

Nonetheless, gas delivery to Pekanbaru increased significantly to 11.93 MMScfd from 9.11 MMScfd in 2010 resulted from the increasing distribution of gas and oil lifting activities by carried out Pertamina EP in Lirik and Ukui

In supporting the blue sky program of the Government and reducing oil subsidies, PGN's transmission also transported gas to Pertamina's gas station to fuel busses, taxi and bajaj.

TRANSMISSION/TRANSPORTATION PERFORMANCE

MMScfd



TRANSMISSION/TRANSPORTATION OPERATIONAL PERFORMANCE

	FY 2011		FY 2010		
	mmscf	MMScfd	mmscf	MMScfd	Increase
Transmission by TGI:					
Grissik - Duri	133,512	365.79	137,848	377.67	(3.15%)
Grissik - Singapura	136,067	372.79	129,128	353.78	5.37%
Grissik - PGN Area Pekanbaru 1)	4,353	11.93	3,326	9.11	30.89%
Grissik - PGN Area Batam 2)	22,941	62.85	22,263	60.99	3.04%
Transmission by PGN:					
Ke SPBG Jakarta	1,046	2.87	1,087.95	2.98	(3,87%)
Ke PLN Medan	10,685	29.27	11,620.99	31.84	(8.06%)
Total	308,603	845.49	305,274	836.37	1.09%

1) Through pipeline Grissik - Duri
2) Through pipeline Grissik - Singapura

DISTRIBUTION/TRADING BUSINESS SEGMENT

Distribution/Trading Business

PGN's distribution/trading business is managed by strategic business unit (SBU). The natural gas distribution network covers Jakarta, Bogor, Bekasi, Banten, Karawang, Cirebon, Palembang, Surabaya, Sidoarjo, Pasuruan, Medan, Pekanbaru and Batam. Each of these areas is managed by a Sales and Service Area.

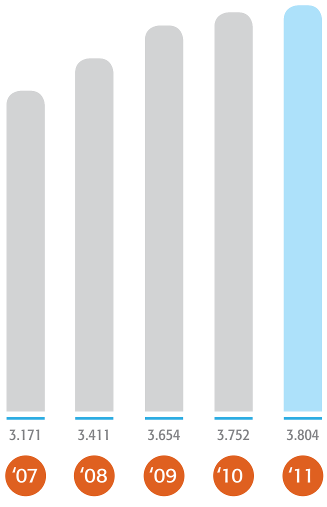
We served three categories of customer; 86,167 households (96.8%), 1,640 commercials (1.8%) and 1,245 industries (1.4%). By volume, however, industries customers absorbed around 97.8% of the total volume.

Through its distribution and trading business, PGN earns revenues in the form of a margin on sales. The distribution business is the Company's largest source of revenues.

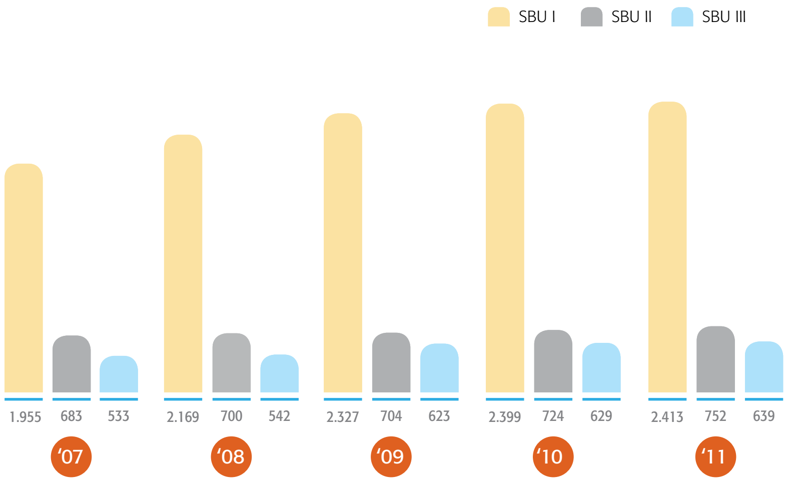
Currently, PGN has three SBUs to manage distribution/trading business and one SBU to operate the SSWJ transmission pipeline. Following is the four SBUs and its coverage area.

No.	SBU	Sales and Services Area
1.	SBU Distribution Area I West Java	1. Sales and Service Area Jakarta-Bogor 2. Sales and Service Area Bekasi-Karawang 3. Sales and Service Area Banten 4. Sales and Service Area Cirebon 5. Sales and Service Area Palembang
2.	SBU Distribution Area II East Java	1. Sales and Service Area Surabaya-Gresik 2. Sales and Service Area Sidoarjo-Mojokerto 3. Sales and Service Area Pasuruan-Sidoarjo
3.	SBU Distribution Area III North Sumatera	1. Sales and Service Area Medan 2. Sales and Service Area Batam 3. Sales and Service Area Pekanbaru
4.	SBU Transmission Sumatera-Java	Operator of South Sumatera West Java transmission pipeline.

TOTAL DISTRIBUTION PIPELINE LENGTH (Km)



DISTRIBUTION PIPELINE LENGTH (Km)



795.28 KM

Distribution Pipeline Network 2011

Distribution/Trading Business Performance

In 2011, PGN distribution/trading business delivered 795.28 MMScfd from 824.35 MMScfd in 2010, which is a decline of 3.53%. The decline was due to lower supply delivery in SBU Distribution Area I West Java and SBU Distribution Area II East Java.

Declining supply from SBU I was related to resevoir decline of the production field and termination of existing gas supply contract. Declining supply from SBU II was due to lower daily volume delivery and resevoir decline of the production field. Despite gas production interruption related to the repair in its Mobile Offshore Platform Unit (MOPU) facility, supply from Santos year on year was relatively stable.

Despite 3.53% decline in distribution volume, PGN's Compound Annual Growth Rate (CAGR) of distribution business in the last 5 years grew by 19.7%.

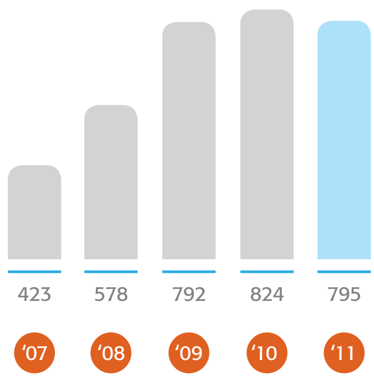
Distribution/trading business performance per Area in 2011 was as follows:

- SBU Distribution Area I Western Java, down 4.64% to 551.04 MMScfd compared to the previous year. Declining supply volume was the main contribution to lower sales volume

- SBU Distribution Area II Eastern Java dropped by 6.75% to 147.81 MMScfd compared to the prior year. This was due to declining volume supply from suppliers.

- SBU Distribution Area III Northern Sumatera increased by 9.61% to 96.42 MMScfd. Increasing volume delivery from Pertiwi Nusantara Resources to Medan area and ConocoPhillips' supply to Pekanbaru for oil lifting activities by Pertamina EP in Lirik and Ukui contributed to the increased sales volume in SBU Distribution Area III North Sumatera.

DISTRIBUTION PERFORMANCE
(MMScfd)



GAS SALES VOLUME PER AREA

Area	FY 2011		FY 2010		Δ (%)
	MMScfd	%	MMScfd	%	
SBU I	551.04	69.29%	577.88	70.10%	(4.64)
SBU II	147.81	18.59%	158.50	19.23%	(6.75)
SBU III	96.42	12.12%	87.97	10.67%	9.61
Total	795.28	100%	824.35	100%	(3.53)

SBU DISTRIBUTION AREA I WESTERN JAVA

SBU Distribution Area I has five sales and service areas with a total network lentgh of 2,413 km. The five sales and service areas are Jakarta - Bogor, Bekasi-Karawang, Banten, Cirebon, and Palembang.

Gas sales in SBU Distribution I Western Java in 2011 declined by 4.64% to 551.04 MMScfd compared to the previous year. This was due to declining supply from producers and termination of gas supply contract.

GAS SALES VOLUME IN SBU AREA I

MMScfd

Customer	2011	2010	Δ (%)
Household	1.21	1.23	(0.98)
Commercial	16.02	12.13	32.06
Industry	533.81	564.52	(5.44)
Total	551.04	577.88	(4.64)

SBU DISTRIBUTION AREA II EASTERN JAVA

SBU Distribution Area II has three sales and service areas, Surabaya-Gresik, Sidoarjo-Mojokerto, Pasuruan-Probolinggo. SBU II manages a network that extends to 752 Km.

Sales in SBU Distribution Area II in 2011 dropped by 6.75% to 147.81MMScfd compared to prior year. This was mainly due to declining gas supply from suppliers. Despite production interruption related to repair in its MOPU facility, Santos supplied a relatively stable volume compared to the previous year.

GAS SALES VOLUME IN SBU AREA II MMScfd

Customer	2011	2010	Δ (%)
Household	0.24	0.23	2.95
Commercial	4.03	2.39	68.52
Industry	143.55	155.88	(7.91)
Total	147.81	158.50	(6.75)

SBU DISTRIBUTION AREA III NORTHERN SUMATERA

SBU Distribution Area III North Sumatera has three sales and services areas, Medan, Batam and Pekanbaru, with total network length of 639 Km.

While the other two SBUs sales volume were declining, SBU Distribution Area III Northern Sumatera increased its sales volume by 9.61% to 96.42 MMScfd. This was attributable to the Increase in supply volume from Pertiwi Nusantara Resources to Medan and ConocoPhillips supply to Pekanbaru for lifting oil activities in Pertamina EP field in Lirik and Ukui.

GAS SALES VOLUME IN SBU AREA III MMScfd

Customer	2011	2010	Δ (%)
Household	0.68	0.60	13.44
Commercial	1.72	1.23	39.33
Industry	94.02	86.13	9.16
Total	96.42	87.97	9.61

CUSTOMER BASE

PGN served a total of 89,054 customers in 2011. Of this total, some 97% were household customers, while the remaining 3% were commercial and industrial customers. By volume, however, industry customers absorbed around 97% of the total volume while just 3% was accounted for households and commercial customers.

Our customer composition is as follows:

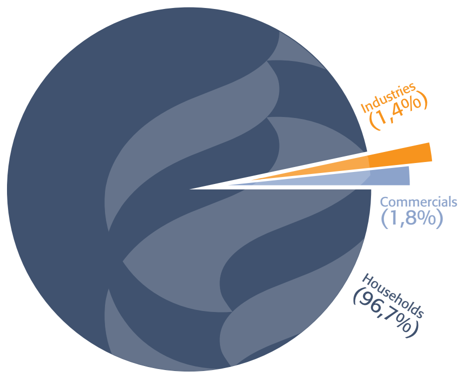
NUMBER OF CUSTOMER BY AREA

	2011			2010			2009			2008			2007		
	Industry	Commercial	Household	Industry	Commercial	Household	Industry	Commercial	Household	Industry	Commercial	Household	Industry	Commercial	Household
SBU I	845	983	55,133	821	933	55,035	800	928	53,563	726	855	52,400	535	794	51,811
SBU II	320	93	12,084	318	91	11,676	309	89	11,349	301	81	11,277	269	79	10,903
SBU III	81	564	18,950	77	568	18,615	71	576	18,607	72	562	18,446	69	595	18,580
Total	1,246	1,640	86,167	1,216	1,592	85,326	1,180	1,593	83,519	1,099	1,498	82,123	873	1,468	81,294

NUMBER OF CUSTOMER BY SECTOR

Customer	2011	2010	Δ (%)
Household	86,167	85,326	0.99
Commercial	1,640	1,592	3.08
Industrial	1,246	1,216	2.47
Total	89,053	88,134	1.04

NUMBER OF CUSTOMERS



GAS PRICE ADJUSTMENT

In 2011, PGN increased its gas sales price to customers. First adjustment of price was applied on September 1, 2011 to customers in Medan while second adjusment was applied on November 1, 2011 to customers in West Java.

PRICE ADJUSTMENT APPLIED IN MEDAN

PGN has two gas suppliers to supply Medan area, namely PT Pertamina EP Rantau and PT Pertiwi Nusantara Resources. Effective April 1, 2011, PT Pertamina EP Rantau, Medan increased its gas selling price to PGN. Further, receiving point which previously determined at the city gate was shifted to the wellhead. Change of the location of receiving point has resulted some additional cost, namely toll fee, discrepancy and fuel gas to transporter. Consequently, gas price increase and change of the location of receiving point impacted to the cost of gas (exclude distribution cost) which rose by 61%. Effective April 1, 2011, PT Pertiwi Nusantara Resources also imposed *annual increase* of its gas price to PGN.

To anticipate the impact of the situation in the revenues, PGN started to apply price increase to its customers effective September 1, 2011. Prior to the implementation of price increase, PGN had informed its customers and stakeholders of the impending price increases before they went in to effect.

PRICE ADJUSTMENT APPLIED IN EAST JAVA

Currently, PGN has several gas suppliers in East Java. One of the them is Santos which is supplying around 80% of PGN's total supply in East Java. Effective June 1, 2011 Santos increased its gas sales price to PGN. Starting March 2011, PGN obtained additional supply from Gresik Migas with higher purchase price. To maintain a stable revenues, PGN adjusted its selling price to customers. However, with due consideration of the customers purchasing power, PGN passed on an only the price to customers increase of USD price component.

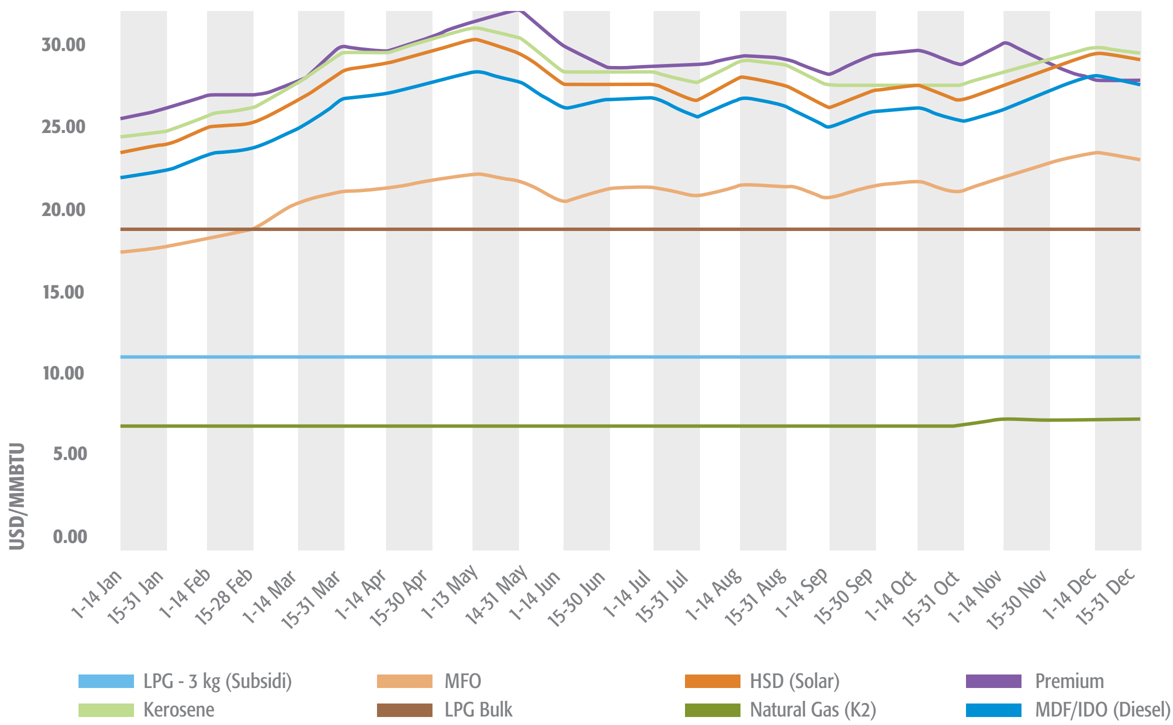
Price adjustment, applied to PGN's customers in Medan and SBU Area II East Java contributed to increase in PGN's average gas selling price as follows:

	December 2011		December 2010	
Average selling price	USD 4.79/MMBTU + Rp706/m^3	Equivalent:USD 6.95/ MMBTU	USD 4.33/MMBTU + Rp.706/m^3	Equivalent: USD 6.49/MMBTU

Notes: Currency Exchange Rp9.000/ USD

Although PGN's sales price increased, it remained more competitive than non-subsidized oil, particularly High Speed Diesel (HSD). In 2011, PGN's sales price was 22-30% of HSD price.

TREND OF FUEL & PGN's NATURAL GAS PRICE IN 2011



Source of oil: Pertamina West Java
(Assumption: USD1 = Rp9,000)

MARKETING ASPECTS

Market Share

Rapid growth in demand for natural gas in Indonesia at a time when supplies are limited, has encouraged the emergence of natural gas traders. These traders typically only have a Business License for Trading Without Facilities. The number of new traders has intensified the competition in the natural gas business in Indonesia. In 2011, PGN controlled an 87.3% share of the distribution market in Indonesia and 52.9% of the transmission market (including transmission pipeline operated by subsidiary).

Marketing Strategy

In 2011 PGN focused on improving service and customer satisfaction. PGN took a number of actions in 2011 to maintain and increase market share, as follows:

1. Held routine customer gatherings, sharing sessions and visits by our Account Executives at customers' locations to listen to their complaints and input and to deliver up-to-date information about the natural gas business. All these activities were carried out in all PGN's SBUs and/or Sales and Service Areas.
2. Established a payment mechanism through PPOB (Payment Point Online Bank) with national banks. Household customers and small customers previously had to pay their gas bills at a counter at the PGN office. Moreover, their data was not integrated into the PGN billing system. Through PPOBs, they can now pay their bills through a bank and are directly connected to PGN's billing system.
3. Actively sought additional gas supplies.
   To meet surging demand for energy from natural gas, PGN is actively seeking new supplies of gas. One of the measures we took was to enter into cooperation or sale and purchase agreements with SOEs and regionally owned enterprises (ROEs) that have gas contracts or allocations. Natural gas can immediately be utilized through such synergies because PGN's infrastructure is already in place. This keeps costs down for SOEs/ROEs because they do not need to allocate funds or seek loans to build new infrastructure.

OTHER BUSINESS SEGMENTS

Other business segments covers the business of leasing fiber optic capacity from the provision of fiber optic networks and services for construction and maintenance

Both business are managed out by PGN's subsidiaries.Business of leasing fiber optic capacity by PGASCOM and services of construction and maintenance by PGAS Solution.

BUSINESS PROSPECTS

PGN's business prospects in 2012 are wide open, despite the economic slowdown in the rest of the world, particularly in Europe and the US. As an energy company in the natural gas utilization business, the prospects for PGN will improve alongside with economic growth. Indonesia's economic growth is projected at 6.7% (based on the 2012 state budget). Investment flows are expected to accelerate in the wake of Indonesia's upgrading to investment grade in recent assessments by Moody's and Fitch.

Economic growth in Indonesia is set to accelerate with the planned development and improvement of infrastructure set out in the MP3EI. PGN has an important role in supporting this program through the planned expansion of natural gas distribution network coverage, either through pipelines or other modes of transportation, which is expected to be able to meet the energy needs of the industry, commercial, and household sectors.

The MP3EI also calls for an increase in electricity infrastructure in Indonesia, by adding to the country's existing power generating capacity and expanding the electricity transmission and distribution grid to meet ever-increasing demand. PGN is capturing this opportunity by working with PLN and other parties to meet the demand for fuel for power stations, through both pipeline and non-pipeline modes of trasnportation.

According to data from the Ministry of Energy and Mineral Resources, Indonesia has proven reserves of natural gas of 104 TSCF and potential reserves of 48 TSCF, making a total natural gas reserve of 152 TSCF. This reserve is even bigger if non conventional sources of natural gas such as CBM, shale gas and bio gas are taken into account. Reserves of natural gas from CBM, based on BP Migas data, are estimated at 453.3 TCF. All of this points to a massive opportunity for the natural gas industry in Indonesia.

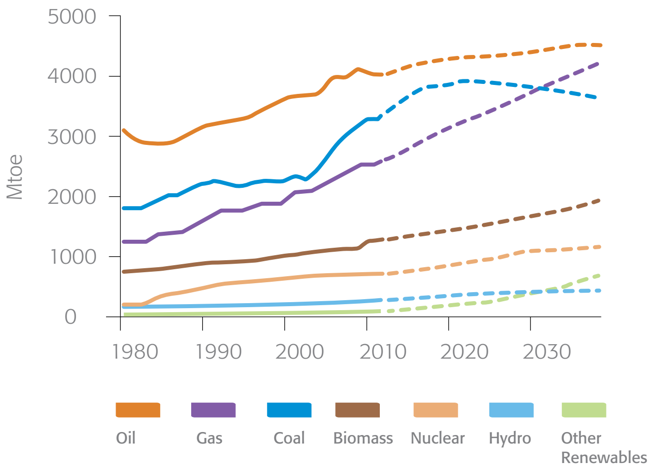
These abundant natural gas reserves represent an opportunity to secure supplies of natural gas for PGN's customers. PGN has developed a number of strategies to guarantee supplies of natural gas such as investing in minority participation interests in upstream, developing LNG Receiving Terminals, and establishing subsidiaries to expand the gas trading business. Technological developments in exploiting natural gas from non conventional sources such as CBM are also being explored in the interests of increasing security of supply.

Another opportunity for PGN is the projected increase in LNG supplies from neighboring countries. According to data from the International Energy Agency, there are several LNG Liquefaction Plant development projects that will come onstream in the near future. Moreover, gas production in the US has increased sharply since production of shale gas began. The increase in gas supplies on the international market is expected to reduce the price of gas and make it a feasible alternative supply of gas for PGN.

In the context of reducing fuel and electricity subsidies, reducing CO_2 emissions and lessening the country's dependence on crude oil imports (Indonesia is currently a net importer of oil), as well as Indonesia's abundant reserves of natural gas, the improving competitiveness of domestic industry, and the prospect of substantial LNG supplies on the international market, demand for natural gas in Indonesia in 2012 and beyond looks certain to surge, making the prospects for the Company very promising indeed.

Bellow is the chard of world energy consumption based on International Energy Agency (IEA) analysis, reported in World Energy Outlook 2011

WORLD ENERGY CONSUMPTION



GAS PIPELINE INFRASTRUCTURE

Our operations as a gas provider company principally involve the transportation of natural gas from the receipt point to the delivery point. Gas pipelines operate optimally when there are regulation and monitoring facilities, including metering stations, regulating stations, metering and regulating stations, SCADA, communications systems and other facilities.

Our pipeline network operations are divided into the transmission network system and the distribution network system. A transmission network system typically comprises one or more pipeline segments, usually connected to each other through a network, which transport gas from a gathering system, gas processing plant outlet or storage system to a high or low pressure distribution system, premium customers or other storage systems.

The Company currently operates two transmission pipeline networks: the Medan (Wampu – Belawan) transmission pipeline system and the South Sumatra West Java (SSWJ) transmission pipeline system.

The Medan transmission pipeline network services two shippers (customers), Pertamina EP and PLN, by transporting their gas from Wampu to Secanang, Belawan.

The SSWJ transmission pipeline network was built to transport gas from Conoco Phillips in Grissik and Pertamina EP in Pagardewa to West Java.

A distribution system is one or more segments of a pipeline network that transport gas from the delivery point or storage system to the customer, includes power station, industry, commercial operation or household.

PIPELINE NETWORK DEVELOPMENT PLANS

To strengthen network reliability and gas transportation to customers, and to anticipate supplies and prepare operational support facilities, the Company has invested in developing the pipeline network and supporting facilities as well as other transportation modes in SBU I West Java, SBU II East Java, SBU III North Sumatra, SBU Transmission Sumatra Java, the Natural Gas Transmission Pipeline Development Project, the Natural Gas Distribution Pipeline Development Project, and the LNG Project.

In Western Java, in anticipation of the planned flow of LNG from Nusantara Regas, PGN made preparations in 2011 for the construction of Ringline 1, a pipeline network that will link Muara Karang with Muara Tawar Bekasi. Ringline 1 is expected to bring gas from LNG Nusantara Gas to PLN's Muara Tawar facility and to other industry customers in the eastern area. This pipeline is also designed to serve as a reliable backbone for the Western Java pipeline network.

To fulfill demand for gas in the Western Java area, we believe that there is a need for an FSRU in Lampung that will meet demand from customers in the Lampung, Banten, Jakarta, Bogor, Bekasi and Karawang areas. The preparations for the construction of FSRU Lampung should begin in 2011. The gas from LNG Lampung will make use of the Cilegon-Bitung pipeline. Construction of this pipeline began in 2010 and it is scheduled for completion in 2013.

BUSINESS DEVELOPMENT

To accelerate the achievement of our vision of becoming a world class energy company in natural gas utilization, PGN has formulated its longtherm strategic plan 2010-2020 and Corporate Business Plan 2010-2014 includes strategic measures and business development target.

PGN's strategic initiatives to meet the growth in demand for natural gas include building LNG Receiving Terminals in North Sumatra and Lampung, developing the CBM business, and minority participation upstream. To expand gas distribution coverage, PGN will develop the inland CNG and mini LNG businesses in areas beyond the reach of our pipelines. Distribution will be expanded into new areas such as Bandung, Lampung and Balikpapan. We will also explore the potential of the power plant business to deliver added value to our natural gas exploitation activities.

PGN's strong financial position will support our investment in developing these planned businesses, which will support the growth of the Company and create value for the shareholders and other stakeholders.

LNG Receiving Terminal

LNG receiving terminal in Lampung is developed to meet natural gas demand in Lampung, West Java and the surrounding area. The Company is now entering a phase of detail survey and expects the terminal to begin operations in 2014.

Upstream Minority Investment

To broaden PGN's access to gas supplies, PGN will participate with a minority ownership in companies operating in the natural gas upstream sector. Through its subsidiary, SiNERGI, PGN will invest in natural gas fields that are already productive or fields that have obtained Plan of Development (POD) approval from BP Migas and have small to medium remaining reserves.

Development of Natural Gas Value Chain in The Future

Coal Bed Methane (CBM)

Through its subsidiary, SiNERGI, PGN will also invest in minority stakes in Coal Bed Methane (CBM) fields. Taking into consideration the long lead time for CBM development and the Government's moves to offer CBM working areas, SiNERGI accelerated its minority participation plans, and on 1 August 2011, a cooperation contract for Lematang Coal Bed Methane (CBM) was signed with a consortium of PT Medco CBM Lematang and PT Methanindo Energi Reserves.

Gas Trading

PGN will develop gas trading businesses along the natural gas value chain through cooperation with regional government-owned companies (BUMD) for the supply and transportation of natural gas. These businesses will be developed by PGN's subsidiary, GoENERGI.

Mini LNG

PGN will build and operate small-scale LNG terminals in Eastern Indonesia and other areas that are beyond the reach of PGN's gas pipeline network to meet the demand for gas in those areas.

Inland CNG

PGN will develop inland CNG and procure equipment for transporting CNG overland to meet gas demand for industry and BBG (gas fuel) purposes in areas beyond the existing natural gas distribution pipeline network. The Government's policy on converting vehicles from petroleum-based fuel to BBG offers an opportunity for PGN to develop inland CNG in areas that are not covered by the natural gas pipeline network.

City Gas Distribution

PGN will develop city gas distribution networks in a number of major cities in Indonesia to meet gas demand for gas for electricity generation, small-scale industry, and the commercial, transportation and household sectors.

Power Plant

PGN will enter the electricity supply business as part of PGN's strategy to secure gas supplies and increase the value-added in natural gas utilization. The power generation business will be developed by GoENERGI.

ASSET OPTIMIZATION

One of the strategies PGN's have adopted in pursuit of its vision of being a world class company is maximizing the use of our resources and assets by expanding into other businesses. As well as continuing to operate in the gas supply business, PGN is also developing businesses by capitalizing on our assets to support performance.

Optimizing Land and Building Assets

As an infrastructure company, PGN's have considerable assets in the form of land and buildings. Some of them are non productive assets. If they remain unproductive, these assets will become a source of outgoing costs instead of adding value. PGN has therefore attempted to transform these non-productive assets into optimized assets.

To convert non-productive land and buildings into productive assets, PGN has engaged partners in the utilization of such assets through a form of joint operation scheme. There are two areas of land that are being used under such a scheme. The first is the land in Jl. KH Zainul Arifin, Jakarta. This unproductive land was developed as a commercial area. This optimization has yielded initial compensation in the form of office buildings and final compensation will be in the form of the construction of trade area. The joint operation concession period for this plot of land is 25 years.

Another example of optimization is our cooperation with other parties in connection with the utilization of unproductive land in Jl. Gembong, Surabaya, which was developed into a trade center. The benefit derived by the Company includes the construction of PGN's office building in Jl Pemuda Surabaya, annual compensation, and financial compensation in the form of the trade center building.

We are also optimizing our productive land and building assets to derive even greater benefits, such as by leasing public areas in our office buildings to third parties. Currently these public spaces are being leased to a number of state-owned banks, which is also part of our effort to promote synergies with other SOEs.

Going forward, PGN will continue to enhance the utilization of our land and building assets to improve our performance, including the utilization of the Company's assets to support infrastructure development by the Government.

Fiber Optic

When PGN's developed our natural gas pipeline network, we also built a fiber optic network to support information and telecommunications systems for the operation of the pipelines. PGN planned to use the fiber optic network not only for our own pipeline operation, but also for broader purposes.

To commercialize the fiber optic network, PGN set up a subsidiary, PT PGAS Telekomunikasi Nusantara (PGASCOM), on 10 January 2007. We have awarded PGASCOM exclusive rights to operate and manage the fiber optic network from the Indonesia-Singapore border (96 cores), to Batam-Jambi-Grissik (24 cores), and Grissik – Pagardewa – Terbanggi -Labuhan Maringgai (24 cores).

In March 2009, PGASCOM was licensed by the Ministry of Communications and Informatics as a Closed Fixed Network Operator, and since then PGASCOM has provided services for several telecommunications operators. In 2010, PGASCOM entered the international telecommunications market in Singapore by establishing a subsidiary, PGAS Telecommunications International Ltd. PGASCOM further expanded its market by entering the Network Access Provider (NAP)/ISP market in 2011.

Cash

To optimize the utilization of its idle cash, in 2011 PGN purchased a number of debt securities (bonds). Investments were made in financial instruments with a maturity of more than 3 months, and with a rate of return above the average deposit rate. Debt of Securities purchased in 2011 are among others:

- Pertamina Bond
- Perum Pegadaian Revolving Bond Phase I 2011 Series C
- Antam Revolving Bond I with a Fixed Interest Rate Phase I 2011
- Indonesia Exim Bank Revolving Bond I 2011

As well as bond purchases, the Company's idle cash was also used to fund investment and expansion of the business using internal financing sources.

Financial Review

transforming to always presenting a relevant & reliable financial information

transforming

to always comply with Indonesian Financial Accounting Standards

independent auditor's opinion

Fairly stated in all material respects in accordance with the Indonesian Financial Accounting Standards

In 2011, PGN dealt with the pressure from upstream entities that affected supply and net profit, yet, the Company managed to maintain the goodwill and good faith with regards to the price adjustment, the Company cannot avoid the impact from timing difference between the increase of gas supply price and the effective increase of the gas selling price.

The following discussion and analysis refers to PGN's Consolidated Financial Statements for the years ending 31 December 2011 and 2010, which are also presented in this Annual Report. The Annual Financial Statements have been audited by the Public Accountants Purwantono, Suherman & Surja, a member firm of Ernst & Young Global.

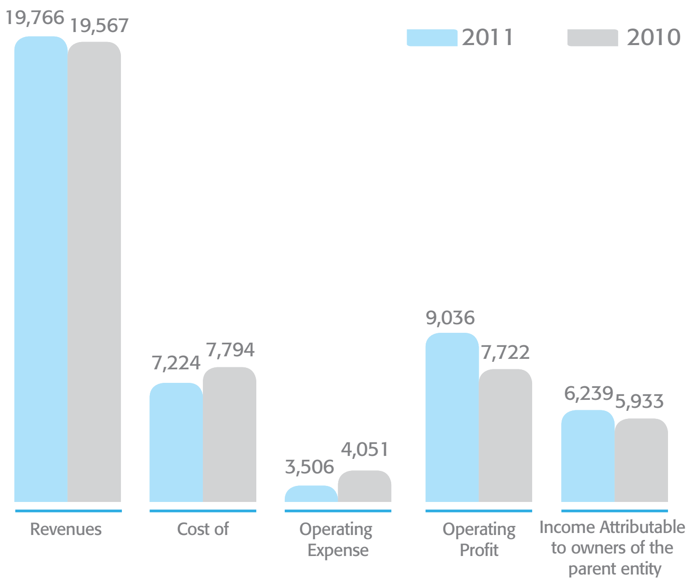
FINANCIAL PERFORMANCE

in billion Rupiah

Remarks	2011	2010	Δ (%)
Net Revenues	19,567	19,765	(1.00)
Gross Profit	11,774	12,542	(6.12)
Income from Operations	7,722	9,036	(14.53)
Income Attributable to the Parent Company			
(Net Income)	5,933	6,239	(4.90)
EBITDA	9,486	10,730	(11.59)
Earnings per Share	245	257	(4.77)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME DECEMBER 31, 2011 AND 2010

(in billion Rupiah)



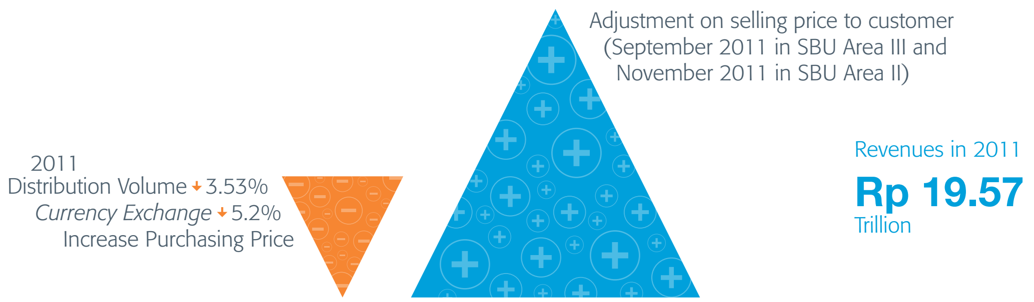
REVENUES

In 2011, PGN managed to book revenues of Rp19.57 trillion, down 1.09% from 2010. These revenues were derived from four business segments: gas distribution, gas transmission, lease of fiber optic capacity, operation and maintenance. Gas distribution contributed 91.73%, gas transmission 7.84%, lease of fiber optic capacity 0.42% and construction and maintenance 0.01% to PGN's revenues.

REVENUE CONTRIBUTION BY BUSINESS SEGMENTS

in million Rupiah

Business Segment	2011		2010		Δ (%)
	Revenue	Contribution (%)	Revenue	Contribution (%)	
Gas Distribution	17,948,279	91.73	18,055,261	91.35	(0.59)
Gas Transmission	1,535,017	7.84	1,652,883	8.36	(7.13)
Lease of fiber optic capacity	82,285	0.42	57,572	0.29	42.92
Construction and maintainance	1,826	0.01	-	-	100.00
Total	19,567,407	100.00	19,765,716	100.00	(1.00)



REVENUES FROM GAS TRANSMISSION

Total transmission revenues in 2011 stood at Rp1.54 trillion, down 7.13% from 2010. In spite of an increase in natural gas transmission volumes of 1.09% to 845 MMScfd. The revenue decline was mainly due to strengthening Rupiah against US Dollar of 5.2% during 2011 compared to 2010.

REVENUES FROM GAS DISTRIBUTION

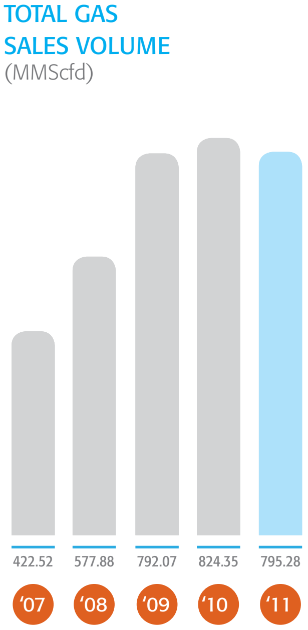
Total revenues from gas distribution fell 0.59% from 2010 to Rp18.06 trillion in 2011. This decline was attributable to three main factors:

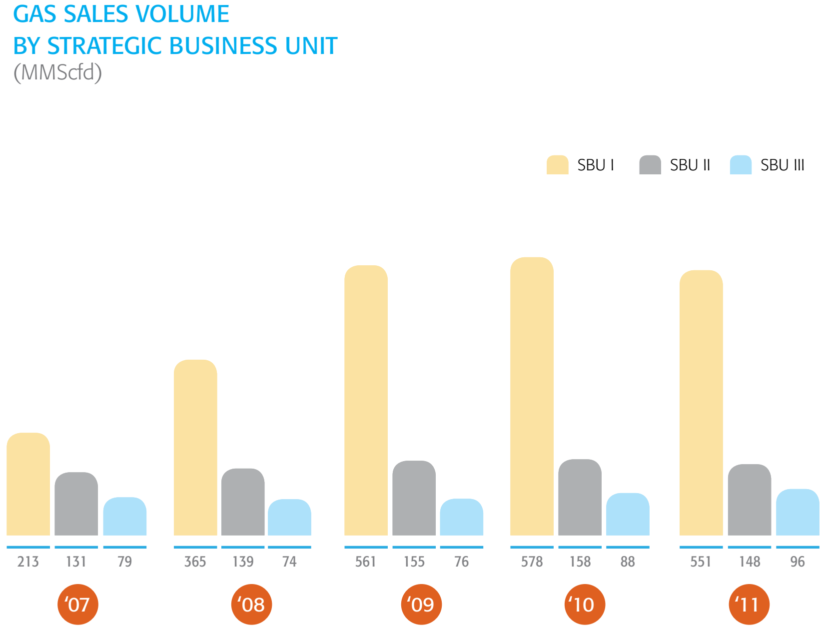
- A 3.5% decline in natural gas distribution sales volume from 824.35 MMScfd in 2010 to 795.28 MMScfd.
- A revenue correction of Rp 50 billion following the adjustment of the sales tariff to PLN Batam in line with the Decree of the Minister of Energy and Mineral Resources No. 3191 K/12/MEM/2011 dated 19 December 2011 regarding the Selling Price of Natural Gas from PT Perusahaan Gas Negara (Persero) Tbk to PT Pelayanan Listrik Nasional Batam and Independent Power Producers Supplying Electricity to PT Pelayanan Listrik Nasional Batam.
- Rupiah-US Dollar middle rate declined by 5.2%, which had the effect of reducing our revenue in 2011 compared to 2010.

DISTRIBUTION REVENUES BY CUSTOMER CATEGORY

Revenue by Customer Category	2011		2010		Δ (%)
	Billion Rp	Contribution %	Billion Rp	Contribution %	
Industrial and Power Plant	17,547	97.77	17,857	98.90	(1.74)
Commercial	338	1.88	102	0.57	231.37
Household	52	0.29	53	0.29	1.87
SPBG	11	0.06	43	0.24	(74.42)
Total	17,948	100.00	18,055	100.00	(0.59)

GAS VOLUME





In 2011, the sales performance of the distribution/trading business dropped by 3.5% compared to the prior year. This was mainly attributable to the lower volumes of gas being supplied to PGN in SBU Distribution Area I West Java and SBU Distribution Area II Eastern Java.

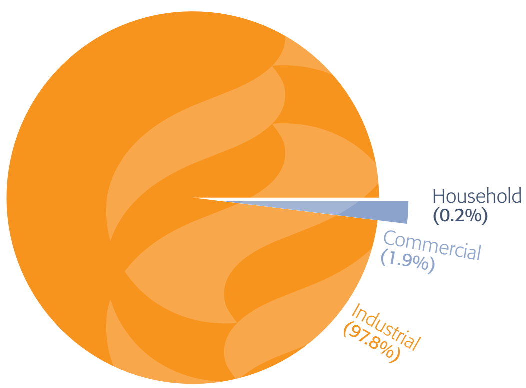
The decline in sales was largely due to lower supplies of gas from Pertamina EP in Pagardewa due to a reservoir decline and the termination of the PHE ONWJ contract. Sales in SBU Distribution Area II Eastern Java declined as a result of a reduction on the daily supplies of gas from suppliers, also due to reservoir decline. At the same time, supplies of gas from Santos in SBU Distribution Area II Eastern Java remained relatively stable compared to 2010, supply interruption due to repair activities at its MOPU facility.

NATURAL GAS SALES VOLUME BY CUSTOMER CATEGORY

MMScfd

Customer	2011	2010	%
Household	2	2	3.40
Commercial	22	16	38.13
Industrial	771	807	(4.36)
Total	795	824	(3.53)

SALES VOLUME



ADJUSTMENT OF GAS SELLING PRICES

At the end of 2011, PGN adjusted its selling price of gas from an average USD 6.51/MMBTU to USD 6.95/MMBTU. This unavoidable increase was made in response to increasing buying prices from a number of suppliers, including Pertamina EP in SBU I Western Java, Santos in SBU II Eastern Java and Pertamina EP in SBU III Northern Java. The price adjustments were made with due consideration of the prevailing provisions and the purchasing power of PGN's customers. PGN informed customers in all areas (SBU) of the impending price increases before they went into effect.

IMPACT OF GAS PRICE ADJUSTMENTS ON REVENUES

The gas price adjustments in SBU 2 in November 2011 and in SBU 3 in September 2011 allowed the Company to maintain relative stability in overall revenues despite the decline in sales volume. PGN expected that, starting in 2012 and over the coming years, price adjustments will increase the Company's revenue.

In 2011, PGN adjusted gas prices by an average of 15% while the Rupiah - US Dollar exchange rate strengthened by 13%. This had the effect of increasing our revenues, which are dominated by US Dollars, to Rp18.06 trillion, or an increase of 10% compared to 2010.

Revenues from Lease of Fiber Optic Capacity

Revenues from the lease of fibers optic capacity through PGN's subsidiary, PT PGAS Telekomunikasi Nusantara increased by 42.92% to Rp82.29 billion. This revenues was derived from the provision of fiber optic network to customers primarly PT Excelcomindo Pratama, PT Biznet, PT Moratel, PT Indosat, PT Indocomnet Plus, PT Polaris, PT Quasar, PT PGN (SBU TSJ) (was eliminated in the consolidation process) and PT Global City Network.

Revenues from Construction and Maintenance Services

In 2011, PGN received revenues from its construction and maintenance services subsidiary, PT PGAS Solution, of Rp1.8 billion. This was earned from the provision of construction and maintenance services to customers outside PT PGN. Revenues originating from PT PGN in 2011 amounting to Rp86.80 billion have been eliminated through the consolidation process because they are transactions between a subsidiary and the parent company.

COST OF REVENUES

PGN's cost of revenues is the purchase price of gas from suppliers. In 2011 the cost of revenues was Rp7.79 trillion, up 7.89% or Rp570 billion from Rp7.22 trillion in 2010. This increase was driven by a significant increase in the natural gas buying price from supliers.

These price rises were in line with the policy of the Government and BP Migas to maintain economic prices of upstream, supply and PGN is prepared to comply with this policy.

Net purchases from suppliers that exceeded 10% of the total consolidated purchases were purchases from Pertamina and ConocoPhillips at Rp2.51 trillion or 32.16% and Rp 2.53 trillion or 32.45% respectively, of the total consolidated purchase. Other gas supplies were obtained from Santos, Kangean Energy Indonesia, Ltd, Medco E&P Indonesia, Lapindo Brantas, Gresik Migas, Kodeco and Pertiwi Nusantara Resource.

Bojonegara Station, West Java

MAJOR SUPPLIER

in million Rupiah

Supplier	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
ConocoPhilips	2,529,146	32.45	2,385,845	33.03	6.01
Pertamina	2,506,354	32.16	2,566,820	35.53	2.36
Others	2,758,251	35.39	2,270,905	31.44	21.46
Total	7,793,751	100.00	7,223,570	100.00	7.89

GROSS PROFIT

The decline in the gas sales volume had an impact on the decline in revenues at the same time increase in Cost of Revenues, caused by the increase in our gas buying prices. Decline gross profit by 6.12% or Rp768.49 billion from Rp12.54 trillion in 2010 to Rp11.77 trillion in 2011. This had an effect on our Gross Profit Margin, which fell to 60.17% in 2011 from 63.45% in 2010.

OPERATING EXPENSES

PGN's operating expenses increased 15.54% to Rp4.05 trillion in 2011, driven largely by a 31.47% increase in General and Administrative Expenses to Rp1.56 trillion and a relatively small increase in Distribution and Transportation Expenses of 7.43% to Rp2.49 trillion.

Increases in the Distribution and Transportation Expenses category were largely attributable to a 25.41% increase in repair & maintenance expenses to Rp117.41 billion. Increase in employee salary and benefit expense was due mainly to an increase in the estimated actuarial calculation of employee benefits, amounting to Rp30.78 billion. Nevertheless, proportionally, depreciation expenses remained the largest component of Distribution and Transportation Expenses in 2011 with a value of Rp1.63 trillion, or 65.16% of the total Distribution and Transportation Expenses.

At the same time, the increase in General and Administrative Expenses was primarily due to an increase in professional fee expenses of 54.67% to Rp217.70 billion, representing 14% of the total General and Administrative Expenses; and an increase in lease expenses of 88.35% to Rp122.73 billion, accounting for 7.89% of the total General and Administrative Expenses. The increase in employee salary and benefit expenses was attributable mainly to an increase in the End of Service Allowance, which is the estimated actuarial calculation of the benefits for employees of Rp45.64 billion.

OPERATING EXPENSES

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Distribution & Transmission	2,496,078	61.61	2,323,527	66.26	7.43
General & Administrative	1,555,200	38.39	1,182,894	33.74	31.47
Total	4,051,278	100.00	3,506,421	100.00	15.54

OPERATING PROFIT

In 2011, PGN booked operating profit of Rp7.72 trillion, down 14.54% from the previous year. This was due to the decline in revenues resulting from increases in the cost of revenues and operating expenses. This brought our operating margin down to 39.47% in 2011 compared to 45.71% in 2010.

OTHER INCOME (EXPENSES) - NET

Other income (expenses) declined from a loss of Rp972.55 billion in 2010 to a loss of Rp68.19 billion in 2011. This was due principally to decreases in interest expenses, foreign exchange losses and losses on the fair value of derivative contracts.

Loss on Foreign Exchange - Net was largely the result of the translation of assets and liabilities from a foreign currency to Rupiah and business transactions in foreign currencies. In 2011 we experienced a decline in losses on foreign exchange of Rp 129.2 billion due to the weakening of the Rupiah and an increase in the net asset position in foreign currency, specifically in US Dollars. The Rupiah conversion rate against the USD on 31 December 2010 was Rp8,991.00/USD, which weakened to Rp9,068.00/USD on 31 December 2011, while the Rupiah conversion rate against the JPY, which was Rp110.29/JPY on 31 December 2010, had weakened to Rp116.81/JPY on 31 December 2011.

Interest Expense of Rp243.93 billion represented a fall of 34.36% compared to 2010 and was largely due to PGN's settlement of a Standard Chartered Bank loan on 7 March 2011 and the settlement of a Shareholder Loan on 8 September 2010.

The Loss on Changes in the Fair Value of Derivatives slumped to Rp2.10 billion, a decline of 99.63% from 2010. Using financial derivative instruments, PGN seeks to hedge against changes in the fair value of liabilities from the risk of a fluctuating USD/JPY conversion rate, in connection with the long-term loan denominated in JPY obtained from JBIC.

INCOME (EXPENSE) BEFORE TAX BENEFIT

The decline in gross profit triggered by lower gas volumes and a significant price increase, caused Income Before Tax Benefit to decline 5.07% to Rp7.65 trillion. The Income (Expense) Before Tax Margin fell from 40.79% in 2010 to 39.12% in 2011.

TAX EXPENSE - NET

Our Current Tax Expense declined 1.58% to Rp1.61 trillion. This was in line with Law No.7 year 1983 regarding Income Tax, which was amended for the fourth time by Law No.36 year 2008. This amendment covered the change in corporate income tax rates from a progressive tax rate to a single tax rate of 28% for fiscal year 2009 and 25% for fiscal 2010 and thereafter. The amendment went into effect on 1 January 2009. In addition, according to Minister of Finance Decree No. 238/PMK.03/2008 dated 30 December 2008, the Company is eligible for an additional 5% reduction in the tax rate as an incentive for public companies whose outstanding shares are more than 40% owned by at least 300 public shareholders, each of whom holds less than 5% of the total paid up shares, therefore thus PGN paid tax at a rate of 20% in 2011.

OTHER COMPREHENSIVE INCOME AFTER TAX

Presentation of offer comprehensive income after tax was applied following the adoption of PSAK No.1 (2009 Revision) regarding financial statement presentation effective 1 January 2011. Comprehensive income after tax came from:

Assets Available for Sale

In 2011, PGN purchased bonds from Pertamina, Antam, Perum Pegadaian and Bank Ekspor Indonesia. These bonds were categorized as Assets Available for Sale. Other Comprehensive Income After Tax on Assets Available for Sale, amounting to Rp10.15 billion, is the unrealized increase on the change in the fair value of assets available for sale.

Difference in Foreign Currency Translation of the Financial Statements

In 2011, the difference in foreign currency translation of the financial statements increased 117.97% to Rp35.10 billion, due to the weakening of the Rupiah against the US Dollar.

INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS

Income Attributable to Noncontrolling Interests fell 17.36% to Rp185.15 billion in 2011. This was due primarily to a decline in the financial performance of Transgasindo.

INCOME ATTRIBUTABLE TO THE PARENT COMPANY

In 2011, PGN's income attributable to the parent company was Rp5.93 trillion, down 4.9% from 2010. The Net Profit Margin also fell to 30.32% in 2011 from 31.57% in 2010.

PROFITABILITY RATIO

Ratio (%)	2011	2010
Net Profit Margin	30.32	31.57
Return on Assets	30.62	33.44
Return on Equity	59.89	81.78

ASSETS

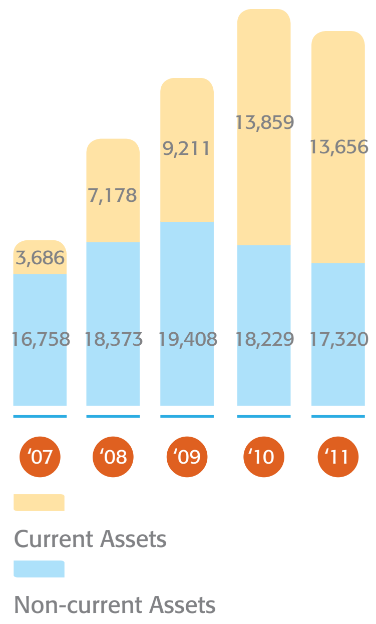
The Company's total assets in 2011 valued at Rp30.98 trillion, comprising current assets of 44.09% and non current assets of 55.91%. This total asset value was down Rp1.11 trillion or 3.46% from Rp32.09 trillion in 2010, largely due to a decline in cash and cash equivalents of Rp709.23 billion as a result of the settlement of a long term loan to Standard Chartered Bank in March 2011.

CURRENT ASSETS

PGN's current assets down by 1.46% to Rp13.65 trillion in 2011, reflecting the decline in cash and cash equivalents of 6.41% or Rp709.23 billion

CURRENT ASSETS AND NON-CURRENT ASSETS

(in billion Rupiah)



COMPOSITION OF CURRENT ASSETS

in miillion Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Cash and cash equivalents	10,356,369	75.84	11,065,595	79.85	(6.41)
Restricted cash	26,365	0.19	6,358	0.05	314.67
Short-term investments	247,339	1.81	-	-	100.00
Trade receivables-net	1,990,088	14.57	1,891,594	13.65	5.21
Other Receivables-net	53,465	0.39	55,300	0.40	(3.32)
Inventories-net	11,836	0.09	14,046	0.10	(15.73)
Current maturities of advances	922,551	6.76	755,634	5.45	22.09
Prepaid taxes	1,419	0.01	16,452	0.12	(91.37)
Prepaid expenses	46,863	0.34	53,700	0.39	(12.73)
Total	13,656,295	100.00	13,858,679	100.00	(1.46)

Cash and Cash Equivalents

This item consists of Cash and Bank Accounts amounting to Rp1.43 trillion and Rp8.93 trillion respectively and Cash Equivalents in the form of unrestricted time deposits. Of these cash and cash equivalents, 29.88% were denominated in Rupiah, 69.26% in USD and 0.86% in JPY. Cash Equivalents in the form of time deposits were place in a number domestic and foreign banks, with 67% denominated in USD and 33% in Rupiah. The USD time deposit rate ranged between 0.50% and 2.15%, while the Rupiah deposit rate was 6.00%-7.25%. Of cash in current accounts, 81.87% was denominated in USD, 11.90% in Rupiah, 6.22% in JPY and 0.02% in SGD. The settlement of a loan from Standard Chartered Bank in March 2011 contributed to 6.41% decline in cash and cash equivalents from Rp11.07 trillion in the previous year. This was followed by an investment of Rp220 billion to increase our share holding in PT Nusantara Regas and the purchase of bonds from Pertamina, Antam, Perum Pegadaian and Bank Ekspor Indonesia with a total value of Rp237.19 billion.

COMPOSITION OF CASH AND CASH EQUIVALENTS

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Cash on Hand	593	0.01	609	0.01	(2.63)
Bank					
Rupiah	170,199	11.89	188,740	12.27	(9.82)
Dollar	1,171,110	81.87	1,325,032	86.14	(11.62)
Yen	88,945	6.22	24,377	1.58	264.88
SGD	218	0.02	113	0.01	92.92
Total Bank	1,430,472	13.81	1,538,262	13.90	(7.01)
Cash and Bank	1,431,065		1,538,871		
Time Deposits					
Rupiah	2,924,102	32.76	3,812,044	40.01	(23.29)
Dollar	6,001,202	67.24	5,714,680	59.99	5.01
Total Time Deposit	8,925,304	86.18	9,526,724	86.09	(6.31)
Total Cash and Cash Equivalents	10,356,369	100.00	11,065,595	100.00	(6.41)

CURRENCY COMPOSITION OF CASH AND CASH EQUIVALENTS

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Rupiah	3,094,894	29.88	4,001,393	36.16	(22.65)
Dollar	7,172,312	69.26	7,039,712	63.32	1.88
JPY	88,945	0.86	24,377	0.21	264.87
SGD	218	0.00	113	0.01	92.60
Total	10,356,369	100	11,065,595	100	(6.41)

Restricted Cash

Restricted cash grew 314.67% or Rp20.01 billion in 2011, largely as a result of PGN's escrow account of USD2,212,655 at PT Bank Mandiri (Persero) Tbk in connection with the gas buy/sell agreement with PT Nugas Energy (NUGAS).

Short-term Investments

In 2011, PGN invested in financial assets in the form of bonds. These assets are recorded in the category of Assets Available for Sale. The bonds purchased were as follows:

SHORT-TERM INVESTMENTS

Remarks	USD	Rp Equivalent	Rupiah	Jumlah (Rp)
Pertamina	15,680,250	142,188,507,000	-	142,188,507,000
Antam	-	-	25,000,000,000	25,000,000,000
Perum Pegadaian	-	-	20,000,000,000	20,000,000,000
Bank Ekspor Indonesia	-	-	50,000,000,000	50,000,000,000
Total	15,680,250	142,188,507,000	95,000,000,000	237,188,507,000

These bonds will always be revalued at their fair value for each reporting period, in accordance with PSAK No. 50 & 55 (2006 Revision) on Financial Instruments. For 2011, the unrealized increase on the change in fair value of the securities available for sale is Rp10.15 billion, which is reflected in the other comprehensive income for the year.

Trade Receivables - Net

Trade Receivables – Net were up 5.21% from Rp1.89 trillion in 2010 to Rp1.99 trillion in 2011, driven by an increase in natural gas transportation receivables. Gas Distribution accounted for 85.25% of Trade Receivables - Net, followed by 14.27% from Gas Transmission and 0.48% from Lease of Fiber Optic Capacity. Meanwhile, total Trade Receivables - Net denominated in USD for distribution, transmission and fiber optic capacity leasing were USD133.17 million, USD33.09 million and USD271,505, respectively. During the year the Company allocated Rp112.26 billion as an allowance for impairment losses, having implemented PSAK 50 & 55 (2006 Revision) on Financial Instruments. This allowance for impairment losses is largely from gas distribution, to cover potential losses on uncollectible receivables.

In 2011, the allowance for impairment losses increased 13.85% from 2010, due primarily to uncollectible receivables. In 2011, PGN made a correction on trade receivables to PLN Batam in relation to the correction of the selling price to PLN Batam in line with Decree of the Minister of Energy and Mineral Resources No. 3191 K/12/MEM/2011 dated 19 December 2011 on the Selling Price of Natural Gas from PT Perusahaan Gas Negara (Persero) Tbk to PT Pelayanan Listrik Nasional Batam and Independent Power Producers Supplying Electricity to PT Pelayanan Listrik Nasional Batam. This decree also influenced the calculation of the allowance for impairment losses to PLN Batam. In 2011, our subsidiary (TGI) allocated an allowance for impairment losses in relation to the decision to correct the transportation tariff for the Grissik-Singapore route.

Current Maturities of Advances

Current Maturities of Advances were up 22.09% or Rp755.63 billion from 2010 to Rp922.55 billion in 2011. This increase was due to the reclassification of take or pay advances to current assets to Rp647.99 billion in 2011 from to Rp495.4 billion in 2010 to Current Assets. Another contributing factor was the interim dividend of Rp263.49 billion, which will be taken into account in the determination of the final dividend at the Annual General Meeting of Shareholders for 2012.

NON CURRENT ASSETS

Non Current Assets declined 4.98% to Rp17.32 trillion in 2011. This was due to a decline in the Net Fixed Assets balance and Advances Net of Current Maturities.

COMPOSITION OF NON CURRENT ASSETS

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Advances-net of current maturities	714,605	4.13	1,072,972	5.89	(33.40)
Deferred tax assets-net	188,512	1.09	141,024	0.77	33.67
Investment in shares of stock	411,772	2.38	197,852	1.08	108.12
Fixed Assets-Net	15,866,650	91.61	16,781,897	92.06	(5.45)
Estimated claims for tax refund	88,885	0.51	1,461	0.01	5,983.85
Deferred charges-net	11,418	0.07	10,490	0.06	8.85
Others	38,309	0.22	23,056	0.13	66.16
Total	17,320,151	100.00	18,228,752	100.00	(4.98)

Advances-Net of Current Maturities

At the end of 2011 take or pay advances of Rp714.60 billion, consisting of Rp401.82 billion (USD44.31 million) to Conoco Philips and Rp312.78 billion (USD34.49 million) to Pertamina declined compared to a total of Rp1.07 trillion in 2010. This Rp358.37 billion decrease from 2010 was caused by the reclassification of Current Assets and makeup gas from Conoco Philips of Rp219.25 billion (USD24.18 million). This makeup gas is calculated in Conoco Philips' bill to PGN.

Fixed Assets - Net

Fixed Assets - Net declined 5.45% to 15.87 trillion in 2011 due mostly to the use of the Double Declining Method.

Estimated Income Tax Claims

Estimated income tax claims increased to Rp88.89 billion, largely as a result of tax overpayments in 2011 amounting to Rp87.17 billion. This was due to PGN being eligible for a reduction in the PPh 25 (corporate income tax) rate from 25% to 20%, and lower taxable income compared to 2010.

LIABILITIES

Total Liabilities at the end of 2011 stood at Rp13.79 trillion, 18.01% of which were Current Liabilities and 81.99%, Non Current Liabilities. The Total Liabilities value represented a decline of Rp3.19 trillion or 18.81% from Rp16.99 trillion at the end of 2010, which was largely attributable to a decrease in Current Liabilities of Rp1.55 trillion or 38.47% from Rp4.04 trillion at the end of 2010 and a decrease in total Non Current Liabilities of Rp1.64 trillion or 12.68% from Rp12.95 trillion at the end of 2010.

Current Liabilities

At the end of 2011, current liabilities declined 38.47% to Rp2.48 trillion. The current liabilities composition was: Trade Payables 22.33%, Other Payables 7.59%, Accrued Liabilities 26.39%, Tax Payables 7.81%, and Current Maturities of Long-term Loans 35.88%. This decrease of Rp155 trillion current liabilities of 38.47% was caused principally by the settlement of current maturities of long-term loans in relation to a short-term loan from Standard Chartered Bank.

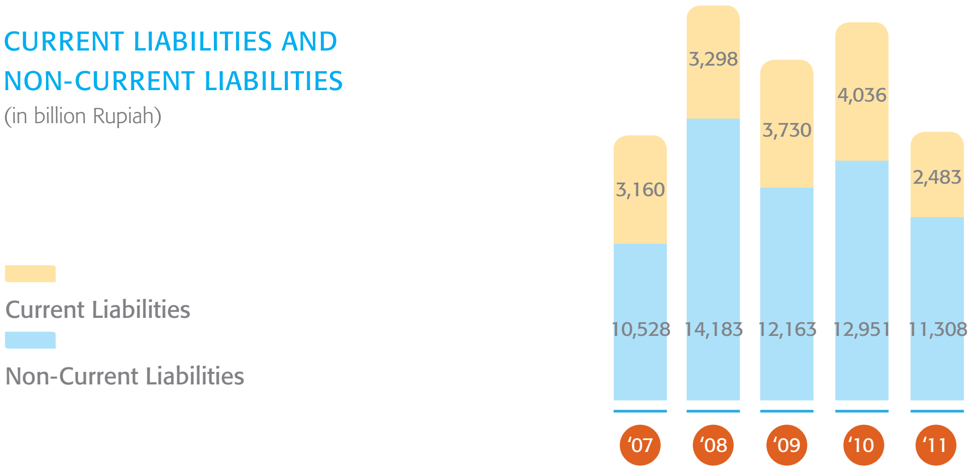
COMPOSITION OF CURRENT LIABILITIES

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Trade payables	554,505	22.33	643,991	15.96	(13.90)
Accrued liabilities	655,329	26.39	702,389	17.40	(6.70)
Other payables	188,557	7.59	224,889	5.57	(16.16)
Taxes payable	193,931	7.81	419,319	10.39	(53.75)
Current maturities of long-term loans	890,995	35.88	2,045,189	50.68	(56.43)
Total	2,483,317	100.00	4,035,777	100.00	(38.47)

CURRENT LIABILITIES AND NON-CURRENT LIABILITIES

(in billion Rupiah)



Non Current Liabilities

Non current liabilities of Rp11.31 trillion comprised Long-term Loans-Net of Current Maturities at 79.71%, Derivative Payables at 14%, and Estimated Liabilities for Employee Benefits at 5%. The decrease in non current assets of Rp1.64 trillion or 12.68% was due mainly to the settlement of a long-term loan from Standard Chartered Bank.

COMPOSITION OF NON CURRENT LIABILITIES

in million Rupiah

Remark	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Deffered Tax Liabilities-net	23,449	0.21	48,372	0.37	(51.52)
Derivative Payable	1,616,968	14.30	1,695,883	13.1	(4.65)
Long term loans-net of current maturities	9,013,375	79.71	10,742,889	82.95	(16.10)
Estimated Liabilities for Employee Benefits	621,930	5.50	429,377	3.32	44.84
Unearned Income	32,695	0.29	34,179	0.26	(4.34)
Total	11,308,417	100.00	12,950,700	100.00	(12.68)

EQUITY

Equity grew 13.8% or Rp2.08 trillion from Rp15.10 trillion in 2010 to Rp17.18 trillion in 2011. This was due primarily to an increase in retained earnings as an accumulation of income attributable to the parent company in the prior year.

Cash Flows

The Company's cash and cash equivalents position in 2011 declined 6.41% pr Rp709.23 billion, largely as a result of the settlement of a loan from Standard Chartered Bank in March 2011. Also contributing were an increase in the Company's interest in PT Nusantara Regas of Rp220 billion and purchases of the bonds of Pertamina, Antam, Perum Pegadaian and Indonesian Export Financing Institution valued at a total of Rp237.19 billion.

Cash Flows from Operating Activities

The Company's cash flows from operating activities fell 12.81% or Rp1.22 trillion, which came largely from an increase in tax payments of 42.22% or Rp634 billion in connection with corporate taxes payable in 2010 and tax installments in 2011; an increase in payments to gas suppliers of 7.19% or Rp 517 billion in relation to the gas price increases from Suppliers; and decline in revenue for customers of 0.60% or Rp117.79 billion.

Cash Flows from Investment Activities

PGN's cash flows that were used for investment activities declined 15.42% or Rp211.36 billion. This decline was largely attributable to a reduction in investment in fixed assets of 39.77% or Rp453.01 billion due to the fact that the SSWJ transmission pipeline network project is now largely complete, although we did invest Rp220 billion in the shares of our affiliate, PT Nusantara Regas, as well as investing a total of Rp237,18 billion in the bonds of Pertamina, Antam, Perum Pegadaian and Indonesian Export Financing Institution.

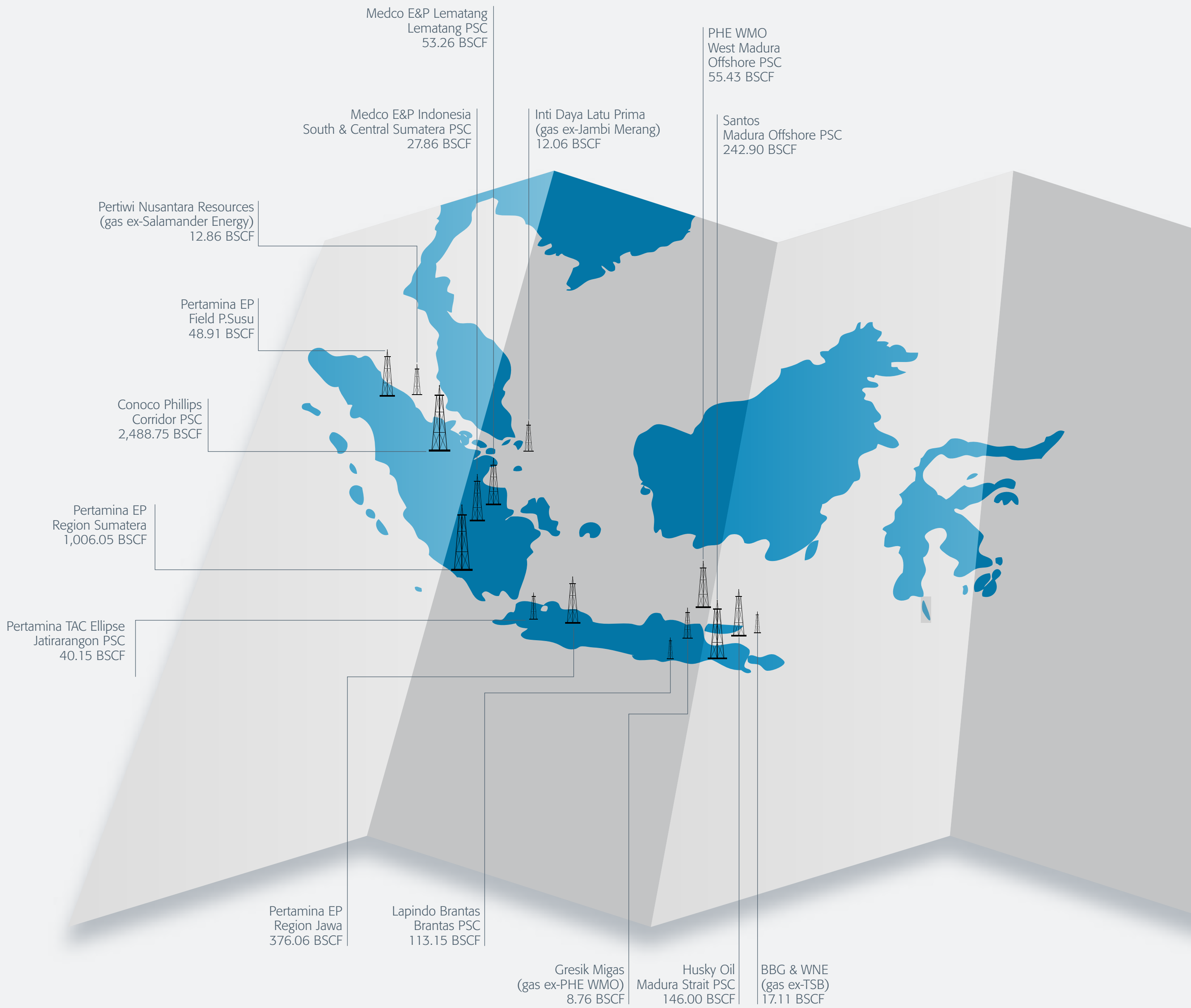
Cash Flows from Financing Activities

The Company's cash flows that were used for financing activities increased by 128.26% or Rp4.40 trillion, most of which was attributable to the settlement of a Standard Chartered Bank loan of USD244,444,444 on 7 March 2011. An increase in the dividend payment of Rp96.66 billion, which was divided into and an increase in the annual dividend of Rp80.42 billion an increase in the interim dividend of Rp16.24 billion, which also contributed to the increase in cash flow for financing activities. In 2011, for the first time, our subsidiary TGI paid an annual dividend to PGN of USD8.76 million.

SOLVENCY

On 31 December 2011, the Company's recorded total cash and cash equivalents which exceed our total long-term loans. This is in line with improving solvency and is also reflected in the decrease in the Debt to Equity Ratio from 0.92 in 2010 to 0.58 in 2011, indicating an increase in the portion of the Company's financing from internal sources compared to external financing. However, the EBITDA to Interest Expense + Principal ratio fell from 9.69 in 2010 to 2.43 in 2011. This decline was attributable to a corporate action taken by the Company on 7 March 2011 to settle a loan from Standard Chartered Bank, which increased the total principal in the calculation of this ratio.

Our Source of Gas



6.95
USD/MMbtu
Average Selling Price
(USD1 = IDR9000)

13
Number of Suppliers

60
%
Supply from ConocoPhillips and Pertamina

797
BBtud
Supply Volume

Our Network and Facilities

4	795	2158	3804	89053
Strategic Business Unit	MMScfd Distribution Gas Volume	Km Transmission Pipeline	Km Distribution Pipeline	Total Customers

RATIOS

Ratios	2011	2010
Debt to Equity (x)	0.58	0.92
Net Debt/EBITDA (x)	-	0.16
EBITDA/Interest Expense (x)	38.89	28.87
EBITDA/Interest Expense + Principal (x)	2.43	9.69

COLLECTIBILITY

At the end of 2011, the Company's collection period remained relatively stable, increasing slightly from 35 days in 2010 to 37 days in 2011. In 2011, PGN made a correction on a trade receivable to PLN Batam in relation to a correction of the selling price to PLN Batam in accordance with the Decree of the Minister of Energy and Mineral Resources No. 3191 K/12/MEM/2011 dated 19 December 2011 regarding the Selling Price of PT Perusahaan Gas Negara (Persero) Tbk's Natural Gas to PT Pelayanan Listrik Nasional Batam and Independent Power Producers that Supply Electricity to PT Pelayanan Listrik Nasional Batam. This decree influenced the calculation of the allowance for impairment losses to PLN Batam and the net trade receivables value, which in turn had an impact on collectibility.

CAPITAL STRUCTURE

At the end of 2011, the Company's capital structure was as follows:

CAPITAL STRUCTURE

in million Rupiah

Remarks	2011	Contribution (%)	2010	Contribution (%)	Δ (%)
Total Liabilities	9,904,370	36.56	12,788,078	47.97	(22.55)
Short-term	890,995	9.00	2,045,189	15.99	(56.43)
Long-term	9,013,375	91.00	10,742,889	84.01	(16.10)
Equity	17,184,712	63.44	15,100,954	52.03	13.80
Total Invested Capital	27,089,082	100.00	27,889,032	100.00	(2.87)

The capital structure above indicates a total debt to equity ratio of 0.58, which was down from 0.92 in 2010 as a result of loan payments and the settlement of a loan from Standard Chartered Bank of USD244,444,444 on 7 March 2011.

MANAGEMENT POLICY ON CAPITAL STRUCTURE

The Company's policy on capital structure is to maintain a debt ratio that matches (i.e. does not exceed) the financial covenants in our loan agreements with the European Investment Bank (EIB), i.e. a debt to equity ratio of 66%:33%. Of the Company's total liabilities of Rp13.79 trillion, Rp9.90 trillion was interest bearing liabilities, bringing the debt to equity ratio to 0.58 as of 31 December 2011.

This indicates a strong and relatively improved solvency, which is also reflected in the reduction of the Debt to Equity Ratio from 0.92 in 2010 to 0.58 in 2011.

Liquidity

PGN's liquidity remained strong, with a cash and cash equivalents value of Rp10.36 trillion and a current ratio of 550% at the end of 2011. Moreover, PGN recorded larger amount of cash and cash equivalent than that of liabilities.

MATERIAL COMMITMENTS RELATED TO CAPITAL INVESTMENT

In 2011, PGN had material commitments with a number of contractors in relation to the construction of the Western Java distribution network and the construction of the FSRT in Belawan, which were denominated in Rupiah and USD. The currency for project financing is consistent with the currency used to fulfill our obligations to the contractors of the projects concerned, which are funded by our own internal resources and the World Bank.
To mitigate the risks related to foreign currencies, the Company enters into cross currency swap transaction. The contract will be recorded as non-hedging transaction in which changes on fair value will be posted in the consolidated statement of comprehensive income reporting.

MATERIAL INFORMATION OR FACTS SUBSEQUENT TO THE ACCOUNTANT'S REPORT DATE

1. On 20 March 2012, PGN received permission, through KMK No. Kep. 278/WPJ.19/2012, to record its Financial Statement in USD.
2. Resignation of a member of the Board of Commissioners. On 31 March 2012, the Company reported the resignation of one of its Commissioners to Bapepam LK.
3. The extraordinary general meeting of shareholders held on 5 March 2012 approved the discharge of Mr. Michael Baskoro as Director of Operation.

DIVIDEND POLICY

The IPO prospectus states that PGN's policy on dividends is to pay 50% of the net income. However, in the last 2 years, the average dividend payout ratio has been 60%. In 2011, the Shareholders, through the AGMS for fiscal year 2010, decided to pay a cash dividend of Rp3,743,616,762,287.- or 60% of the net income, which was broken down into an interim dividend of Rp10.20,- per share paid on 3 December 2010 and a final cash dividend of Rp144.24 per share, paid on 4 August 2011, bringing the total final cash dividend paid out for fiscal 2010 to Rp154.44 per share.

DIVIDEND POLICY

	2010	2009
Net Income (in milion Rp)	6,239,361	6,229,043
Pay-out Ratio	60%	60%
Dividend Pay-out (in milion Rp)	3,743,617	3,737,755
Dividend Per Share (Rp)	154.44*	154.20*

*Final cash dividend

On 13 December 2011, PGN paid an interim dividend of Rp10.87 per share. This interim dividend will be taken into account in the determination of the final dividend at the Company's AGMS for fiscal year 2011.

USE OF IPO PROCEEDS

The Company listed its shares on the Indonesia Stock Exchange on 15 December 2003. The net proceeds from the IPO, amounting to Rp1,163.3 billion, have been used entirely to finance the construction of the natural gas transmission pipeline network, and in particular the South Sumatra-West Java section, which was completed in August 2008.

INVESTMENT, EXPANSION, DIVESTMENT, AQUISITIONS AND DEBT/CAPITAL RESTRUCTURING

Investment

PGN invested upstream through its subsidiary, PT Saka Energi Indonesia (SiNERGI), by participating in the CBM Lematang PSC in South Sumatra. SiNERGI owns a 5% interest in the PSC.

Expansion

In line with our Vision and Mission, PGN is executing a 'beyond pipeline' program by expanding into other modes of transporting gas, namely LNG. The initial course of action was to establish a joint venture company, PT Nusantara Regas ("NR"), with Pertamina to develop a FSRT LNG in West Java. PGN has a 40% interest in NR. In the next phase, PGN will construct the second FSRT LNG in Indonesia, which will be located in Lampung.

Acquisitions and Divestment

PGN did not undertake any divestment or acquisition of any other company in 2011.

Debt/Capital Restructuring

On 7 March 2011, the Company settled a long-term loan from Standard Chartered Bank, Singapore, of USD244,444,444. The settlement succeeded in reducing interest expense by 34.4% from Rp371.6 billion in 2010 to Rp243.9 billion in 2011.

Internal Company funds were used for investment, expansion, acquisitions and divestment and debt/ capital restructuring

CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS

Transactions Containing a Conflict of Interest

PGN was not involved in any transactions that contained a conflict of interest in 2011.

Transactions with Related Parties (Affiliates)

1. PGN made an additional Rp220 billion investment in the shares of its affiliate (PT Nusantara Regas).
2. PGN paid in capital amounting to Rp 37.62 billion to its subsidiary, PT Saka Energi Indonesia.
3. PGN paid in capital amounting to Rp 32.67 billion to its subsidiary, PT Gagas Energi Indonesia.

4. PGN used the telecommunications network capacity of its subsidiary, PGASCOM.
5. PGN used the services of its subsidiary (PGAS Solution) to undertake works in SBU I, SBU II, SBU III, and SBU TSJ.

All the transactions above were conducted fairly, in line with normal business practice.

CHANGES IN ACCOUNTING POLICY

The accounting policies applied in the preparation of the consolidated financial statements for 2011 are consistent with the accounting policies used in the preparation of the consolidated for the year ended on 31 December 2010, except for the application of a number of Financial Accounting Standards that were revised and came into effect on 1 January 2011.

TOWARDS IFRS CONVERGENCE

In preparation for convergence with IFRS, the Company anticipated several issues that will have an impact on our financial reporting. The circular letter from the Ministry of SOEs No. SE05/MBU/2009 dated 2 April 2009 instructed the Boards of Directors of SOEs to:

1. Actively participate in activities organized by the Indonesian Association of Accountants in connection with the planned implementation of IFRS, such as public hearings, public consultations, dissemination activities and so on.

2. Actively respond and give input in writing to the DSAK IAI regarding any significant impacts on the respective SOEs in relation to the implementation of IFRS, and

3. Make all necessary preparations for the planned implementation of IFRS.

The Company has taken the following measures to implement convergence:

Training and Dissemination

Following trainings conducted in the previous year, the Company organized further training in 2011 on the following PSAK (financial accounting standards):

- PSAK 12 (2009 Revision) Interests in Joint Ventures
- PSAK 15 (2009 Revision) Investments in Associates
- PSAK 22 (2010 Revision) Business Combinations
- PSAK 16 (2007 Revision) Fixed Assets
- PSAK 48 (2009 Revision) Impairment of Assets
- PSAK 19 (2010 Revision) Intangible Assets
- ISAK 14 (2010 Revision) Intangible Assets –Web Site Costs
- PSAK 58 (2009 Revision) Non Current Assets Held for Sale and Discontinued Operations
- PSAK 24 (2010 Revision) Employee Benefits
- ISAK 15 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- PSAK 46 (2010 Revision) Income Taxes
- PSAK 50 (2010 Revision) Financial Instruments: Presentation
- PSAK 55 (2006 Revision) Financial Instruments: Measurement
- PSAK 60 (2010 Revision) Financial Instruments: Disclosures
- PSAK 3 (2010 Revision) Interim Financial Statements
- PSAK 7 (2010 Revision) Related Party Disclosures
- ISAK 17 Interim Financial Reporting and Impairment
- Financial Reporting based on SAK 2010
- South Asia Oceania IFRS Regional Policy Forum

Panaran Station, Batam
PT Transportasi Gas Indonesia facility, A subdiary of PT PGN

Assessment

The Company has assessed the PSAK and those that will have a significant effect include:

1. PSAK 10 (2010 Revision) The Effects of Changes in Foreign Exchange Rates;
2. PSAK 30 (2007 Revision) Leases;
3. PSAK 50 (2006 Revision) Financial Instruments: Presentation and Disclosure and PSAK 55 (2006 Revision) Financial Instruments: Recognition and Disclosure;
4. ISAK 08 Interpretation of Financial Accounting Standards: Determining whether an arrangement contains a lease and further discussion of the transitional provisions of PSAK No. 30 (2007 Revision).

Reference Documents

The Company has produced a reference document in the form of a manual of accounting standards which is aligned with the Company's needs and obligations.

Information System Development

The result of an assessment by our consultants, PWC, was that the Company's functional and reporting currency is the USD. in accordance with PSAK 10 (2010 Revision) paragraph 21 "in the accrued financial statement, a foreign currency transaction must be recorded in the functional currency". As of 1 January 2012, therefore, PGN's bookkeeping and reporting must be in USD.

However, Article 28 of Law No 28 year 2007 regarding General Taxation Provisions states that "bookkeeping or recording must be organized in Indonesia using the Rupiah currency".

In view of these two conflicting rules, PGN has adopted a policy of double currency (Rupiah and USD) bookkeeping and reporting, and developed a system known as Multi Reporting Currency (MRC) which is ready to be used in the financial statement for first quarter 2012.

On 20 March 2012, PGN received permission, through Minister of Finance Decree No. Kep. 278/ WPJ.19/2012, to use USD for its bookkeeping. Thus, PGN started to record its financial statement in USD currency.

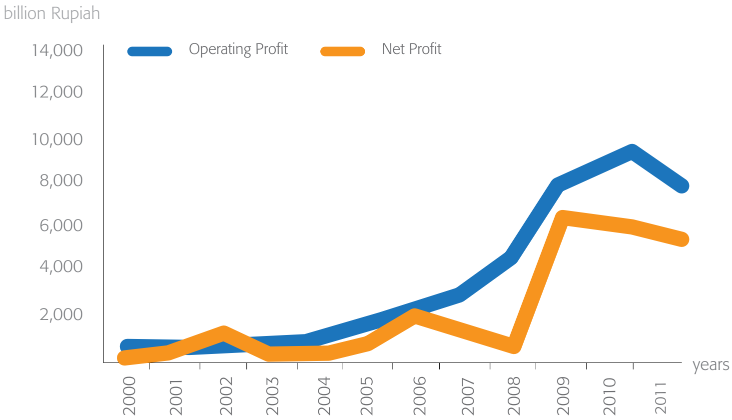
PREPARATION FOR REPORTING IN USD

In the course of its business as a gas transportation and distribution company, PGN tend to use USD rather than Rupiah, not only for buying and selling gas but also for other contracts such as the construction of our operational facilities. Based on the assesment by our consultant PWC in December 2012, 80% of PGN's revenues were denominated in USD and 20% in Rupiah. Meanwhile 70% of expenses and cash flow for gas purchase were denominated in USD. This means that PGN's functional currency is USD.

However, pursuant to law No. 28 Years 2007 regarding KUP, PGN had used Rupiah for its bookeeping & reporting currency.

This has resulted a translation from USD to Rupiah an each transaction in USD and on other posts denominated after than Rupiah at the end of period reporting. This translation and transaction will influence the Company's financial performance.

Financial performance can be influenced by foreign currency movements. PGN's experience of this is illustrated by the volatility in our net income, below:



Paragraph 21 of PSAK 10 states that "In the accrued financial statement, a transaction in foreign currency must recorded in the functional currency"

PSAK requires a company to accrue each transaction in its functional currency based on certain dominant factors include:

a. The principal economic environment in which cash is earned and spent.
   The majority of PGN's income 80% and operational expenses 70% are denominated in USD.
b. Factors that influence the selling price of goods and services.
   The natural gas market in Indonesia uses USD as the offering and selling currency, so PGN also uses USD in the sale of our gas to customers.

c. The currency that most influences employee expenses, material expenses and other expenses in the procurement of goods or services.
   The majority of the contracts for the construction of our operational facilities are in USD, PGN has to have substantial amounts of cash in USD both for operational purpose and to anticipate any strengthening of the USD against the Rupiah.
d. The currency of sources of funds.
   PGN has long-term liabilities to several financial institutions, most of which are denominated in USD.
e. The currency in which funds from operations are deposited.
   Cash and cash equivalents balance mostly in USD

To apply PSAK 10 (2010 Revision) regarding the Effect of Changes in Foreign Exchange Rates, which is effective from 1 January 2012, the Company has prepared the following implementation strategies:

1. Legal Aspect

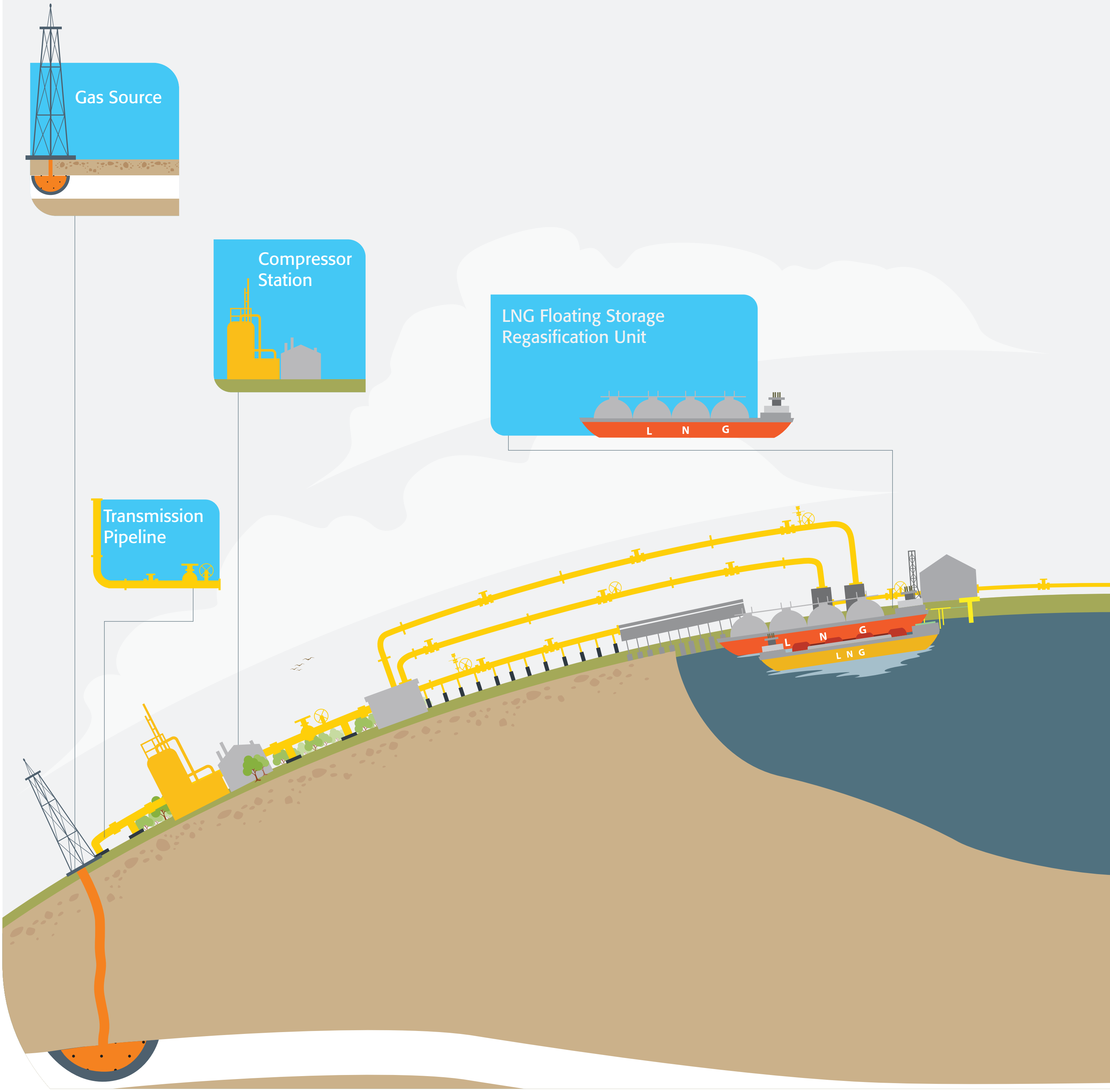
The Company sent a letter No.018900.S/KU.02.01/KEU/2012 the Directorate General of Taxation date 27 February 2012 asking permission to record its financial statements in English and use the US Dollar as the Currency for reporting.

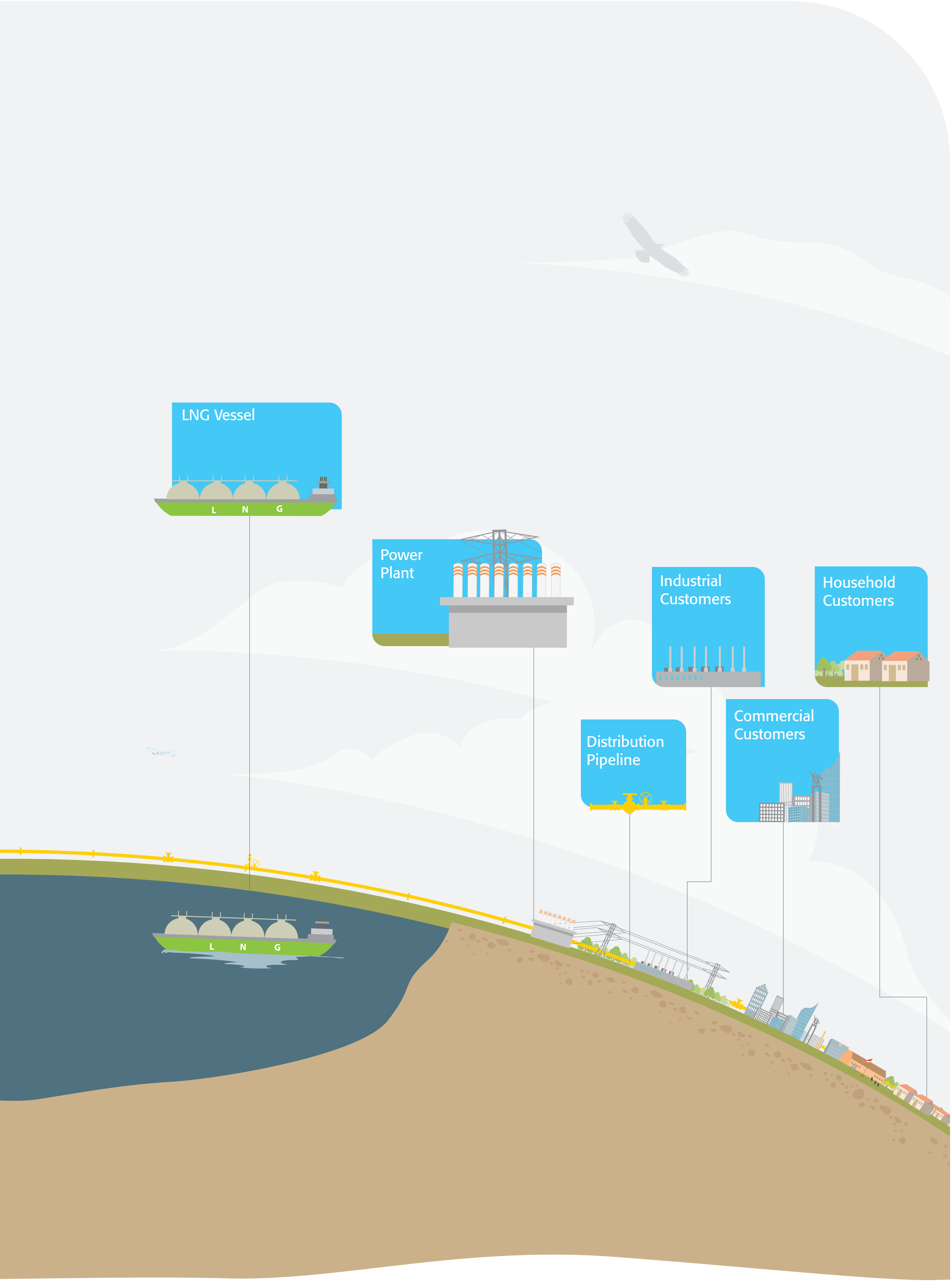
On 20 March 2012, PGN received permission through Minister of Finance decree No. KEP.278/WPJ.19/2012 to record its financial statements in English and use the US Dollar as the currency for reporting.

2. System Readiness

Until 31 December 2011, PGN has not yet received permission to organize its bookkeeping and reporting in USD. Thus, PGN has to maintain two sets of books bookkeeping, one in Rupiah for tax purposes and one in USD. As the functional currency to comply with PSAK 10 (2010 revision) which is effective from 1 January 2012.

Natural Gas For The Nation

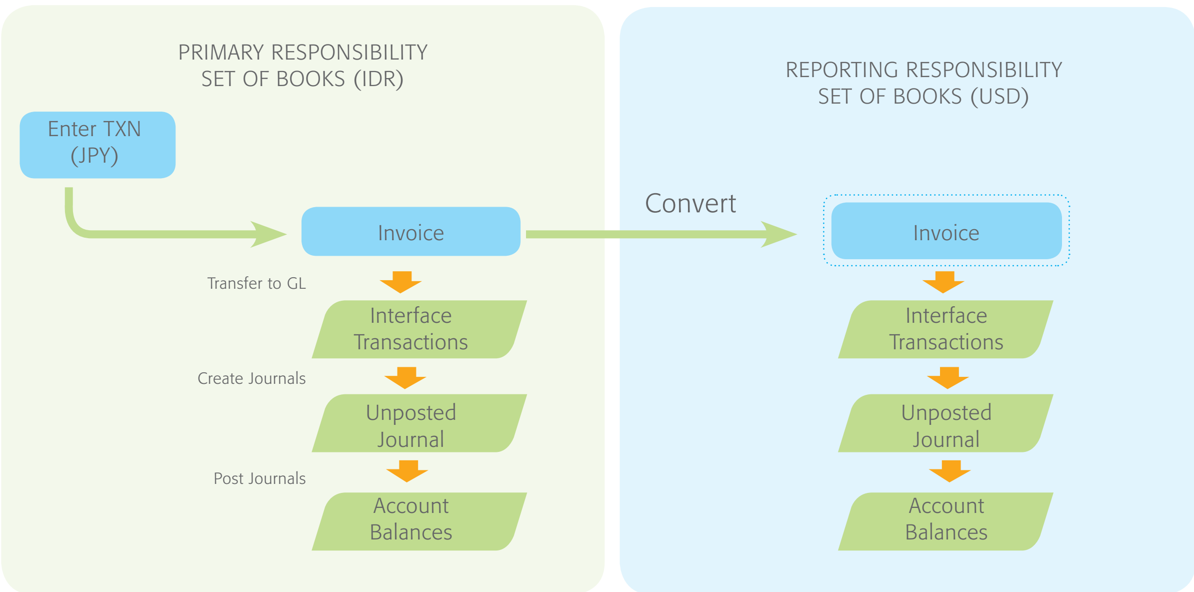



LNG Vessel
L N G
Power Plant
Industrial Customers
Household Customers
Commercial Customers
Distribution Pipeline
L N G

PGN has developed the following implementation strategies for USD bookkeeping:

1. Converting the balance in audited Financial Statement as of 31 December 2011 to US Dollar for entry as the begining balance in the US Dollar Financial Statement Convertion was assisted by Public Accountant Pricewaterhouse & Coopers.
2. Preparation of the Oracle System:
   - Because there are two accounting systems (Rupiah for tax and USD for accounting), the Company's Oracle System must be able to accommodate the needs of both.
   - The implementation strategy:
     Continue to use Rupiah as the primary currency and activate the MRC (Multi Reporting Currency) feature in the Oracle v.11i system for reporting in USD. Based on the above, PGN will have two sets of books (Rupiah and USD) for two purposes.

ILLUSTRATION OF THE ORACLE MRC (MULTI REPORT CURRENCY) FEATURE WORK PROCESS



Implementation Progress Update

- The beginning balance is being prepared for a comparative presentation per quarter for the last 3 years (2008 - 2011).
- The Oracle MRC System has been running in the development server starting 2011.
- The system for bookkeeping and reporting in USD is ready to be used for the financial statement for first quarter 2012. On 20 March 2012 the Minister of Finance, through its decree No Kep.238/wp.j.19/2012, granted PGN permission to report in USD. This regulation allows us to report our Financial Statements to the in USD.

FINANCIAL INSTRUMENTS

The Company's financial instruments in 2011 were as follows:

I. **Debt securities (bonds)**

   To make use of idle cash, the Company purchased a number of debt securities (bonds) in 2011. Investments were made in financial instruments with a maturity of more than 3 months, and with a rate of return above the average deposit rate. All the bond purchases in 2011 were financed entirely by internal funding resources.

- **Pertamina Bond (PERTIJ 21 5.25%)**
  PGN purchased PT Pertamina (Persero) bonds worth USD 16 million on the secondary market. The bonds were issued in May 2011 and mature in 2021. They are denominated in USD with a coupon rate of 5.25% per year.

- **Perum Pegadaian Revolving Bond Phase I 2011 Series C**
  PGN bought Perum Pegadaian bonds valued at Rp 20 billion on the primary market. The bonds were issued in October 2011 and mature in 2021. They are denominated in Rupiah with a coupon rate of 9.00% per year.

- **Antam Revolving Bond I with a Fixed Interest Rate Phase I 2011**
  PGN purchased PT Aneka Tambang (Persero) Tbk. bonds worth Rp 25 billion on the primary market. The bonds were issued in December 2011 and mature in 2021. They are denominated in Rupiah with a coupon rate of 9.05% per year.

- **Indonesia Exim Bank Revolving Bond I 2011**
  PGN purchased PT Bank Ekspor Indonesia (Persero) bonds worth of Rp 50 billion on the primary market. The bonds were issued in December 2011 and mature in 2018. They are denominated in Rupiah with a coupon rate of 8.5% per year.

II. Cross Currency Swaps

The Company has a hedging contract in the form of USD - JPY cross currency swaps with Bank RBS. This contract was first signed in 2007, with the objective protecting the value of long-term liabilities denominated in Japanese Yen. The contract terminates in 2019.

RISKS RELATED TO FINANCIAL INSTRUMENTS

- **For bonds/debt securities:**
  - Movements in market interest rates, which will have an effect on movements in the price of each bond.
  - The bonds purchased by PGN are unsecured bonds, meaning that they are not specifically guaranteed.

- **For hedging transactions:**
  - Movements in the value of the Japanese Yen against the USD will influence movements in fair value and carry the risk of potential penalties.

RISK MANAGEMENT POLICY ON FINANCIAL INSTRUMENTS

- **For bonds/debt securities:**
  - A good bond rating (at least matching the Company's rating on international ratings or the equivalent of AA for local ratings).
  - The rate of return on the chosen bonds must be above the average rate of return on PGN's time deposits.
  - The selected issuers must not have a bad record related to previous bond issues, must be in an industry with good growth, and must demonstrate sound financial performance.

- **For hedging transactions:**
  - The hedging transaction value is the risk management policy on foreign currency exposure.

MATERIAL INFORMATION REGARDING INVESTMENTS, EXPANSION, DIVESTMENTS OR RESTRUCTURING OF DEBT/CAPITAL.

The material information related to investment in Subsidiaries/Affiliates during 2011 is as follows:

1. **Establishment of a subsidiary in the upstream sector, PT Saka Energi Indonesia (SiNERGI)**

   On 27 June 2011, PGN and one of its subsidiaries, PT PGAS Solution, established PT Saka Energi Indonesia, a subsidiary in the upstream sector, with share ownership of, respectively, 99% and 1%. PGN's investment amounted to Rp 37,620,000,000.- of the total capital investment of Rp 38,000,000,000.-. The funds for the investment in PT Saka Energi Indonesia were from internal sources.

2. **Establishment of a subsidiary in the downstream sector, PT Gagas Energi Indonesia (GoENERGI)**

   On 27 June 2011, PGN and one of its subsidiaries, PT PGAS Solution, established a subsidiary, PT Gagas Energi Indonesia, in the downstream sector with an ownership composition of 99% and 1%, respectively. PGN's investment amounted to Rp 32,670,000,000.- of the total investment of Rp 33,000,000,000.-. The funds for the investment in PT Gagas Energi Indonesia were from internal sources.

3. On 27 December 2011, PGN paid in additional capital to one of its affiliates, PT Nusantara Regas ("NR"), amounting to Rp 220,000,000,000., bringing PGN's total investment in NR to Rp420,000,000,000.-. The funds for this investment were sourced internally.

CHANGE IN REGULATION

In 2011, there was no regulation change which gave significant impact to the Company.

Good Corporate Governance

Corporate Governance

transforming to strengthen the compliance with corporate governance

83.10

GCG Score Assessment 2011

22.57

Commissioner Score in GCG Asaessment in 2011 increased by 7.94% from 2010

22.19

Directors Score in GCG Assessment in 2011 increased by 8.88% from 2010

PGN is committed to applying good corporate governance (GCG) as a means of creating a successful business that will provide maximum benefit for the shareholders in an ethical, legal and sustainable manner, while taking into consideration the interests of and justice for other stakeholders.

APPLICATION OF GOOD CORPORATE GOVERNANCE

The Company's application of GCG is the fulfillment of our compliance with Minister of SOEs Decree no. PER-01/MBU/2011 dated 1 August 2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises (SOE).

Applying GCG in SOEs is intended to:

1. Optimize the value of SOEs to ensure that they are highly competitive, at both national and international levels, such that they are capable of defending their existence and sustainability in order to achieve their mission and objectives as SOEs;
2. Promote the professional, efficient, and effective management of SOEs, and empower and strengthen the independence of the corporate organs;
3. Encourage the corporate organs to ensure that their decision making and actions are founded on strong moral values and compliance with the laws and regulations, and promote an awareness of the social responsibility of SOEs to their stakeholders and to their environments;
4. Increase the contribution of SOEs to the national economy;
5. Promote a conducive climate for the development of national investment.

GCG ASSESSMENT

The juridical foundation for the GCG Assessment in PGN refers to Minister of SOEs Decree No. PER-01/MBU/2011 dated 1 August 2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises.

The assessment of GCG practices in PT Perusahaan Gas Negara (Persero) Tbk in 2011 was based on the Company Corporate Governance Scorecard (CCGS), which is articulated in the attachment to letter of the Secretary of the State Ministry of SOEs No. S-168/MBU/2008 dated 27 June 2008 regarding the GCG Assessment Program in SOEs, according to which each SOE is required to undergo an assessment or reassessment of its GCG practices by an independent assessor who shall be selected by the SOE concerned.

PGN's 2011 GCG Assessment was conducted by the Trisakti Governance Center between 15 September 2011 and 8 November 2011, with the following results:

	Aspect	Weighting	Score		Achievement		Δ %
			2011	2010	2011	2010	
I	Rights and Responsibilities of Shareholders /GMS	9.00	7.22	5.88	80.22	65.33	22.79
II	Good Corporate Governance Policy	8.00	6.45	5.32	80.63	66.38	21.24
2	Good Corporate Governance Application	66.00	54.78	51.16	83.00	77.52	7.06
	A. Board of Commissioners	27.00	22.57	20.91	83.59	77.44	7.94
	B. Board of Commissioners' Committees	6.00	4.90	4.58	81.67	76.33	6.99
	C. Board of Directors	27.00	22.19	20.38	82.19	75.48	8.88
	D. Internal Control Unit (SPI)	3.00	2.69	2.41	89.67	80.33	11.62
	E. Corporate Secretary	3.00	2.43	2.89	81.00	96.33	(15.92)
IV	Information Disclosure	7.00	6.21	6.50	88.71	92.86	(4.46)
V	Commitment	10.00	8.44	6.78	84.40	67.80	24.48
	Overall Score	100.00	83.10	75.63	83.10	75.63	9.88
	GCG Application Quality Rating				Good	Good	

ACHIEVEMENT AND RATING

Level	Achievement	Rating
1	90 ≤ x ≤ 100	Very Good
2	75 ≤ x ≤ 90	Good
3	60 ≤ x ≤ 75	Satisfactory
4	50 ≤ x ≤ 60	Unsatisfactory
5	x ≤ 50	Very Unsatisfactory

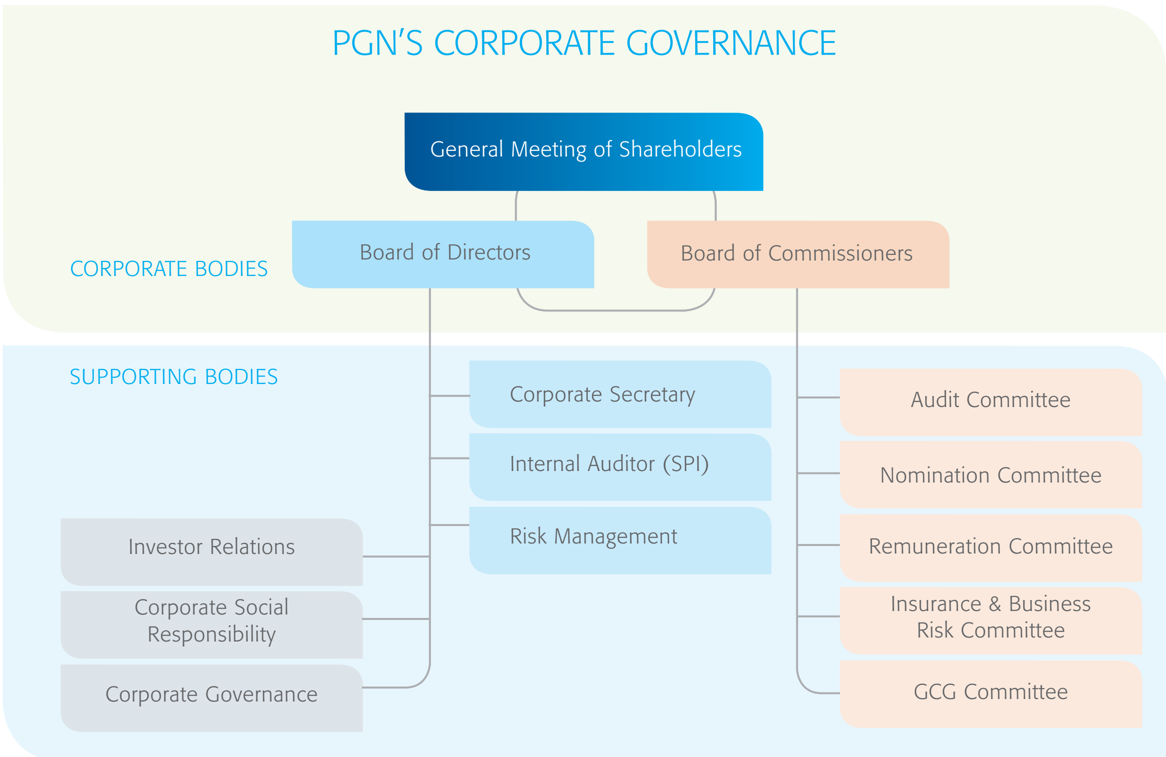
GOOD PRACTICE OF GCG ASSESSMENT RESULT IN 2011

Aspect Tested	Weighting	Score	% Achievement	Achievement Rating	Good Practice
Rights and responsibilities of shareholders	9.00	7.22	80.22	Good	GMS was held in accordance with the provisions (on time, in accordance with procedures, transparency and documentation).
Good Corporate Governance Policy	8.00	6.45	80.63	Good	PGN has policies on GCG, internal control, risk management and corporate social responsibility.
Application of Good Corporate Governance	66.00	54.78	83.00	Good	The Corporate Secretary of the Company has performed its functions and duties as liaison officer by coordinating activities such as the Board of Directors' Meetings, Meetings of the Board of Directors with the Board of Commissioners, and General Meetings of Shareholders.
Information Disclosure	7.00	6.21	88.71	Good	PGN has disclosed information related to the application of GCG in the Company to stakeholders through the Annual Report
Commitment	10.00	8.44	84.40	Good	PGN has a standardized mechanism for following up stakeholder complaints
Overall Score	10.00	83.10			
GCG Application Quality Rating	Good				

- The table above shows that the GCG Assessment score rose from 75.63 in 2010 to 83.10 in 2011 (rating 'Good')
- The aspects that improved in 2011 were:
  1. Rights and Responsibilities of Shareholders
  2. Good Corporate Governance Policy
  3. Good Corporate Governance Application
  4.Committment

CORPORATE GOVERNANCE STRUCTURE

Pursuant to Law No. 40 year 2007 regarding Limited Liability Companies, the organs of the Company are the General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors. These corporate organs play a pivotal role in the successful implementation of GCG. The corporate organs carry out their functions in accordance with the legal provisions, the Company's Articles of Association and other provisions on the fundamental principle that each organ is independent in the fulfillment of its duties, functions and responsibilities for the interests of the Company.



GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) possesses authority that is not given to either the Board of Directors or the Board of Commissioners, within certain limits that are determined by law or in the Articles of Association. It has the authority to request the accountability of the Board of Commissioners and Board of Directors in relation to the management of the Company, to amend the Articles of Association, to appoint and dismiss Directors and Commissioners, to rule on the division of tasks and management authority among the Directors, and so on. The Company ensures that all information related to the Company is disclosed to the GMS, provided that this does not conflict with the interests of the Company or the prevailing laws and regulations. In 2011, the Company held its Extraordinary GMS on 6 April 2011 and Annual GMS on 27 June 2011.

The Company its Annual GMS and Extraordinary GMS pursuant to Article 78 chapter (2) of Law No. 40 year 2007 regarding Limited Liability Companies, and Bapepam regulation No. IX.I.1.

The Agenda of Extraordinary GMS held on 6 April 2011 as follows:

1. Amendment of the Company's Articles of Association.
2. Change in the composition of the Board Members.

The Agenda of Annual GMS held on 27 June 2011 as follows:

1. To approve the Annual Report of the Company for 2010 and the Annual Report of the Partnership and Community Development Program for 2010 as well as the Board of Commissioners Supervisory Report for 2010;
2. To ratify the Annual Financial Statements of the Company for 2010 and the Financial Statements of the Partnership and Community Development Program for 2010, and to release and discharge to the member of the Board of Directors and the Board of Commissioners of their responsibilities for their actions and supervision during 2010;
3. To approve the profit allocation for 2010, including the dividend;
4. To approve the appointment of a Public Accountant to audit the Company Financial Statements for 2011;
5. To approve the remuneration of the Board of Commissioners and the Board of Directors;

THE BOARD OF COMMISSIONERS

Composition of the Board of Commissioners

The Board of Commissioners has five members, two of whom are Independent Commissioners. The Board of Commissioners is chaired by one of the Independent Commissioners. The Composition of the Board is as follows:

1 January - 6 April 2011

President Commissioner/
Independent Commissioner: Tengku Nathan Machmud
Independent Commissioner: Nenny Miryani Saptadji
Commissioner : Kiagus Ahmad Badaruddin
Commissioner : Ilyas Saad
Commissioner : Kardaya Warnika

As of 6 April 2011

President Commissioner/
Independent Commissioner: Tengku Nathan Machmud
Commissioner : Kiagus Ahmad Badaruddin
Commissioner : Megananda Daryono
Commissioner : Pudja Sunasa
Independent Commissioner : Widya Purnama

Independence of the Board of Commissioners

The number of Independent Commissioners on the Board of PT Perusahaan Gas Negara (Persero) Tbk fulfills the provisions of Decree of the Board of Directors of PT Bursa Efek Indonesia No. Kep-305/BEI/07-2004 regarding Regulation No. I-A regarding the Listing of Shares and Equity Securities other than Shares Issued by a Listed Company, which states that at least 30% of the membership of the Board of Commissioners of a public company must be Independent Commissioners. PGN has two Independent Commissioners, or

40% of the total membership of the Board. The Company's Board of Commissioners is chaired by an Independent Commissioner.

Between the members of the Board of Commissioners and between the members of the Board of Commissioners and the Board of Directors, there are no blood relatives, up to the third degree, either vertically or horizontally, or by marriage.

Responsibilities of the Board of Commissioners

Every member of the Board of Commissioners must, with good intentions and full responsibility, exercise supervision and provide advice to the Board of Directors for the interests and objectives of the Company. Each member of the Board of Commissioners is jointly and severally liable for any loss to the Company if the individuals concerned are found to be guilty or negligent in the performance of their duties.

The Board of Commissioners is fully responsible for the supervision of the SOE in line with the Company's interests and objectives.

The Board of Commissioners also has full responsibility for monitoring the effectiveness of GCG practices and providing suggestions for the improvement of GCG systems and implementation.

Discharge of the Duties of the Board of Commissioners

In general terms, the Board of Commissioners undertook the following in 2011:

1. Approved and endorsed:
    a. The dissolution and write-off of PGN Euro Finance 2003 Ltd. from the Company Register in Mauritius.
    b. The establishment of an upstream subsidiary with an authorized capital of Rp 152,000,000,000.- (one hundred fifty-two billion rupiah) and paid up capital of Rp 38,000,000,000.- (thirty-eight billion rupiah).
    c. The establishment of a downstream subsidiary with an authorized capital of Rp 132,000,000,000.- (one hundred thirty-two billion rupiah) and paid up capital of Rp 33,000,000,000.- (thirty-three billion rupiah).
    d. The payment of an interim dividend for fiscal 2011 of Rp 10.87 per share.
    e. The addition of paid up capital in PT Nusantara Regas of Rp 333,076 (three hundred thirty-three billion and seventy-six million rupiah) on condition that the phased addition of paid up capital would maintain the percentage share ownership of Perusahaan Gas Negara (Persero) Tbk at 40%.
    f. The RKAP (Corporate Business Plan and Budget) for 2011 and 2012.

2. Discussed, provided opinions and advice on, and requested explanation of the following:
    a. Changes in the organizational structure.
    b. The draft RKAP for 2011 and 2012.
    c. Amendment of the Company's Articles of Association.
    d. The Gas Sell/Buy Agreement between PGN and ConocoPhillips.
    e. Plans for the establishment of an upstream subsidiary.
    f. Plans for the establishment of an downstream subsidiary.
    g. Derivative Contracts and the Calculation of Fair Value.
    h. Key Performance Indicators (KPI) per Directorate.
    i. Evaluation of the performance of the Director of Development.
    j. Plans for the development of LNG Floating Storage and Regasification Units (FSRU).
    k. The proposed payment of an interim dividend for fiscal 2011.
    l. The report on the special audit of the project SSW by the auditor, PricewaterhouseCoopers.
    m. The addition of paid up capital for PT Nusantara Regas.
    n. Evaluation of the performance of the Director of Commerce.

3. Gave their response to the periodic reports of the Board of Directors; gave their response to the Company's Financial Statements for first quarter 2011, second quarter 2011, and third quarter 2011 to the Dwiwarna shareholder.

4. Discharged the duties of the Board of Commissioners in relation to the GMS.
   a. Discussed the agenda for the Extraordinary GMS for 2011 and the Annual GMS for fiscal 2011.
   b. Discussed and proposed the Public Accountants for the audit of the Financial Statements for the fiscal year ending on 31 December 2011.
   c. Discussed and proposed the remuneration for the Board of Directors and the Board of Commissioners.
   d. Followed up the results of the EGMS on 6 April 2011 and the AGMS for Fiscal Year 2010 on 27 June 2011.

Procedure for the Determination of the Remuneration of the Board of Commissioners

a. The Remuneration and Nomination Committee asked an independent consultant to review the remuneration of the members of the Board of Commissioners.
b. The Remuneration and Nomination Committee formulated its recommendations on the remuneration for the members of the Board of Commissioners.
c. The Remuneration and Nomination Committee proposed the remuneration for the members of the Board of Commissioners to the Board of Commissioners.
d. The Board of Commissioners discussed the Remuneration and Nomination Committee's proposal.
e. The Board of Commissioners proposed the remuneration for the members of the Board of Commissioners to the GMS.
f. The Board of Commissioners to submit proposal of Remuneration for Board of Commissioners in the GMS (on 27 June 2011) and GMS give authority and power of attornay to Board of Commissioners to establish prior approval of Dwiwarna Serial A Shareholders to determine Remuneration for Board of Commissioners and Board of Directors of PGN.

Components of the Remuneration of Each Member of the Board of Commissioners

The remuneration for the Board of Commissioners is determined by referencing the provisions of the Regulation of the Minister of SOEs No. PER 07/ MBU/2010 regarding Guidelines for the Determination of remuneration of the Boards of Directors, Boards of Commissioners and Supervisory Boards of State-Owned Enterprises.

According to this Ministerial Regulation, in principle the remuneration of the Board of Commissioners is determined by the General Meeting of Shareholders (GMS). The components of the Commissioners' remuneration are as follows:

b. Allowances
c. Facilities
d. Bonus/Performance Incentive

The awarding of bonuses to the Board of Commissioners is also subject to the provisions above, including the following:

a. A bonus may be awarded if the SOE earns a profit in the fiscal year concerned.
b. A bonus may be awarded if there is a Key Performance Indicator (KPI) achievement of more than 70% and a soundness value of more than 70%.
c. Achievement of key performance indicators which are calculated in a maximum bonus of 150%
d. The amount of the bonus is:
   - President Commissioner: 40% of the bonus of the President Director
   - Member of the Board of Commissioners: 36% of the bonus of the President Director

Each member of the Board of Commissioners is remunerated pursuant to a GMS Decree dated 27 June 2011 and the power of attorney of the State Minister of SOEs as the Shareholder of the Limited Company PT Perusahaan Gas Negara Deputy for Strategic and Manufacturing Industries No. S-143/ D2.MBU/2011 dated 16 August 2011.

REMUNERATION OF THE BOARD OF COMMISSIONERS IN 2011

(in Rupiah)

Board of Commissioners	Remuneration	Amount
Commissioners	Honorarium	2.539.199.997
	Allowances	2.206.564.848
	Incentives	12.167.169.009
Total		16.912.933.854

Incentives awarded in 2011 includes for members of Commissioners who served the Company in 2010.

Frequency of Meetings

Article 14 of Regulation of the Minister of SOEs No. PER-01/MBU/2011 dated 1 August 2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises states that Meetings of the Board of Commissioners/Supervisory Board must be held at least once a month, and that the Board of Commissioners/ Supervisory Board may invite the Board of Directors to such meetings.

LEVEL OF ATTENDANCE OF THE BOARD OF COMMISSIONERS

In 2011, the Board of Commissioners held 26 meetings, with details of attendance as follows:

1 JANUARY - 6 APRIL 2011

Board of Commissioners	Meetings Attended	% Attendance
Tengku Nathan Machmud	8	89%
Nenny Miryani Saptadji	9	100%
Ilyas Saad***	3	33%
Kiagus Ahmad Badaruddin	9	100%
Kardaya Warnika**	5	56%

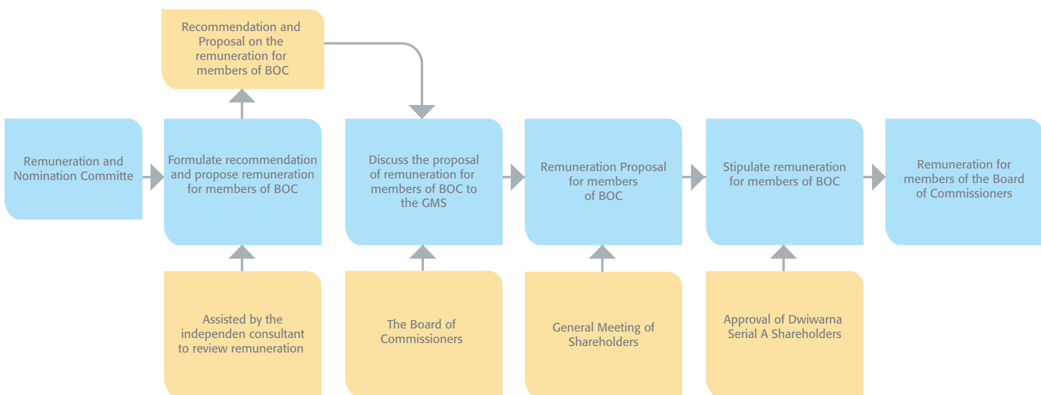
Notes:
* Total BoC meeting for this period: 9
** On official Duties
*** On medical leave

7 APRIL - 31 DECEMBER 2011

Board of Commissioners	Meetings Attended	% Attendance
Tengku Nathan Machmud	17	100%
Kiagus Ahmad Badaruddin**	15	88%
Megananda Daryono**	12	71%
Pudja Sunasa	17	100%
Widya Purnama***	14	82%

Notes:
* Total BoC meeting for this period: 17
** On official Duties
*** On medical leave

PROCEDURE FOR THE DETERMINATION OF THE REMUNERATION OF MEMBERS OF THE BOARD OF COMMISSIONERS



Training Program for Board of Commissioners

To enhance competencies and to support the implementation of their tasks, member of Board of Commissioners took part in training programs, workshops, conferences and seminars during 2011, including the following :

PRESIDENT COMMISSIONER

No.	Date	Program	Venue
1	24-27 January	The 5th International Indonesia Gas Conference and Exhibition (Speaker)	Jakarta, Indonesia
2	21-23 February	Pacific Energy Summit (Speaker)	Jakarta, Indonesia

THE BOARD OF DIRECTORS

Composition of the Board of Directors

The membership composition of the Board of Directors is designed to enable the Board to make decisions quickly, effectively and appropriately, and to act independently. The Board of Directors comprises six Directors, as follows:

President Director	: Hendi Prio Santoso
Director of Commerce	: Michael Baskoro Palwo Nugroho
Director of Technology and Development	: Jobi Triananda Hasjim
Director of Finance	: M. Riza Pahlevi Tabrani
Director of HR and General Affairs	: Eko Soesamto Tjiptadi
Director of Investment Planning and Risk Management	: M. Wahid Sutopo

Independence of the Board of Directors

Between the members of the Board of Directors and between the members of the Board of Directors and the members of the Board of Commissioners there are no blood family relationships up to the third degree, whether vertically, horizontally or by marriage.

Scope of Work and Responsibilities of the Board of Directors

The Board of Directors is the corporate body with the authority and full responsibility for managing the Company in the best interests of the Company, in line with the corporate goals and objectives, and for representing the Company both in a Court of Law or out of court, in accordance with the Articles of Association. Members of the Board of Directors are appointed and terminated by the GMS.

Scope of Work

1. To lead and take actions in relation to the management of the Company in the best interests of the Company and in accordance with its intentions and objectives, which include:
   a. Maintaining and managing the Company's assets;
   b. Always seeking to improve the efficiency and effectiveness of the Company.

2. Representing the Company, including in a Court of Law, as provided for in the relevant laws and regulations, the Articles of Association and/or Resolution of the GMS.

Joint and Several Responsibility of the Board of Directors

The Board of Directors must undertake its tasks with good intentions and with full responsibility. Each member of the Board of Directors is individually and colectively liable for any loss to the Company if the individuals concerned are found to be guilty or negligent in the performance of their duties according to the provisions of the law.

One of the members of the Board of Directors is appointed by a Meeting of the Board of Directors as the person responsible for the application and monitoring of GCG in the Company. The scope of work and responsibilities of each Director are as follows:

President Director

Scope of Work:

a. The President Director coordinates all the development and operational activities of the Company, in the implementation of which he is assisted by and cooperates with the other Directors.
b. In addition to the functions above, the President Director also establishes, manages and controls supervision over the management of the Company.

Responsibilities:

a. To plan, manage and control the Corporate Work Plan and Budget and evaluate its achievement.
b. To plan, manage and control supervision over the management of the Company.
c. To plan, manage and control compliance with the laws and regulations.
d. To plan, manage and control policies relating to corporate communications, institutional relations and investor relations.
e. To control the development of technology, engineering, construction and information technology in the corporation.
f. To control gas supply, operational, marketing and corporate sales activities, as well as occupational health and safety and environmental management.
g. To control the management of the budget, treasury, accounting and finances of the Company, as well as social and environmental responsibility.
h. To control the management of human resources, general services and corporate security, logistics, business organization and processes as well as asset management.
i. To control strategic planning for the development of the business, the business transformation and risk management.

Director of Technology and Development

Scope of Work:

The Director of Technology and Development establishes, manages and controls corporate policy on the preparation and evaluation of analyses of technological developments analysis; the planning, engineering and construction of the natural gas transmission and distribution pipelines, other modes of transportation and supporting facilities, as well as other measures to support the utilization of natural gas and the development of information technology.

Responsibilities:

a. To plan, manage and control the work plan and budget of the Directorate of Technology and Development and evaluate its achievement.
b. To plan, manage and control policies and activities related to the technological development in the field of natural gas transmission and distribution pipelines, other modes of transportation and ancillary facilities, as well as other businesses that support natural gas utilization.
c. To plan, manage and control policies and activities related to the planning and engineering of the natural gas transmission and distribution pipeline network, other transportation modes, and supporting facilities as well as other business that support the utilization of natural gas.
d. To plan, manage and control policies and activities related to information technology.

Director of Commerce

Scope of Work:

Director of Commerce establishes, manages and controls corporate policies on the operation and maintenance of the natural gas transmission and distribution pipeline network, supporting facilities, and other transportation modes, as well as the planning, demand and control of gas supply availability, the management of natural gas trading, customer service and OSH and Environmental Management.

Responsibilities:

a. To plan, manage and control the work plans and budgets of work units in the Directorate of Commerce, and evaluate their achievement.
b. To plan, manage and control, and develop policies related to the operation and maintenance of the gas transmission and distribution pipeline network and its supporting facilities, as well as the operation and maintenance of other transportation modes.
c. To plan, manage and control, and develop policies on natural gas supply.
d. To plan, manage and control, and develop policies on marketing, sales and customer service.
e. To plan, manage and control policies related to occupational safety and health and environmental management.

Director of Finance

Scope of Work:

Director of Finance establishes, manages and controls corporate policies related to the work plan of the Directorate of Finance and the corporate budget, the treasury, organization of accounting activities, preparation of financial statements, taxation, financial management and the management of the social and environmental responsibility program.

Responsibilities:

a. To coordinate the formulation of the corporate Work Plan and Budget and evaluate its achievement.
b. To plan, manage and control the work plan and budget of the Directorate of Finance and evaluate its achievement.
c. To plan, manage and control policies and activities related to the treasury.

d. To plan, manage and control policies and activities related to corporate accounting, financial reporting and taxation.
e. To plan, manage and control policies related to the long-term financial condition of the Company.
f. To plan, manage and control policies related to the implementation of the Company's social and environmental responsibility.

Director of HR and General Affairs

Scope of Work:

The Director of HR and General Affairs establishes, manages and controls corporate policies on human resource management, education and training, organization, and business processes, as well as GCG, the corporate culture, logistics, general services, Company security and asset management.

Responsibilities:

a. To plan, manage and control the work plans and budgets of the work units in the Directorate of HR and General Affairs, and evaluate their achievement.
b. To plan, manage and control policies and activities related to workforce planning and human resource development and empowerment.
c. To plan, manage and control policies and activities related to remuneration and industrial relations.
d. To plan, manage and control policies and activities related to education and training.
e. To plan, manage and control policies on the development of Management Systems, Good Corporate Governance, and the corporate culture as well as the implementation of organizational development.
f. To plan, manage and control policies and activities related to logistics, including the procedures for goods and service procurement.
g. To plan, manage and control policies and activities related to services, the supply and maintenance of office buildings, and Company security.
h. To plan, manage and control policies on asset management.

Director of Investment Planning and Risk Management

Scope of Work:

The Director of Investment Planning and Risk Management establishes, manages and controls corporate policies on the formulation and evaluation of strategic plans, business development, business transformation, corporate performance management, and risk management.

Responsibilities:

a. To plan, manage and control the work plans and budgets of work units in the Directorate of Investment Planning and Risk Management, and evaluate their achievement.
b. To plan, manage and control policies and activities related to the formulation, evaluation and control of the Company's strategic plans.
c. To plan, manage and control policies related to business development, investment planning, and the establishment and control of subsidiaries.
d. To plan, manage and control policies and activities related to the transformation of the business and control of the performance of the Company and the Work Units in the Company.
e. To plan, manage and control policies and activities related to corporate risk management.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

Procedure on the Determination of the Remuneration of BOD

a. The Remuneration and Nomination Committee asked an independent consultant to review the remuneration for members of the Board of Directors.
b. The Remuneration and Nomination Committee formulated its recommendations on the remuneration of the members of the Board of Directors.
c. The Remuneration and Nomination Committee proposed the remuneration for the members of the Board of Directors to the Board of Commissioners.
d. The Board of Commissioners discussed the proposals of the Remuneration and Nomination Committee.
e. The Board of Commissioners proposed the remuneration for the members of the Board of Directors to the GMS.
f. The Board of Commissioners to submit proposal of Remuneration for Board of Commissioners in the GMS (on 27 June 2011) and GMS give authority and power of attornay to Board of Commissioners to establish prior approval of Dwiwarna Serial A Shareholders to determine Remuneration for Board of Commissioners and Board of Directors of PGN.

Structure of the Remuneration of members of the Board of Directors

The structure of remuneration of members of the Board of Directors refers to Ministery of SOEs No: PER-07/MBU/2010 regarding Guideline for Determining Remuneration of SOEs's Board of Directors, Board of Commissioners and Board of Supervision. Pursuant to the Ministry Decree, the basis for determining remuneration of the members of the Board of Directors is stipulated by Annual General Meeting of Shareholders as follows:

a. Salary
   For the year 2011, the proportion of the salary paid to Directors is 90% of the salary paid to the President Director
b. Allowances for Directors
   1. Members of the Board of Directors are entitled to receive religious holiday allowance at most 2 (two) month's of salary, while considering the Company's capability.
   2. Members of the Board of Directors are entitled to receive annual leave allowance at most 1 (one) month's of salary. Annual leave allowance still be paid even if the leave entitlement is not used or permission is not granted due to the corporate interest.

3. Members of the Board of Directors are entitled to receive long service leave allowance at most 2 (two) month's of salary. Long service leave allowance still be paid even if the leave entitlement is not used or permission is not granted due to the corporate interest. Long service leave entitlement is granted after the member of BoD serves for 3 (three) consecutive years after one terms of office.
4. Member of the Board of Directors is entitled to receive communication allowance, paid at cost.
5. Member of the Board of Directors is entitled to receive post-occupation benefit at the end of every terms of office, in the form of insurance or pension saving. The premium or annual due is borne by the Company, at most 25% of annual salary or honorarium and the amount of which should be stated in the annual work plan and budget in each fiscal year. Choice of insurance or pension program is left to the BoD to decide.
6. Members of Board of Directors are entitled to receive housing allowance, as much as 30% of a month salary.
7. Members of the Board of Directors is entitled to receive utility cost allowance at most 30% of housing allowance value.

c. Facility for Directors
1. The Company shall provide 1 (one) office car, including car maintenance and operational allowance for each member of the Board of Directors, in which the type and size are defined by putting into consideration the propriety and financial capability of the Company.
2. The Company shall provide health benefit program for each member of the Board of Directors in accordance with the applicable regulation of the Company.
3. The Company shall provide legal assistance for each member of the Board of Directors in the eventuality of action for and on behalf of his/her office, relating to the purposes and objectives and business activities of the Company.
4. The Company may enroll members of the Board of Directors to professional association, at most 2 (two) associations. Facilities provided for joining professional association only enrollment fee and annual dues.

d. Tantiem/Performance Incentive
Pursuant to the aforementioned Minister Regulation, the procedure for determining tantiem includes:
1. Distribution of tantiem for the members of the Board of Directors, in the eventuality of SOEs making profit in the related fiscal year.
2. Members of the Board of Directors may receive tantiem or performance incentives if the achievement of Key Performance Index (KPI) and levels of soundness are above 70%.
3. The maximum achievement of Key Performance Index is taken into account in the calculation of tantiem and performance incentives is 150%.
4. The Composition is:
   President Director: 100%
   Director : 90% of the President Director.

The Company may distribute tantiem to the members of the Board of Directors in the eventuality of increasing performance despite that Company still suffering losses in the related financial year, or as accumulation of losses from previous fiscal year.

Remuneration for members of the Board of Directors were stipulated by the resolution of AGM dated 27 June 2011 and in line with the letter of attorney of the SOEs Minister as the majority shareholder of the Company , Deputy of Strategic Industry and Manufacture No. S-143/D2.MBU/2011 dated 16 August 2011

REMUNERATION OF THE BOARD OF DIRECTORS IN 2011

in Rupiah

Board of Directors	Remuneration	Total
Directors	Salary	6,899,067,095
	Allowences	6,774,429,694
	Incentives	27,938,200,577
Total		41,611,697,366

Incentives awarded in 2011 also includes incentive to members of the Board Directors who served the Company in 2010.

Frequency of Meetings

Pursuant to Article 23 of Minister of SOEs Decree No. PER-01/MBU/2011 dated 1 August 2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises, meetings of the Board of Directors must be held regularly, at least once a month, and the Board of Commissioners/ Supervisory Board may be invited to such meetings.

Board of Directors' Attendance

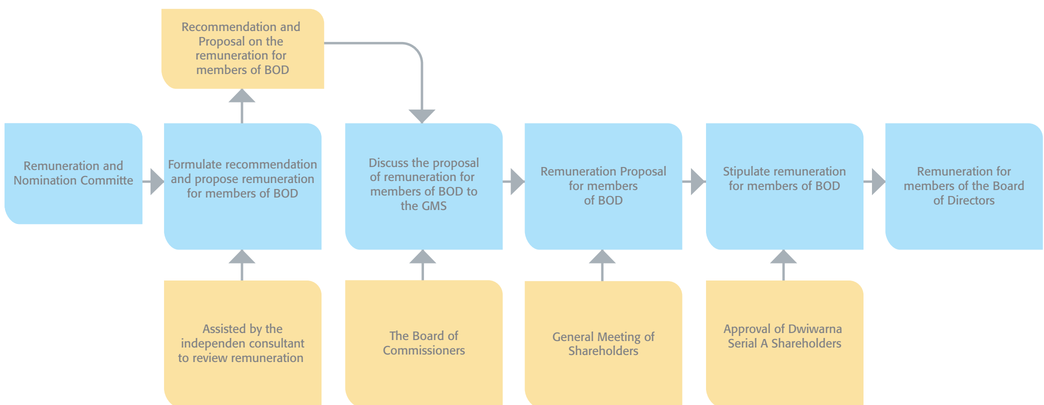
In 2011, the Board of Directors held 44 meetings, with details of attendance as follows:
Period 1 January - 6 April 2011: 4 meetings
Period 6 April - 31 December 2011: 40 meetings

LEVEL OF ATTENDENCE OF THE BOARD OF DIRECTORS

Board of Directors	Meetings Attended	% Attendance
Hendi Prio Santoso	34	76
Michael Baskoro Palwo Nugroho	36	80
Bambang Banyudoyo *	4	80
M. Riza Pahlevi Tabrani	34	76
Jobi Triananda Hasjim **	37	93
Eko Soesamto Tjiptadi **	30	75
M. Wahid Sutopo **	37	93

Notes:
* Served as Director until EGM 6 April 2011
** Served as Directors since EGM 6 April 2011, absence in meetings was due to official duties

PROCEDURE FOR THE DETERMINATION OF THE REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS



Training Program for Board of Directors

To enhance competencies and to support the implementation of their tasks, member of Board of Directos took part in several training programs, workshops, conferences and seminars during 2011, including the following :

PRESIDENT DIRECTOR

No.	Date	Program	Venue
1	24 January	Gas & LNG Business Forum (Speaker)	Jakarta, Indonesia
2	2-3 March	JP Morgan Global Emerging Markets (Speaker)	Florida, USA
3	13 April	Kadin IIICE (Speaker)	Jakarta, Indonesia
4	18-20 May	35th Annual IPA Convention (Speaker)	Jakarta, Indonesia
5	13-16 June	Bank of America Merrill Lycnh 2011 CalGEMS Conference (Speaker)	California, USA
6	4 November	Anugerah Bussiness Review 2011 (Speaker)	Bali, Indonesia

DIRECTOR OF HR & GENERAL AFFAIRS

No.	Date	Program	Venue
1	3 May	Workshop on the Dissemination of the Regulation of the Minister of SOEs regarding the Procedure for Writing Off and Transferring the Fixed Assets of SOEs	Jakarta, Indonesia
2	9-12 May	International conference “Eradication of Bribery to Officials in International Business Transaction"	Jakarta, Indonesia
3	25 May	AAI Seminar on “The Competencies and Independence of Internal Auditors in the Future”	Jakarta, Indonesia
4	9 June	Dissemination of the Regulation of the Minister of SOEs No. Per-07/MBU/2010 regarding the Guidelines on the Determination of the Income of the Boards of Directors, the Boards of Commissioners and the Supervisory Boards of SOEs	Jakarta, Indonesia
5	22-23 June	Indonesia Procurement Management Conference 2011 (Improving Company Performance through Effective & Efficient Procurement Management)	Jakarta, Indonesia
6	24-25 June	Seminar: Legal Risks for the Board of Directors and Board of Commissioners in a Procurement Contract for Goods and Services or Cooperation with a Third Party	Bali, Indonesia
7	15 July	Seminar: The Human Capital Model-Strive for Excellence	Bandung, Indonesia
8	3-6 Oktober	Investor Summit (speaker)	Jakarta, Indonesia
9	4 October	Seminar: A New Paradigm in SOEs Management to Grow Indonesia’s Economy	Jakarta, Indonesia
10	7 October	Training on Asset Management - Property	Bandung, Indonesia
11	11 October	Training on Job Evaluation	Jakarta, Indonesia
12	21 October	Oil and Gas Investment Forum: “Exploring Innovative Ideas for Increasing Oil and Gas Production and Meeting Domestic Fuel Demand”	Jakarta, Indonesia
13	4 November	General Address by the Minister of SOEs: “Empirical Experience of Change, Innovation and Reform in the Public Sector”	Jakarta, Indonesia
14	15 November	Singapore Asia Summit	Singappore
15	14 December	Workshop on COSO	Jakarta, Indonesia

DIRECTOR OF TECHNOLOGY & DEVELOPMENT

No.	Date	Program	Venue
1	1-7 May	Oil and Gas Seminar (as a member of the Republic of Indonesia Delegation & and as a speaker)	Houston, USA
2	11-14 July	Indonesia – Thailand Energy Forum (as a member of the Republic of Indonesia Delegation)	Pattaya, Thailand
3	3-6 October	Investor Summit (Speaker)	Jakarta, Indonesia

DIRECTOR OF FINANCE

No.	Date	Program	Venue
1	2-3 March	JP Morgan Global Emerging Markets	Florida, USA
2	20-29 August	Global Summit Asia, GE Conference	Crotonville, USA
3	3-6 October	Investor Summit (Speaker)	Jakarta, Indonesia
4	3-4 November	Goldman Sachs Indonesia Corporate Day	New York, USA

DIRECTOR OF INVESTMENT PLANNING AND RISK MANAGEMENT

No.	Date	Program	Venue
1	9 May	The US - Indonesia Energy Policy Dialogue (Delegate)	Jakarta, Indonesia
2	13-16 June	Bank of America Merrill Lycnh 2011 CalGEMS Conference	California, USA
3	20-22 July	Rumah Perubahan "Strengthening the Strategic Role of Change Leader" (Speaker)	Bekasi, Indonesia
4	3-5 September	2nd Gasex 2011 Steering Committee	Jeju, Korea
5	3-6 October	Investor Summit (Speaker)	Jakarta, Indonesia
6	4 October	ANZ Business Forum: Indonesia Road to Investment Grade (Speaker)	Melbourne, Australia
7	14 November	Macquarie Asia-Pacific Industrials, Infrastructure & Transportation Conference	Hong Kong
8	16-17 November	Morgan Stanley Asia-Pacific Summit 2011	Singapore

ASSESSMENT ON THE MEMBERS OF THE BOARD OF COMMISSIONERS AND/OR BOARD OF DIRECTORS

Assessment Process

The performance of the Commissioners is assessed through the General Meeting of Shareholders (GMS). The GMS is a meeting organized by the Board of Directors at the written request of one or more members of the Board of Commissioners or by one or more shareholders who jointly represent 1/10 or more of all the shares with voting rights.

Criteria or Performance Indicators

The criteria for assessing the performance of the Board of Commissioners are related to the implementation of their duties, i.e. to exercise supervision over the management and policies of the Company and to advise the Board of Directors in the interests of and for the objectives of the Company, and to carry out the tasks specifically assigned to them according to the Articles of Association and/or a decision of the GMS and the provision laws and regulations.

The performance indicators for the Board of Directors cover:

1. The implementation of the tasks and responsibilities of each member of the Board of Directors in accordance with the Company's Articles of Association;
2. The implementation of the decisions of the 2010 GMS for fiscal year 2010 held in 2011;
3. The realization of the RKAP (Corporate Work Plan and Budget).

Assessors

The assessment of the performance of the Board of Commissioners is carried out by the GMS, while the performance of the Board of Directors is assessed by the Board of Commissioners and the GMS. In conducting the performance assessment of the Board of Directors, the Board of Commissioners refers to the Key Performance Indicators (KPI) of the Board of Directors as explained above. The Board of Commissioners and the Board of Directors will account for their performance during 2011, including the implementation of their tasks and responsibilities, at the GMS that will be held in 2012.

GCG ASSESMENT OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

In 2011 an assessment was made of the application of GCG in the respective domains of the Board of Directors and Board of Commissioners. The process was consistent with the GCG assessment framework developed by the Ministry of SOEs.

Results of the Assessment of the Board of Commissioners

The results of the assessment of GCG application, which is one of the responsibilities of the Board of Commissioners, indicate that it has well applied, with the following actions having taken place:

1. The Board of Commissioners has developed and implemented an orientation program for new members of the Board of Commissioners.
2. The Board of Commissioners has a decision-making mechanism as regulated in the Company's Articles of Association and Board Manual.
3. The Board of Commissioners has divided its duties between the members of the Board of Commissioners.
4. The Board of Commissioners had formulated an annual work plan for the Board of Commissioners which specifies the general targets that are to be achieved.
5. The Board of Commissioners provided input during the formulation of the RJPP and RKAP.
6. The Board of Commissioners gave its agreement to and endorsed the RJPP and RKAP presented by the Board of Directors.
7. The Board of Commissioners reviewed the feasibility of the Company's vision and mission.
8. The Board of Commissioners has provided direction and input in relation to the application of risk management and information technology systems the Company.
9. The Board of Commissioners has followed up all the important issues that required their attention or approval and authorized transactions that needed their approval according to the Company's Articles of Association Perusahaan and the prevailing provisions.
10. The Board of Commissioners has maintained effective communication, both formally and informally, with the Board of Directors and management in relation to the implementation of the duties of the Board of Commissioners.
11. The Board of Commissioners has authorized transactions or actions that require the approval of the Board of Commissioners.
12. The Board of Commissioners has proposed a candidate for appointment as the External Auditor to the GMS.
13. The Board of Commissioners has played an active part in improving the image of the Company.
14. The Board of Commissioners has supervised and monitored the Board of Directors' compliance with the laws and regulations in force.
15. The Board of Commissioners has supervised and monitored the Board of Directors' compliance with regard to running the Company in accordance with the agreed strategic plan.

16. The Board of Commissioners has assessed the Board of Directors in connection with their performance in running the Company and reported it to the Shareholders.
17. The Board of Commissioners has reported any unusual matters/events to the Shareholders and taken remedial measures in line with their authority.
18. The Board of Commissioners has actively exercised its rights and authority to obtain any information about the Company it requires with respect to the implementation of its supervisory duties, including inviting the Board of Directors to Board of Commissioners' meetings.
19. The Board of Commissioners has proposed candidates for membership of the Board of Directors to the Shareholders in accordance with the stipulated criteria.
20. The Board of Commissioners has signed a declaration to the effect that there is no conflict of interest with regard to maintaining the Board's independence as one aspect of the application of GCG principles.
21. The Board of Commissioners has provided relevant information equitably and fairly to the Shareholders in the implementation of its supervision of the Company in accordance with the provisions.
22. The Board of Commissioners has exercised supervision over the effectiveness of the GCG practices applied in the Company.
23. The Board of Commissioners has held regular meetings and taken the minutes, and documented all the activities of the Board of Commissioners.
24. The Secretary of the Board of Commissioners has a clear job description and has assisted the implementation of the functions and duties of the Board of Commissioners.

Results of the Assessment of the Board of Directors

The results of the assessment of the application of GCG, which is one of the responsibilities of the Board of Directors, indicate that it has been well-applied, with the following actions having taken place:

1. The Board of Directors has implemented development programs by taking part in various seminars and workshops that are relevant to the functions and duties of the Board of Directors.
2. The Board of Directors has determined an appropriate organization structure for the Company.
3. The Board of Directors has specified the duties and responsibilities of the Board of Directors and the management and placed suitably qualified Company officials in the appropriate positions.
4. The Board of Directors has formulated the, Corporate Long-term Plan (RJPP), which contains:
    a. An evaluation of the previous RJP.
    b. The current position of the Company.
    c. The assumptions used in the formulation of the RJP.
    d. The targets, strategies, policies and work programs for the RJP.
5. The Board of Directors has formulated the Corporate Work & Budget Plan (RKAP), which is the interpretation of the RJPP and contains:
    a. The mission, targets, strategies, policies and work programs.
    b. The corporate budget, broken down by each activity program.
    c. A financial projection of the Company and the subsidiaries.
6. The Board of Directors has determined the operational policies and standard operational procedures for the action plans to execute the corporate strategies.
7. The Board of Directors has identified every business opportunity.

8. The Board of Directors has an accountable succession plan for managers and other key officers in the Company, and reported it to the Board of Commissioners.
9. The Board of Directors has determined:
   a. A system for measuring Company performance.
   b. Performance indicators up to the work unit level to support the achievement of the Company's strategic objectives.
10. The Board of Directors has made an analysis of the Company's performance achievements.
11. The Board of Directors has taken decisions based on adequate analysis.
12. The Board of Directors has provided opinions regarding the application of effective internal control.
13. The Board of Directors has applied Risk Management and Information Technology Systems in line with the agreed policies.
14. The Board of Directors has determined and applied a quality management system to provide customers with assurance of the quality of the Company's products and services.
15. The Board of Directors has procured goods and services in accordance with the prevailing regulations.
16. The Board of Directors has exercised control over the implementation of the Company's plans and policies by:
    a. Reporting the implementation of the Risk Management, Information Technology and Performance Management Systems to the Board of Commissioners both in writing and during joint meetings of the Board of Commissioners and the Board of Directors.
    b. Following up the results of the internal audit or the external audit and reporting the results to the Board of Commissioners.
17. The Board of Directors has determined and applied policies to handle conflicts of interest, including policies and mechanisms to prevent personal gain to the Board of Directors and senior managers.
18. With respect to information transparency, the Board of Directors has:
    a. Delivered relevant information to the Shareholders and the Board of Commissioners in the form of regular Management Reports.
    b. Delivered relevant information to the stakeholders through the Annual Report, Company magazine, Company website and formal and informal meetings.
19. The Board of Directors ensures equal treatment in the provision of information to the Shareholders, the Board of Commissioners and other stakeholders.
20. Meetings of the Board of Commissioners with the Board of Directors (joint meetings) and Board of Directors' meetings have been organized effectively.

GCG Assessors

The assessment of GCG application by the Board of Commissioners and Board of Directors was conducted by an independent institution, the Trisakti Government Centre, using the Company Corporate Governance Scorecard (CCGS) developed by the Ministry of SOEs.

The score achieved by the Board of Commissioners in the GCG assessment was 83.59%, indicating that in general the application of GCG in the domain of the Board of Commissioners was running well.

Meanwhile, the Board of Directors achieved a score of 82.19%, indicating that the application of GCG in the domain of the Board of Directors was also running well.

COMMITTEES

Audit Committee

The Audit Committee was established pursuant to Bapepam Regulation No. IX.I.5 regarding the Establishment and Guidelines for the Implementation of the Work of the Audit Committee, which is an Attachment to Decision of the Chairman of Bapepam No. Kep-29/ PM/2004 dated 24 September 2004 juncto Bapepam Regulation No. X.K.6 regarding the Mandatory Submission of the Annual Report for Issuers or Public Companies (Attachment to Decision of the Chairman of Bapepam No. Kep-134/BL/2006 dated 7 December 2006), and the Jakarta Stock Exchange (Indonesia Stock Exchange) Rule No. I-A regarding the General provisions for the Listing of Equity Securities on the Stock Exchange (Attachment II to Decree of the Board of Directors of PT Bursa Efek Jakarta No. Kep-305/BEJ/07-2004 dated 19 July 2004).

The establishment of the Audit Committee also refered to Article 70 of Law No. 19 year 2003 dated 19 June 2003 regarding SOEs, which states that the Board of Commissioners or Supervisory Council of a State-Owned Enterprise must establish an Audit Committee. Further rules regarding Audit Committees are found in Decree of the State Minister No. Per-05/MBU/2006, which is an amendment of the Decree of the Minister of State-Owned Enterprises No. 103 year 2002, as well as the decree that preceded it, namely Decree of the State Minister of SOEs Empowerment No.: KEP-133/M-PBUMN/1999 dated 8 March 1999 regarding Establishment of Audit Committees for SOEs. Decree of the Minister of State-Owned Enterprises No. KEP-117/ MMBU/2002 regarding the Application of Good Corporate Governance Practices in State-Owned Enterprises also contains several articles governing Audit Committees.

a. **Tasks and Responsibilities**

The tasks and responsibilities of the Audit Committee as stated in the Audit Committee Charter of PT PGN (Persero) Tbk, which was stipulated by Decision of the President Commissioner of PT PGN (Persero) Tbk No: 002/11/KOM-1/2004 dated 30 March 2004, which was amended by a Decree of the Board of Commissioners dated 2 April 2009 and the revision thereof in a Decree of the Board of Commissioners dated 15 December 2009, are to provide opinions to the Board of Commissioners on reports or other matters conveyed by the Board of Directors to the Board of Commissioners, to identify matters that need to be brought to the attention of the Board of Commissioners, and to carry out other tasks in relation to the tasks of the Board of Commissioners, including:

- Scrutinizing the financial information that will be released by the Company, such as financial statements, projections, the Long-Term Plan, Corporate Business and Budget Plan, management reports and other information.
- Scrutinizing the Company's compliance with the laws and regulations related to the capital market and other rules and regulations related to the activities of the Company.
- Scrutinizing the internal control system implemented by the Internal Audit Unit, covering the following: ensuring the effectiveness of the internal control system and the effectiveness of task implementation; assessing the implementation of activities and the results of the audits performed.
- Reviewing, selecting and nominating a Public Accountant, including a review of its independence, and providing recommendations on the appointment of the Public Accountants to the Board of Commissioners.
- Scrutinizing the implementation of the audit by the external auditor: ensuring the effectiveness of the internal control system and its implementation; assessing the implementation of the activities and results of the audit in accordance with the applicable standards.

- Reporting to the Board of Commissioners various risks the Company has to deal with and the applications of risk management by the Board of Directors.
- Scrutinizing and reporting to the Board of Commissioners any complaints related to the Company.
- Safeguarding the confidentiality of documents, data and information related to the Company.
- Providing recommendations on the updating of the management control system and the implementation of the system to the Board of Commissioners.
- Ensuring a satisfactory procedure review of all the information disclosed by the Company.

b. Authority

- To have full, free and unlimited access to records, employees, funds, assets and other Company resources that are related to its tasks.
- Required to work with the Internal Audit Unit (IAU), among other matters, on the following:
  - Coordinating on the preparation of the annual audit work plan and the implementation of the audit.
  - Holding regular meetings with the Internal Audit Unit, to discuss issues that are considered significant, and within the bounds of the tasks and functions on the Board of Commissioners according to the prevailing laws and regulations.
  - If deemed necessary, with the approval of the Commissioners and assisted by the IAU, organizing reviews and discussions in Work Units with regard to the need to make an in-depth examination of certain findings.
  - The Committee may obtain evidence that provides adequate confirmation of the character, scope, magnitude and impact of any weaknesses or significant differences in internal controls and their influence on the financial statements.
- With the approval of the commissioners, the committee May seek prespective from external parties to provide technical or other related guidance at the Company's expenses.

c. Composition

The membership of the Audit Committee as of 31 December 2011 was as follows:

Chair : Tengku Nathan Machmud

Members: Tjahjanto Budisatrio
Mohammad Slamet Wibowo
Imbuh Sulistyarini
Shalahudin Haikal

Educational Qualifications and Experience of Audit Committee Members

Tjahjanto Budisatrio

A member of the Audit Committee since 1 March 2007. He was a research assistant at the Indonesian Institute of Management Development from 1987 to 1988 and an Assistant lecturer at the Faculty of Economics, University of Indonesia (FEUI) from 1987 to 1992. He has been a member of lecturer in the FEUI since 1992. He holds a Master in Economics from the Australian National University, and is currently doing doctoral studies at FEUI, focusing on Industrial Economics. He was Head of the Research and Consultation Division at the FEUI Institute of Management from 2000 to 2001 and served as Deputy Head of the Institute from 2001 to 2004. He was the assistance to the Investment Coordinating Board (BKPM) as Head of the Data Analysis Division from 2007 to 2008. Since 2008 he has been a Director of business activities at the University of Indonesia.

Imbuh Sulistyarini

A member of the Audit Committee since 1 April 2007. She has been a lecturer at FEUI since 1997, a consultant at the FEUI Institute of Management since 1997 and a staff member at BHMN, University of Indonesia, since 2007. She holds a Master's in Accountancy from the University of Indonesia.

M. Slamet Wibowo
A member of the Audit Committee since 1 April 2007. His various positions include accountant/consultant with Hanadi Sudjendro KPMG, Public Accountants, The Flagler Management Group and G. Fraley CPA. He became an Assistant Lecturer at the Faculty of Economics, University of Indonesian in 1987. He holds a Diplôme Européen de 3ème Cycle MATIS from La Conférence Universitaire de Suisse Occidentale and La Conférence Universitaire Rhône-Alpes as well as a Diplôme d'Etudes Approfondies (DEA) from the Université Pierre Mendes France in Grenoble, France in Management Information Systems and an MBA from the University of Missouri, Kansas City, USA.

Shalahuddin Haikal
A member of the Audit Committee since 1 June 2008. He worked as an analyst for PT Danareksa Sekuritas, PT Inter-Pacific Securities and PT Bahana Securities. He is a lecturer at the Department of Management, Faculty of Economics at the University of Indonesia. He graduated from the School of Law, Faculteit der Rechtsgeleerdheid at Erasmus University, Rotterdam in 2005.

d. Committee Independence

The Audit Committee is chaired by an Independent Commissioner and four of the members are professionals from outside PGN. This complies with the provision in the Decision of the Chairman of Bapepam No. Kep-29/PM/2004 regarding the Establishment and Guidelines for the Implementation of the Work of the Audit Committee. The Audit Committee undertakes its tasks and responsibilities professionally and independently.

Frequency of Meetings

Pursuant to Bapepam Regulation No. IX.1.5, Attachment to the Decision of the Chairman of Bapepam No. Kep-29/PM/2004, dated 24 December 2004, regarding the Establishment and Guidelines for the Audit Committee, the Audit Committee must meet at least once every month. In 2011, the Audit Committee held 22 meetings, with details of attendance as follows::

Audite Committee	% Attendence
Tengku Nathan Machmud*)	79%
Nenny Miryani Saptadji*)	67%
Tjahjanto Budisatrio	95%
M. Slamet Wibowo	89%
Imbuh Sulistyarini	95%
Shalahuddin Haikal	84%

Notes:
*) In accordance with the number of meetings held during their term of office

Discharge of Duties

The Audit Committee's activities in 2011 included the following:

- Scrutinized and assessed the adequacy of the audit by the external auditor, and gave an opinion on the results of the audit of the Company's financial statement for fiscal year 2010.
- Scrutinized and provided an opinion on the results of the external auditor's review of the Company's interim financial statement for fiscal year 2011.
- Scrutinized the Corporate Business Plan and Budget (RKAP) for 2012 and provided input to the Board of Commissioners in respect of the endorsement of the RKAP 2012.
- Evaluated the performance, competence, independence and objectivity of the public accountants that conducted the previous year's audit and made recommendations for the Board of Commissioners to consider and propose to the GMS regarding the auditor of the Consolidated Financial Statements for fiscal 2011.

- Scrutinized the results of the audits by the Internal Audit Unit (IAU) during 2011 and notified the Board of Commissioners of any matters that required their attention.
- Discussed the audit methodology and monitored the progress of the audit of the Consolidated Financial Statements for fiscal year 2011 by the external auditor.
- Supervised the implementation of a Special Audit of the SSWJ Project.
- Scrutinized the company's compliance with Capital Market regulations and other regulations in force, and alerted Board of Commissioners of certain issues that required their attention.
- Carried out specific tasks assigned by the Board of Commissioners.
- Formulated the work plan, and made regular reports on the implementation of the Audit Committee's tasks.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established on the basis of State Minister of SOEs Decree No. Kep-117/M-MBU/2002 regarding the Application of Good Corporate Governance Practices in State-owned Enterprises. The Remuneration and Nomination Committee was formed to assist the Board of Commissioners in carrying out their duties relating to remuneration and nomination.

a. Duties and Responsibilities

- To make proposals to the Board of Commissioners regarding the remuneration policy for the Board of Directors, Board of Commissioners, Secretary of the Board of Commissioners and other supporting organs.
- To make proposals to the Board of Commissioners regarding the remuneration for the Board of Directors, Board of Commissioners and the Secretary of the Board of Commissioners.
- To ensure that the compensation and remuneration for the Board of Directors and Board of Commissioners is applied in accordance with the prevailing provisions.
- To review the proposals on remuneration and compensation packages, taking into consideration any changes in economic conditions.
- To review the Company's salary system if deemed necessary.
- To make proposals to the Board of Commissioners regarding the division of tasks among the members of the Board of Commissioners and their appointment to the committees, the performance assessment criteria for the Board of Commissioners, as well as the performance assessment criteria for the committees, the corporation itself and the members of the Board of Directors.
- Working with the Audit Committee, to make proposals to the Board of Commissioners regarding the selection criteria and procedures for the Head of the Internal Audit Unit.

b. Authority

- To have access to corporate records and information, with the approval of the Board of Commissioners, that are related to the implementation of the Committee's tasks.
- In exercising its authority, the Committee can work with other related work units.

c. Composition

Membership of the Remuneration and Nomination Committee

1 January - 18 April 2011:

Chair : Kiagus Ahmad Badaruddin/ Commissioner
Member : Tengku Nathan Machmud/ Independent Commissioner
: Kardaya Warnika/Commissioner

As of 19 April 2011:
Chair : Pudja Sunasa/Commissioner
Member : Tengku Nathan Machmud/ Independent Commissioner
Member : Kiagus Ahmad Badaruddin/ Commissioner

d. **Committee Independence**

The Remuneration and Nomination Committee carries out its tasks and responsibilities professionally and independently, without intervention from any party that is not in accordance with the rules and regulations. One of the Committee members is an Independent Commissioner.

e. **Frequency of Meetings**

In 2011, the Remuneration and Nomination Committee met four times, with details of attendance as follows:

Remuneration & Nomination Committee	Meetings Attended	% Attendance
Pudja Sunasa	4	100%
Tengku Nathan Machmud	4	100%
Kiagus Ahmad Badaruddin*	3	75%

Notes:
*On official duties

f. **Discharge of Duties**

In 2011 the Remuneration and Nomination Committee undertook the following:

- Discussed the results of the study by independent consultants the "HayGroup" on the Board of Directors' and Board of Commissioners' remuneration.
- Submitted proposals for the remuneration of members of the Board of Directors and the Board of Commissioners to the Board of Commissioners.
- With the Board of Commissioners, discussed the remuneration for members of the Board of Directors and Board of Commissioners.

Insurance and Business Risk Committee

The establishment of the Insurance and Business Risk Committee is based on Decree of the Minister of State-Owned Enterprises No. Kep-117/M-MBU/2002 regarding the Application of Good Corporate Governance Practices in State-Owned Enterprises. The Insurance and Business Risk Committee assists the Board of Commissioners in making periodic assessments and provide recommendations on the business risks and the type and extent of the Company's insurance cover in relation to business risks.

a. **Duties and Responsibilities**

- To review the formulation of the systems for planning and risk control with regard to business decision making, business development, development of new projects and business schemes, from both a commercial and a technical viewpoint.
- To review the type, extent and adequacy of the Company's insurance cover in relation to the transfer of risks.
- To assess the risk management system developed by the Board of Directors and to assess the Company's acceptable level of risk tolerance.
- To continually evaluate the implementation of insurance and risk management and to provide input to the Board of Commissioners in relation to such matters

b. **Authority**

- To have access to corporate records or information, with the approval of the Board of Commissioners, that are related to the implementation of its duties.
- In exercising its authority, the Committee can work with other related work units.

c. **Composition**

Membership of the Insurance and Business Risk Committee:

1 January - 6 April 2011
Chair : Ilyas Saad/ Commissioner
Member : Nenny Miryani Saptadji/ Commissioner

As of 19 April 2011
Chair : Megananda Daryono/Commissioner
Member : Kiagus Ahmad Badaruddin/ Commissioner
Member : Pudja Sunasa/Commissioner
Member : Widya Purnama/ Independent Commissioner

d. **Committee Independence**

Insurance and Business Risk Committee carries out its duties and responsibilities professionally and independently, without intervention from any party that is not in accordance with the laws and regulations. One of the members of the Insurance and Business Risk Committee is an Independent Commissioner.

e. **Frequency of Meetings**

The Insurance and Business Risk Committee held one meeting in 2011 which was attended by all the members.

f. **Discharge of Duties**

In 2011 the Insurance and Business Risk Committee discussed the Risk Management System of PT Perusahaan Gas Negara (Persero) Tbk. with the Audit Committee and the Risk Management Division.

Good Corporate Governance Committee

The Good Corporate Governance (GCG) Committee
The establishment of the GCG Committee is based on State Minister of SOEs Decree No. Kep-117/M-MBU/2002 regarding the Application of Good Corporate Governance Practices in State-owned Enterprises. The GCG Committee was formed to assist the Board of Commissioners in monitoring the effectiveness of the Company's GCG implementation.

a. **Duties and Responsibilities**

- With the management, to evaluate the implementation of GCG in the management of the Company.
- To ensure that all of the Board of Commissioners' decisions are consistent with the provisions of the prevailing regulations and the decisions of the GMS.
- To evaluate and revise the Board Manual so that it is aligned with any developments in the legislation.
- To ensure that the Board of Directors' policies, which must be approved by the Board of Commissioners, have followed the communication flow stipulated in the Board Manual.
- To evaluate and give recommendations to the Board of Commissioners on the number of members and composition of the Board of Commissioners.

b. Authority

- To have access to corporate records and information, with the approval of the Board of Commissioners, that are related to the implementation of the Committee's tasks.
- in exercising its authority, the Committee can work with other related work units.

c. Composition

Membership of the GCG Committee
1 January – 18 April 2011:

Chair	: Tengku Nathan Machmud/ Independent Commissioner
Member	: Ilyas Saad/ Commissioner

As of 19 April 2011:

Chair	: Kiagus Ahmad Badaruddin/ Commissioner
Member	: Megananda Daryono/ Commissioner
	: Pudja Sunasa/ Commissioner
	: Widya Purnama/ Independent Commissioner

d. Committee Independence

The GCG Committee is chaired by a Commissioner. In carrying out its tasks and responsibilities, the GCG Committee acts professionally and independently, without intervention from any party that is not in accordance with the rules and regulations.

e. Frequency of Meetings

In 2011 the GCG Committee held one meeting, which was attended by all the Committee members.

f. Discharge of Duties

In 2011 the GCG Committee, together with the Business Process and Organization Division, discussed the effectiveness of the implementation of Good Corporate Governance in PT Perusahaan Gas Negara (Persero) Tbk.

CORPORATE SECRETARY

Function and Task of Corporate Secretary

The Corporate Secretary's function and responsibility is the preparation of the policy, planning and control of corporate communications, investor relations and the secretariat of the Board of Directors.

Pursuant to Bapepam Regulation IX.I.4 regarding the Establishment of the Corporate Secretary and the Decree of the Minister of State-Owned Enterprises No. KEP-117/M-MBU/2002 regarding the Application of Good Corporate Governance Practices in State-Owned Enterprises in accordance to the decree of the Board of Directors No. 006300.K/05.00/UT/2011 dated 29 April 2011.

The Corporate Secretary has the following tasks:

- To control the management of the communications strategy in order to build a corporate image.
- To act as the Company's representative and as a liaison officer between the Company and all its stakeholders in the prompt and accurate communication of the Company's activities.
- To control the management of information disclosure mechanism for internal and external inline with the interest of the company and stakeholders.
- To control the delivery of information on the Company's performance and corporate actions to the capital market authority, the stock exchange authority, investors, analysts and other market.

- To submit the Company's Annual Report and Financial Statements periodically to the capital market authority and the stock exchange authority.
- To coordinate the organization of meetings of the Board of Directors, meetings of the Board of Directors with the Commissioners and the General Meeting of Shareholders, as well as to control the administration of the secretariat of the Board of Directors.

In addition to the above, the Corporate Secretary is responsible for:

- Corporate Communication Division
- Goverment Relations Division
- Investor Relations Division
- BOD Secretariate

Task performed by the Corporate Secretary in 2011

The Corporate Secretary was held by Sri Budi Mayaningsih effective 1 May until 30 November 2011. Starting 1 December 2011, the Corporate Secretary position was held by Heri Yusup.

Among the stake holder engagement activities implemented by the Corporate in 2011 were the following:

1. Organizing Annual General Meeting of Shareholders.
2. Organizing/taking part in public exposes, media site visits, analysts' meetings, conferences and exhibitions.
3. Organizing press conferences and teleconferences.
4. Maintaining communication with the Ministry of State-owned Enterprise, Department of Finance, State Secretary, Bapepam- LK, Self-Regulatory Organization (BEI, KSEI, KPEI), BAE and other related institutions.
5. Organizing Parliamentary hearings and official visits by Parliament (DPR-RI).
6. Attending all BOC and BOD meetings and providing the Minutes of Meetings.

Career History of the Corporate Secretary

The career history of Heri Yusup at PT Perusahaan Gas Negara is as follows :

No	Position	Work Unit	Dates
1	Assistant II Legislation & Control Adm.		01 May 1991
2	Senior Assistant - Contracts, Legal and Public Relations Division	Legal and Public Relations Division	01 April1993
3	Legal Assistance Department, Legal and Public Relations Division	Legal and Public Relations Division	14 April1997
4	Advisor II	Legal Department	14 January 2002
5	Advisor I	Legal Department	22 January 2004
6	Senior Advisor III	Legal Department	01 October 2004
7	Division Coordinator	Legal Department	25 April 2005
8	Corporate Secretary/ Coordinator of Legal Division	Corporate Secretary	12 February 2008
9	Head of Corporate Legal Bureau	Corporate Legal Bureau	12 January 2009
10	Corporate Secretary	Corporate Secretary	01 December 2011 - present

CORPORATE CODE OF ETHICS

In developing GCG within the Company, PGN has formulated several policies concerning corporate ethics. PGN seeks to apply the highest ethical standards throughout all its business activities, in line with the vision, mission and culture of the Company, through the implementation of Business Ethics and Work Ethics.

Business Ethics and Work Ethics are the attitudes and behaviors that are demanded of and apply to every member of the organization. The Company recognizes that good relations between stakeholders and increasing shareholders' value over the long term can only be achieved by conducting all business activities with integrity, as set out in the Business Ethics and Work Ethics.

Content of the Code of Ethics

Business Ethics and Work Ethics are the norms, values and actions that are considered by everyone in the Company as the ideal standards of behavior for the Company. These behaviors must be developed on the basis of strong moral values that are acknowledged and accepted throughout the Company as the corporate culture.

1. Business Ethics

   PGN's business ethics guidelines describe the standards of behavior expected in doing business and guide the Company at the entity level in its interactions and relations with stakeholders. Applying business ethics is expected to help the Company to improve its performance by reinforcing the need to give due attention to the interests of the stakeholders ethically and legally.

   Broadly speaking, the business ethics guidelines describe the standards of behavior that must be upheld in the Company's interactions with its stakeholders, for example in relation to transparency, equal treatment and upholding the rights of stakeholders, antimonopoly, protection of human rights, gratuities, protection of intellectual property rights and so on.

2. Work Ethics

   PGN has drawn up a code of conduct for its employees based on the corporate culture and values, as well as the principles of good corporate governance. This is issued as the "Employee Code of Ethics" and the "Leader Code of Ethics."

   The Employee Code of Ethics sets forth the conduct expected of employees in their day-to-day work, and the procedures or rules for their interaction with stakeholders. The Employee Code of Ethics also provides practical guidance on dealing with conflicts of interest, corruption, bribery, gratuities, information management and so on. The Leader Code of Ethics explains the conduct expected of managers in doing their jobs. The Employee Code of Ethics and the Leader Code of Ethics have been disseminated throughout the Company and must be adhered to by all PGN employees.

The Code of Ethics Applies to All Levels of the Organization

Work ethics and business ethics must be implemented consistently as part of the work culture in the day-to-day operations of the Company. To support the application of business ethics and work ethics, PGN has set out procedures for disseminating and publishing these codes as well as procedures for their application, reporting, monitoring and evaluation.

Application and Enforcement of the Code of Ethics

To further support the application and enforcement of the code of ethics, PGN has formulated a number of policies which are set out in guidelines and manuals, including the following:

Corporate Governance Manual

The Corporate Governance Manual constitutes PGN's basic guidelines for doing business. This manual also provides guidance for all PGN employees on applying the principles of good corporate governance in their work.

Board Manual

The Board Manual provides guidance for the Board of Directors and Board of Commissioners on performing their duties. Broadly speaking, the Board Manual outlines the procedures for the working relations of the Board of Directors and Board of Commissioners, including their duties, responsibilities, ethics, authority and rights. The Board Manual is based on the two-tier Board principle applied under Indonesia's corporate law, and refers to the prevailing laws and regulations, PGN's Articles of Association, resolutions of the GMS and best practices in the implementation of good corporate governance.

Transparency of Information

PGN undertakes to disclose information to the stakeholders fully, accurately and promptly. Information is disclosed to the stakeholders equitably, with due consideration of the interests of the Company and the stakeholders, as well as the prevailing laws and regulations.

Conflict of Interest

PGN works on the principle that conflict of interest must be avoided because of its potentially detrimental impact on the Company's interests, and because it creates a climate of unhealthy competition. PGN has formulated a policy on how such issues should be resolved if any PGN employee is involved in a potential conflict of interest situation, which is articulated in Board of Directors Decree No.011100/132/UT/2006 dated 21 April 2006 regarding the Policy on Managing Conflicts of Interest.

Integrity Pact

As a tangible demonstration of business ethics, PGN requires all parties who are involved in the procurement of goods and services to sign an integrity pact to prevent fraud or inappropriate conduct in the procurement process.

Corporate Culture

Good corporate governance will be implemented successfully if it is supported by a strong corporate culture. The Company has therefore developed a corporate culture founded on a series of principles collectively known as ProCISE, or Professionalism, Continuous Improvement, Integrity, Safety and Excellent Service. The ProCISE culture has been disseminated throughout PGN's employees and management, and change agents have been assigned to support the internalization of the ProCISE values in each individual's working activities. Every PGN employee has signed the PGN Employees Culture Book as a mark of their commitment to the application of the ProCISE values.

Business Ethics and the Prevention of Corruption

PGN personnel are prohibited from engaging in corruption or engaging in actions that encourage corruption. This is articulated in Board of Directors' Decree No.011200.K/132/UT/2006 dated 21 April 2006 regarding the Policy on Business Ethics and the Prevention of Corruption. PGN also encouraged employees to report any act of corruption or potential corruption of which they have knowledge. PGN protects the identity of any employee who makes such a report. PGN employees are also prohibited from giving or receiving bribes and may only give donations that are permitted by the prevailing laws and regulations.

WHISTLEBLOWING SYSTEM

The Company is currently developing a Whistleblowing System that will regulate the mechanism for reporting suspected illegal or unethical behavior in the Company as articulated in the Corporate Governance Manual, which was endorsed by the President Director pursuant to Board of Directors' Decree No. 006901.K/OT.01/UT/2012 dated 06 March 2012. PGN will formulate the provisions of the whistleblowing system by referring to the Whistleblowing System (WBS) Guidelines issued by the National Governance Policy Committee (KNKG) in 2008.

According to the Whistleblowing System Guidelines issued by the KNKG, the scope of a WBS includes:

1. Structural aspects, which contain elements of the infrastructure of the reporting system for illegal or unethical behavior;
2. Operational aspects, which are related to the mechanisms and procedures of the reporting system; and
3. Maintenance aspects, which ensure that the reporting system can be sustained and made more effective.

Reports of Violations

As of 2011, to create a clean organization in accordance with GCG principles (Transparency, Accountability, Responsibility, Independence, Equality and Fairness), PGN has provided opportunities for all employees to report suspected breaches or violations of the business ethics, guidelines on conduct, Company rules, and the prevailing laws and regulations.

This is specified in the Corporate Governance Manual, which was endorsed by the President Director pursuant to Board of Directors' Decree No. 010901.K/132/UT/2006 dated 21 April 2006.

Protection for Reporters

Each report must state the identity of the reporter. PGN will protect the identity of the reporter unless:

1. He/she is needed in relation to a report or investigation by the Government;
2. His/her identity must be disclosed in the interests of the Company and in accordance with the objectives of the Corporate Governance Manual;
3. He/she is needed in a legal process.

Handling of and the Parties that Manage Complaints

In 2011, the Internal Audit Unit (IAU) and a specially convened Team took action, on behalf of PT PGN (Persero) Tbk, with regard to a breach of discipline by an employee of SBU Distribution Area I. This was clarified in Memo of the Director of Human Resources and General Affairs No. 000600.ND/KP.04.01/UM/2011 dated 8 December 2011 regarding the Order to Take Action and Impose Sanctions for a Breach of Discipline by an Employee of SBU Distribution Area I.

RISK MANAGEMENT

Risk management is one of the pillars of GCG. The Board of Directors has highlighted the Company's commitment to improving GCG by its emphasis on Risk Governance. Risk Governance, as articulated in the Risk Management Manual, explains the role of the Board of Commissioners along with the Business Risk and Insurance Committee, the Board of Directors, and all the Divisions, SBUs, Departments, sub-departments and other elements of the Company, in the application of risk management. Internal relations within the Company related to risk management are also set out in the Manual.

To enhance the effectiveness of risk management, the Management has introduced a risk awareness culture that is relevant to each employee. This will enable risk management to become part of the management process and be used as a strategic tool in decision making.

Risk Management System

Risk management has been practiced in the Company since it was first established. The Company now has adequate infrastructure (organization, risk governance, and other supporting elements) and a conducive internal environment to support effective risk management in terms of: (i) assurance regarding the achievement of the Company's performance targets, and (ii) compliance with State Minister of SOEs Regulation No. PER - 01 /MBU/2011 regarding the Application of Good Corporate Governance in SOEs, which emphasizes the need for SOEs to implement risk management as a part of GCG.

Risk Management Principles

The Company has adopted the following principles in implementing risk management:

1. Enterprise-Wide Risk Management;
2. There is alignment between risk management practice and other management practices such as the performance management system, the budgeting system, and the internal control system;
3. The Company understands that risks are inherent in every function and every strategic initiative;
4. There is active participation from all work units as risk owners, through risk (and control) self-assessments;
5. The objective disclosure of risks by each work unit through risk assessments as assurance for the achievement of the Company's performance targets is appreciated. Concealing risks, on the other hand, goes against the culture of the organization;
6. Actions to deal with risks must be consistent with the principles of priority, cost-benefit, regulatory compliance, and efficiency and effectiveness;

Risk Governance

Pursuant to the resolutions of the GMS on 6 April 2011, the Company established the Directorate of Investment Planning and Risk Management (IPRM). One of the elements in the Directorate of IPRM is the Risk Management Division, which is tasked with coordinating the assessment and monitoring of the strategic risks associated with corporate actions and operational activities. Risk Governance is supported by the Manual and by the organization itself. It is also reflected in the operational procedure documents that serve as a reference for the technical implementation of risk management.

The Company understands that risk management is implemented not only in the interests of compliance but that it also delivers benefits, such as the capacity to recognize events or conditions that could potentially have a negative impact on the achievement of the Company's performance targets, and to prepare actions to mitigate them.

Broadly, risk management procedures are divided into 7 key measures and 1 monitoring measure:

1. The Risk Management Division, with related parties, proposes a risk appetite and risk tolerance for Management's approval.
2. The Risk Management Division, with the process owner/Risk Champion Team from each related work unit, makes initial preparations and a work plan.
3. The Process Owner and work unit determine the objective of the project, the activities/tasks whose risks will be reviewed.
4. The Process Owner and work unit identify potential events that could influence the achievement of the Company's objectives.
5. The Process Owner and work unit assess the level of risk of each of the risks identified.
6. The Process Owner and work unit determine the responses and measures to mitigate the identified risks.
7. The Process Owner/Risk Champion Team and work unit present the results of the risk assessment to the related parties.
8. The Process Owner and the Risk Management Division/Risk Champion Team monitor the identified risks to ensure that the Company's overall level of risk is constantly supervised.

Risks and Mitigation Measures

In 2011 the Company assessed, mitigated and monitored the risks inherent in all its operational functions and strategic initiatives. There were no significant changes in the potential risks inherent in the Company's business activities compared to the previous year; the only changes were in the level of risk or the mitigation plans in relation to changes in internal or external conditions during the year. The Company's key risk profile and mitigation strategies are described below.

1. **Country Risks**
   The Company is exposed to risks related to political, macroeconomic and Government dynamics at both central and regional levels that could have a direct impact on our rating. Political dynamics have the potential to change political decisions, which can impact the expected objectives and the value of an economic action. The complexities in energy policy could potentially constrain the Company's ability to realize the planned investment that will help us to address the changes in the business environment. In addition, the local political situation also poses challenges for the implementation of the Company's activities.

2. **Gas Supply Risks**
   The risk of a reduction in the supply of gas under an existing contract can arise from a drop in the productive capability of an old or marginal field. In addition, the Company is also exposed to the risk of delays in securing and negotiating contracts for new supplies or extending existing contracts due to the Government regulation that gives higher priority to the use of gas for lifting oil and natural gas, fertilizer production, and electricity generation.

3. **Operational Risks**
   The transportation of gas (transmission or distribution) exposes us to the risk of interruptions in the flow of gas due to unscheduled maintenance on gas supply facilities. Undersea currents and sea bed subsidence that affect substructures are natural factors that could disturb our gas transmission pipelines. Moreover, a failure to channel all our gas supply as a result of capacity limitations in gas receiving facilities is another potential risk inherent in our operational activities.

4. **Regulatory Risks**
   The enactment of Law No. 7 year 2011 regarding Currency, which requires the use of Rupiah (IDR) for transactions in Indonesia, created the potential for non compliance by the Company, because foreign currency, i.e. US Dollars, is used in most of our transactions, particularly for buying gas.

5. **Currency Risks**
   Changes in global economic conditions give rise to market movements (fluctuations in exchange rates and interest rates) that could have downside risks for the Company. The Company has loans denominated in foreign currencies (non USD) that are influenced by interest rates and exchange rates, which could increase PGN's financial liabilities.

Measures to Manage Risk

1. **Measures to Manage Country Risks**
   The Company manages country risks by:
   - Being actively involved in providing input to stakeholders on the need for a consistent and coherent energy policy in anticipation of limited energy sources,
   - Creating broad-based initiatives to ensure the Company's compliance with regulations, for example by reporting regularly to the regulator and taking proactive measures to anticipate policy changes by considering and implementing the relocation of gas networks and facilities,
   - Creating opportunities through alliances and partnerships in the form of joint ventures, taking into account their economic and operational feasibility.

2. **Measures to Manage Gas Supply Risks**
   The Company manages supply risks by:
   - Intensive coordination with gas suppliers and BP Migas as the regulator with the aim of ensuring continuity of supply for the Company.
   - Seeking new sources of supply to overcome shortages and meet demand for gas, either through conventional pipelines or other modes of transportation such as LNG.

3. **Measures to Manage Operational Risks**
   The Company manages operational risks by:
   - Obtaining gas from other sources and regulating the flow capacity to customers when there are interruptions to supply due to unscheduled maintenance.
   - Doing inspections using sonar scans and Remotely Operated Underwater Vehicles (ROV) as well as strengthening the undersea pipeline network.
   - Expanding the capacity of gas receiving facilities in order to optimize the flow of gas to customers.

4. **Measures to Manage Regulatory Risks**
   The Company manages regulatory risks by coordinating and clarifying with the authorities with regard to the application of Law No 7 year 2011 on the Company's existing long-term contracts to ensure compliance with the regulation without creating new problems with the Company's business partners.

5. **Measures to Manage Currency Risks**
   The Company manages currency risks by entering into hedging transactions to protect against changes in the fair value of liabilities due to fluctuations in the related foreign currencies.

Initiatives to Raise the Maturity Level of Risk Management Application

The Company has a blueprint and a roadmap for the application of risk management. The Company has also conducted internal evaluations to obtain an objective picture of the maturity level of our risk management. The gap between best practice/the highest maturity level, and the risk management practices that are currently being applied in the Company is being overcome by initiatives to raise the maturity level. The initiatives taken in 2011 were:

- **Updating Risk Management Policies, Procedures, and Job Instructions**
  The Company has updated various risk management instruments including policies, procedures, and job instructions as part of the drive for continuous improvement, with the aim of bringing the Company's risk management implementation closer to best practices and to ensure that the instruments concerned are easier to implement from the perspective of the process owners and the Board of Directors.

- **Updating the Risk Appetite**
  Given that the negative impact of a risk event actually materializing can be multidimensional, depending on the characteristics of the event and the type of exposure, the Company has sharpened its risk appetite formula from the following perspectives: (i) financial, (ii) reputation, (iii) laws, regulations and internal company policies, (iv) environment, and (v) safety. Determining the risk appetite through this multiperspective approach makes it easier for the Board of Directors to determine the level of appetite for each perspective and to stipulate priorities for monitoring and mitigation.

- **Initializing the Application of Loss Event Reporting**
  Risks are currently assessed using a semi-quantitative approach. This will be sharpened with a more quantitative approach used to assess the probability of a risk materializing and the level of impact of the risk (particularly from the financial perspective). A quantitative approach requires adequate historical data as one of the most important parameters in predicting the probability and the impact of a risk. In relation to this, in 2011 the Company began to formulate policies and procedures for loss event reporting. Through this practice, all events that have a negative impact and fulfill the threshold criteria for a certain level of risk are recorded in the loss event database. It is expected that in future, the Company will have a comprehensive loss event database of all business activities.

- **Risk Management Information System**
  To improve the effectiveness and efficiency of information management processes in risk management, the Company has initiated a Risk Management Information System (RMIS).

  The system selected is a widely known application package (not custom-developed) used in various industries as a GRC (Governance, Risk Management, and Compliance) solution. For process owners, the RMIS will facilitate documentation, reporting and tracking the status of risk mitigation.

The Risk Management Division also benefits from the RMIS in terms of easier monitoring of compliance in the implementation of assessments and risk mitigation by work units, and in risk analysis and reporting. The business intelligence facilities provided by the RMIS will provide periodic information to the Board of Directors on the risk profile of the Company as well as the risks that require attention and need to be prioritized.

- **Competency Development**
  Recognizing the important role of the staff in ensuring the effectiveness of risk management, the Company has organized training on risk assessment for members of the Risk Champion Team to enhance their capacity to facilitate assessments in their work units. Several personnel from the Risk Management Division are also qualified as Certified Risk Analysts from the Asia Risk Management Institute.

- **Coaching Clinics**
  The Risk Management Division facilitated coaching clinics and risk monitoring at SBUs and work units in the Head Office throughout 2011. The coaching clinics looked at the results of the self-assessments by the process owners as the basis for formulating the corporate risk profile.

- **Ongoing Maturity Level Assessment**
  The Maturity Level Assessment was done again in 2011, involving members of the Risk Champion Team and process owners as respondents. The results of the assessment revealed that the maturity level of risk management application in the Company had risen compared to the previous year.

Evaluation of Risk Management

The application of risk management is evaluated by the Internal Audit Unit (IAU) and the External Auditor. The IAU evaluates and makes proposals for improving the adequacy of risk management processes. This evaluation includes an evaluation of the fairness of the financial statements, effectiveness and efficiency of operations and compliance with the laws and regulations.

The External Auditor presents findings related to weaknesses in risk management and control and provides recommendations for improvement.

In 2010, with the support of PT Siddharta Consulting (KPMG) as an independent party, we evaluated the risk management system by enhancing the risk management function. The criteria for evaluating risk management implementation were i) internal environment and objectives, ii) risk identification, iii) risk assessment, iv) monitoring, information and communication, and v) risk response and control. The results of the 2010 evaluation indicated that the maturity of risk management implementation at PGN was at the Basic level (Condition Before).

PGN did another evaluation in 2011, conducted by competent professionals and experts from the risk management division who are highly competent in their field and who emphasized independence in the implementation of the activity. Overall, the maturity of the Company's risk management application had increased to the level of Mature (Current Condition).

INTERNAL CONTROL SYSTEM

As stipulated in Article 26 of Minister of SOEs Regulation No. PAER-01/2011 which replaces Minister of SOEs Decree No. KEP-11/M-MBU/2002 regarding the Application of Good Corporate Governance Practices in SOEs, PGN has continued to develop its Internal Control System, using the COSO (Committee of Sponsoring Organizations of the Treadway Commission) approach to safeguard the Company's investments and assets.

The Internal Control System covers:

a. The development of a disciplined and structured internal control environment in the Company;
b. Review and management of business risks;
c. Control activities;
d. Information and communication systems; and
e. Monitoring, which elaborated further in the form of policies among others: Guidline, Operating Procedure or work instruction.

Evaluation of the Effectiveness of the Internal Control System

To evaluate the effectiveness of Internal Control System, the Company estbalished Internal Audit Unit or Internal Control Unit. The results of the IAU's audit formed part of the basis of the Management's evaluation of the effectiveness of the Internal Control System to determine any necessary remedial actions or updates of the system or policies that would enable Management to run the Company's operations more effectively.

INTERNAL AUDIT UNIT

The internal audit function at PGN is performed by the Internal Audit Unit (IAU). The IAU is led by the Head of the IAU, who is appointed and dismissed by the President Director, with the approval of the Board of Commissioners.

Audit Charter

In fulfilling its duties and responsibilities, the Internal Audit Unit is guided by the Internal Audit Charter, which was stipulated by Decree of the Board of Directors No. 023105.K/PW.00/UT/2009 dated 11 December 2009. The Charter broadly outlines the vision, mission, purpose and objectives, scope, organizational structure, authority, tasks and responsibilities of the IAU, as well as the requirements and professionalism of the Auditors, the audit procedures, and the Internal Auditors' Code of Ethics. The operational implementation of the audit is based on the Internal Audit Operational Procedures as stipulated by Decree of the Board of Directors No. 001100.I/11/UT/2008 dated 21 April 2008.

Head of the Internal Audit Unit

The Head of the Internal Audit Unit is Suhartono, SH., who was appointed to this position in January 2003. There are a total of 23 employees in the Internal Audit Unit, in the following positions:

Audit Internal Unit	Total Employees
Senior Auditor	3
Specialist Auditor	6
Auditor	11
Secretariate	3
Total Employees	23

Internal Audit Professional Certification

The Internal Audit Unit is supported by professional, certified auditors who hold the following qualifications, among others:

- 5 auditors with PIA (Professional Internal Auditor) certification issued by the Center for the Development of Accountancy and Finance (PPA&K);
- 3 auditors with QIA (Qualified Internal Auditor) certification issued by the Internal Audit Education Foundation (YPIA);
- Several other auditors with sufficient experience in view of the operational development of the Company.

Responsibilities of the Internal Audit Unit

The responsibilities of the Internal Audit Unit cover the following:

1. The Internal Audit Unit is responsible for carrying out audits in accordance with the current audit standards and Code of Ethics, allocating audit resources effectively and efficiently, improving the professionalism of the auditors and implementing a quality assurance program for the tasks and management of the Internal Audit Unit;
2. The Internal Audit Unit is responsible for maintaining the confidentiality of data, documents and information related to the audit implementation and reporting the results of the audits in accordance with the Company's policy on confidentiality of information stipulated by the Board of Directors and the Auditor's Code of Ethics;
3. The Internal Audit Unit must obtain the President Director's approval for the work programs and audit development plans it has prepared;

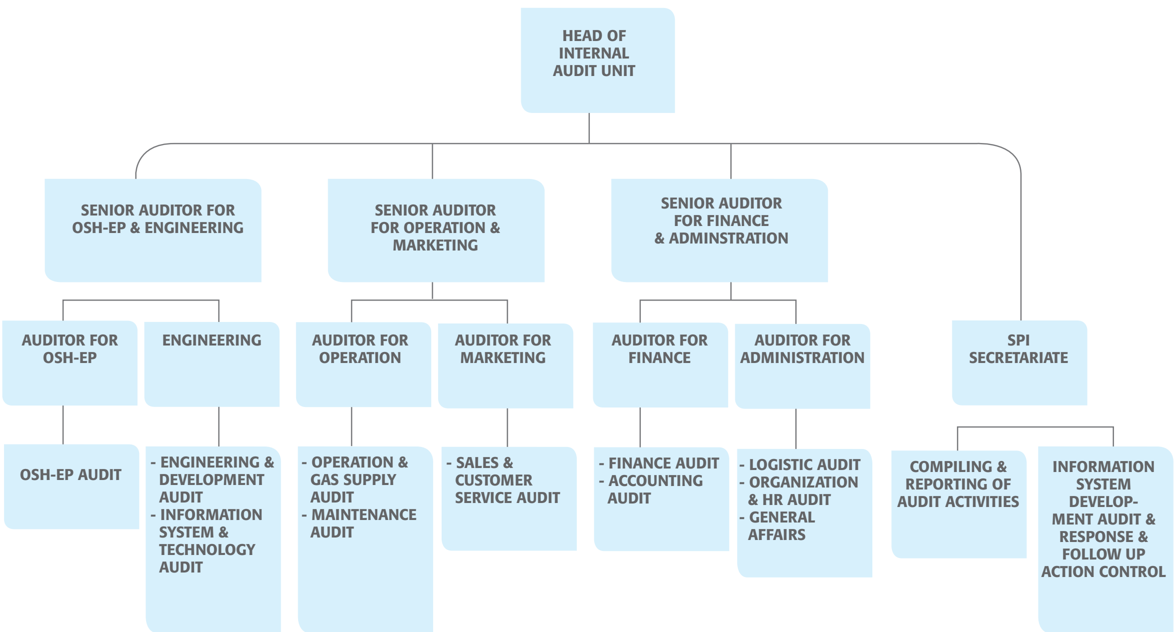
4. The Internal Audit Unit must report any information related to the current audit to the President Director;
5. The Internal Audit Unit Auditors are prohibited from taking on concurrent duties, including operational activities for the Company or any of its subsidiaries.

Implementation of the Professional Duties of the Internal Audit

The duties of the Internal Audit Unit include the following:

1. Preparing and implementing the Annual Audit Work Program (PKAT);
2. Testing and evaluating the implementation of internal controls and the risk management system in line with Company policy;
3. Auditing and assessing efficiency and effectiveness in the fields of finance, accounting, operations, human resources, marketing, information technology and other activities;
4. Providing suggestions for improvements and objective information regarding the audited activities at all levels of management;
5. Making reports on the results of the audits and submitting them to the President Director and the Commissioners;
6. Monitoring, analyzing and reporting on the implementation of remedial actions and follow up in the areas suggested;
7. Working with the Audit Committee;
8. Preparing a program to evaluate the quality of the internal audits performed; and
9. Conducting special audits if required.

Internal Audit Unit Organizational Structure



Internal Audit Unit (IAU) Activities in 2011

1. **Regular Audits**
   In accordance with the 2011 Annual Audit Program Work (PKAT) which was stipulated by Letter of the President Director No. 0022000.K/PW.00/UT/2010 dated 23 December 2010, seven auditees were audited in 2011, as follows:

Auditee	Audit Period
Organization and HR	January-February
Information System	April-June
SBU Transmission Sumatra-Java	May-June
SBU Distribution Area I	July
Joint Operation Management, Head Office	August-October
SBU Distribution Area II	September-October
SBU Distribution Area III	October - December

2. **Special Audits**
   In addition to the regular audits specified in the Annual Audit Work Program, the following special audits were conducted in 2011:
   - Special audit of the illegal use of gas by one of the Company's industry customers in SBU Area I, Banten Sales Area. The Company personnel who were responsible and found guilty have been disciplined in accordance with the prevailing provisions, while the customer was reported to the police, who, as of the date of this annual report, are still conducting their investigations.
   - Special audit of Package CP3A of the PPJPGB Project for the construction of the Cikande-Bojonegara distribution pipeline, which was initiated on the basis of indications from the KPPU that cast doubt on the accountability of the determination of the winner of Package CP3A.

MATERIAL LITIGATION INVOLVING PGN

Court Cases Involving PGN

The Company was involved in nine court cases in 2011. These included both new cases, ongoing cases and cases that are unresolved and/or had legal force in the previous year. According to the arbitration institution, the important cases involving PGN can be categorized as follows:

Public Courts		
1. Appeal of KPPU (Business Competition Supervisory Commission)		
Case No.	:	001/Pdt.P/KPPU/2011/PN.JKT.BAR
Agency	:	West Jakarta District Court
Parties	:	PGN (Plaintiff)
		PT Kelsri (Co-Plaintiff)
		Opposing
	:	Komisi Pengawas Persaingan Usaha (Appeal Respondent)
Claim Value	:	Rp 6,000,000,000,-
Resume	:	On 18 April 2011 PGN filed an Objection with the West Jakarta District Court against the Decision of the KPPU which stated that PGN had violated Article 22 Law No. 5 year 1999 regarding the Prohibition on Monopolistic Practices and Unhealthy Competition. On 26 March 2012, the West Jakarta District Court decided to uphold the Decision of the KPPU.
Update	:	As of the reporting date, PGN is now working on its Appeal submission to the Supreme Court.

Appeal of Sumatera Trans Continental

Case No.	:	251/Pdt.G/2009/PN.Jkt.Sel
Agency	:	DKI Jakarta High Court
Parties	:	PT Sumatera Trans Continental (Appellant)
		Opposing
		PT Punj Loyd (Appellee)
		PT Mitra Sarana Transport (Co-Appellee I)
	:	PT Sarana Bandar Nasional (Co-Appellee II)
		PGN (Co-Appellee III)
Claim Value	:	Rp 89,828,773,570.58
Resume	:	This is an appeal against the South Jakarta District Court Verdict No. 251/Pdt.G/2009/PN.Jkt.Sel which rejected PT Sumatera Trans Continental's compensation claim against PT Punj Lloyd Indonesia. On 24 February 2012 the DKI Jakarta High Court upheld the Verdict of the South Jakarta District Court.
Update	:	There have been no further developments in relation to this issue.

Appeal of PT Indosat

Case No.	:	665/Pdt.G/2010/PN.Jkt.Bar
Agency	:	DKI Jakarta High Court
Parties	:	PT Indosat Tbk (Plaintiff)
		Opposing
		PGN (Appellee I)
		PT Nindya Karya (Appellee II)
		PT Citra Panji Manunggal (Appellee III)
		PT Promatcon Tepat Guna (Appellee IV)
Claim Value	:	Rp 4,065,814,002.38
Resume	:	PT Indosat brought a case in connection with damage to the Fiber Optic cable along the Bandar Lampung-Merak-Jakarta (BALAMAJA) route belonging to PT Indosat in the Province of Banten which was caused by work on the development of PGN's West Java Distribution Pipeline Network by NCP Joint Operation, which is PGN's contractor. On 26 July 2011, the west Jakarta District Court gave its verdict on the case by exonerating PGN and ordering PGN's Contractor to pay compensation to PT Indosat in the amount of Rp2,020,164,161 jointly and severally. On 9 August 2011, PT Indosat and the Company's Contractor filed an Appeal at the DKI Jakarta High Court.
Update	:	The case is still being investigated by the DKI Jakarta High Court.

Appeal of Arifin Ismail

Case No.	:	1471.K/PDT/2007
Agency	:	Supreme Court
Parties	:	Arifin Ismail (Appellant)
		Opposing
	:	Raden Intan (Appeal Respondent)
	:	PGN (Co-Appeal Respondent)
Claim Value	:	Rp 487,500,000
Resume	:	This case is related to a dispute over the ownership of 4,650 Ha of land in Negeri Besar District, Way Kanan Regency, in the province of Lampung, though which the SSWJ transmission pipeline passes. PGN is involved in this case because it was the party that was supposed to make payment to the party that won the dispute. PGN has already made a deposit of money (consignatie) at the Blambangan Umpu District Court in the amount of the Claim Value for this purpose. The Panel of Judges at the District Court ruled that Alimudin was the owner of the disputed land, but this verdict was subsequently overturned by the Tanjung Karang High Court, which was upheld by Supreme Court Verdict No.1471 K/Pdt/2007 dated 25 June 2008.
Update	:	Although an Appeal Verdict has been given, it has not been possible to make the payment since the disputed ,and is now controlled by PT Bumi Madu Mandiri, which obtained a concession for the land from the Local Government. As of the reporting date, there had been no further developments in this case.

Appeal of Suib

Case No.	:	06/Pdt.G/2001/PN.KTL
Agency	:	Supreme Court
Parties	:	Suib et al. (Appellant)
		Opposing
		PGN (Appeal Respondent)
Claim Value	:	Rp 102,943,000
Resume	:	Suib et al. filed a claim in relation to the land acquisition for the ROW for the Grissik-Singapore natural gas transmission pipeline in Tanjung Jabung Barat Regency, Jambi Province. Suib et al. claim that they hav e not received compensation for their and that has been used by PGN for the aforementioned ROW. On 22 April 2002, the Kuala Tungkal District Court rejected the Plaintiffs' claim in its entirety. The Plaintiffs appealed against this decision to the Jambi High Court. On 14 August 2002, the Jambi High Court upheld the verdict of the Kuala Tungkal District Court and on 19 September 2002, the Plaintiffs filed an appeal with the Supreme Court.
Update	:	As of 10 February 2012, this case was still being investigated by the Supreme Court.

Industrial Relations
Dispute of Aditya Wardhana

Case No.	:	No. 45/PHI.G/2011/PHI.JKT.PST
Agency	:	Industrial Relations Adjudication
Parties	:	Aditya Wardhana
		Opposing
		PGN (Defendant)
Claim Value	:	Rp 192,604,904
Resume	:	Mr. Aditya Wardhana was dismissed by PGN in relation to a serious level III violation he committed. On 24 March 2011 Mr. Aditya Wardhana filed an appeal with the Industrial Relations Court at the Central Jakarta District Court.
Update Perkara	:	On 15 Juni 2011 the Industrial Relations Court at the Central Jakarta District Court decided to reject Mr. Aditya Wardhana's claim.

Court of Appeal Singapore
Appeal of CRW Joint Operation

Case No.	:	CA No. 59 of 2010
Agency	:	Court of Appeal of Singapore
Parties	:	CRW Joint Operation
		Opposing
		PGN (Appeal Respondent)
Claim Value	:	USD 17,298,834.57
Resume	:	CRW appealed against the verdict of the Singapore High Court, which accepted PGN's request to set aside the ICC Arbitration decision, which ruled that PGN would be required to make a payment of USD 17.29 million in connection with CRW's claim regarding the value of the Variation Order for the work done on the installation of the Grissik-Pagardewa natural gas pipeline. On 13 July 2011, the Court of Appeal ruled that PGN was the winner by upholding the verdict of the High Court of Singapore.
Update	:	PGN is currently implementing the Court of Appeal Verdict

Arbitrase Interasional Arbitration of CRW Joint Operation		
Case No.	:	18272/CYK
Agency	:	International Chamber of Commerce, International Court of Arbitration
Parties	:	CRW Joint Operation (Claimant)
		Opposing
		PGN (Respondent)
Claim Value	:	USD 17,298,834.57
Resume	:	This case began with a Verdict of the Dispute Adjudication Board #3 (DAB#3) dated 25 November 2008 which ruled that the CRW Joint Operation was entitled to receive a payment of USD 17,298,834.57 in relation to the installation of a gas pipeline in Grissik – Pagardewa pursuant to contract No. 002500.PK/243/UT/2006 as amended by No 002000.AMD/HK.02/UT/2008 dated 24 October 2008. PGN has filed its Notice of Dissatisfaction against the DAB verdict.
Update	:	On 3 November 2011, PGN received a letter from the ICC Secretariat dated 1 November 2011 giving notice of a Request For Arbitration from the CRW Joint Operation against PGN through the attorney for CRW Joint Operation Drew & Napier in line with the letter dated 28 October 2011 the settle the issue. On 27 Desember 2011, PGN filed an Answer of Request for Arbitration. As of 10 February 2012, this case was still being investigated by ICC.

COURT CASES INVOLVING SUBSIDIARIES

Supreme Court Appeal of PT Tamarona Mas International		
Claim Value	:	USD 986,079
Transgasindo's Position	:	Appeal Respondent II
Case Position	:	PT Tamarona Mas International's Case is related to the claim on the payment regarding the project for Site Preparation and Temporary Facilities, Provision of Earthwork and Associated, Provision of Civil & Structural, Buildings and Associated Work and several variation order completed by the PT Tamarona Mas International. On November 5 2009 Kuala Tungkal District Court in its Interim Decision declared that Kuala Tungkal District Court has no authority to examine and prosecute this case. Based on that decision, PT PT Tamarona Mas International appeal to the Jambi High Court. On June 9 2010, The Jambi High Court upheld Kuala Tungkal District Court's Decision aforementioned. On that decision, PT Tamarona Mas International appeal to the Supreme Court.
Case Status	:	On August 23 2011, Supreme Court declined PT Tamarona Mas International's Appeal.

International Arbitration GIAP's Arbitration		
Claim Value	:	USD 18,772,656
Transgasindo's Position	:	Responden
Case Position	:	This case related to the contract No.ISVC 008260 for EPCC of Offshore Pipeline Repair Project. On November 24, 2011, PT Global Industries Asia Pasifik (GIAP) has already submitted the Statement of Case to International Arbitration in Singapore, while on March 2, 2012, Transgasindo has already submitted the Statement of Defense.
Case Status	:	Up to Reporting Date, the case is in the process of dispute settlement between parties in the International Arbitration in Singapore

ACCESS TO INFORMATION

To facilitate stakeholders' access to information, PGN is continually updating its information delivery facilities and infrastructure. Additionally, PGN consistently strives to strengthen its information technology platform to safeguard and improve reliability and ensure the integrated, timely and accurate provision of information through its website, www.pgn.co.id, and the Ministry of SOEs' portal.

In compliance with information disclosure requirements, PGN also consistently reports material information and facts to the capital market authorities both in writing to Bapepam-LK and through electronic reporting to the Indonesia Stock Exchange. PGN is also proactive in giving notice of all corporate actions through press releases in Indonesian and English, and these releases can also be downloaded from the PGN website.

Customers and prospective customers can obtain further information about PGN by sending an email to contact.center@pgn.co.id or by contacting the Contact Center on 0800 1500 645. Investors, analysts and shareholders can contact Investor Relations directly by sending an email to investor.relations@pgn.co.id or calling (6221) 6334838.

Professional Human Resources

Professional Human Resources

transforming to enhance human recources professionalism

1,516

total permanent employees

31,366
days

education and training for employees

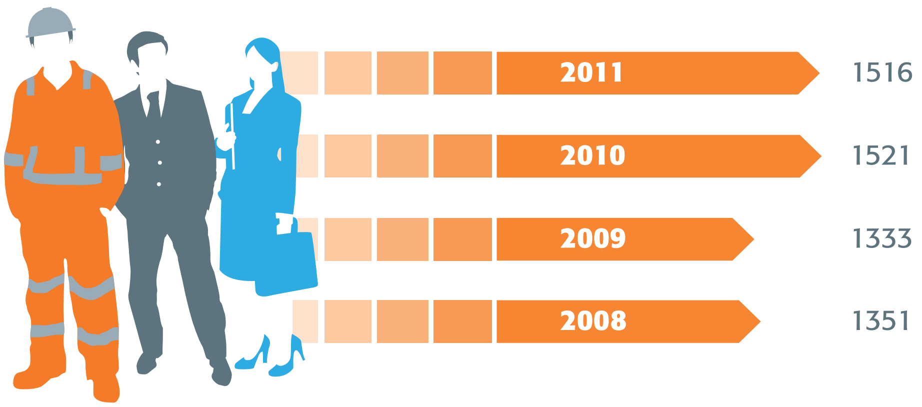
For excellent people with potential, PGN is one of the best places to forge a career. PGN's human resources have extensive opportunities to develop through various education, training and career development programs. This reflects the Company's commitment to and appreciation of its people and the enormous contribution they make to the growth of the business.

The increasingly tight competition in the business has driven the Company to continually update and develop its strategies in various domains. We recognize that human resources are one of PGN's sustainable competitive advantages; a unique and complex advantage that is inherent to the organization. Demonstrating the importance we attach to this issue, in 2011, we placed human resource strategy as one of the top priorities in optimizing the contribution of employees to the Company.

HUMAN RESOURCES PROFILE

On 31 December 2011, PGN had 1,516 permanent employees, a reduction of 2% from 2010. This was due to a number of employees reaching retirement age which was partly offset by an increase in permanent employees in line with the development of the organization and the business.

EMPLOYEE COMPOSITION



EMPLOYEE COMPOSITION

PGN's employee composition by educational background in 2011 experienced little change from 2010. Employee educated to Bachelor increased from 542 in 2010 to 547 in 2011, masters from 92 to 94 and diploma & senior highschool decreased which reflecting improvement on the employees academic competency building.

NUMBER OF EMPLOYEE BY EDUCATION

Education	2011		2010	
	Permanent	Non Permanent	Permanent	Non Permanent
Doctorate	1	0	1	0
Master's	94	0	92	1
Bachelor's	547	1	542	3
Diploma	514	0	523	2
Senior High School or Equivalent	360	0	363	28
Total	1,516	1	1,521	34

EMPLOYEE COMPOSITION BY POSITION

Position category	2011	2010
Senior Management	66	61
Middle Management	133	257
Junior Management	489	293
Staff	828	910
Total	1,516	1,521

INTEGRATED HR MANAGEMENT

1. Joining PGN

As the organization and the business grow, our demand for human resources increases. In the third quarter of 2011, PGN held a recruitment and selection program for new employees, drawing on different potential sources than in previous years, including national athletes; internal candidates (temporary employees and outsourced employees at PGN); and external candidates.

The objective of recruiting from among the ranks of national athletes was to support the Government's program of looking after athletes' development while giving appreciation for their service to the nation. Internal recruitment, meanwhile, is one of the ways in which the Company is recognizes and rewards the performance and loyalty of its employees.

Interest from external applicants in a career with PGN increased significantly, up 33% from 2010. In 2011, of 59,600 candidates, PGN accepted just 89 new recruits, who were placed as follows:

Unit	Qualifications		Total
	S1	D3	
Head Office	31	12	43
SBU Distribusi I	8	12	20
SBU Distribusi II	2	7	9
SBU Distribusi III	1	4	5
SBU Transmisi	4	8	12
Total	46	43	89

The recruitment and selection process took place simultaneously in five cities—Jakarta, Surabaya, Medan, Palembang and Yogyakarta—in order to provide equal opportunities to young men and women from the regions.

To assure independence and transparency, PGN conducted the 2011 selection process with the assistance of the following independent third parties:

1. Career Development Center, University of Indonesia (CDC-UI), from the administrative up to the psychological assessment stage, for the recruitment and selection of new employees from among national athletes and internal sources.

2. Career Development Center, Gadjah Mada University, Yogyakarta (CDC-UGM), from the administrative up to the psychological assessment phase, for the recruitment and selection of new employees from external sources.

3. RSPJ Petramedika (Jakarta), RSAL Dr Ramelan (Surabaya), Gleni Hospital (Medan), Yogyakarta International Hospital (Yogyakarta) and Laboratorium Klinik Prodia (Palembang) for the health check-up.

In addition to the regular recruitment channels, PGN also runs a Work Placement Scholarship Program, which targets graduates of the Taruna Nusantara Senior High School. This program is part of the Company's commitment to assisting high-achieving students from disadvantaged economic backgrounds. The students receive scholarships funded by PGN to continue their education at the Energy and Minerals Academy (STEM) in Cepu until they have competed the Diploma 3 Program.

After graduating, the scholarship students are taken on as PGN employees. This program has been running since 2006. In 2011, 10 students received scholarships, bringing the total number of scholarship students supported since 2006 to 61. As of 2011, 31 of these students had been appointed as PGN employees.

2. Enhancing Professionalism

PGN continuously guides its employees to develop the competencies and skills they need. Development is effected through education, training and special assignments as well as transfers and promotion. Our HR development is competency-based, focusing on both generic competencies and technical competencies.

Employees get periodic updates on the competencies they possess, according to the results of assessments. Based on this competency profile, employees are given advice and recommendations on the options available them to develop their competencies. The development programs on offer range from training programs and assignments to job enlargement, job enrichment, and more.

In 2011 PGN provided a total of 31,366 man days of education and training for employees at a total cost of Rp 28.766 billion. The education and training programs included the following:

TRAINING CONDUCTED AT PGN

No	Competency Type	Program	Number of Participants	Type of Training
1	Mandatory Competencies	20	391	a. Introduction to the Gas Business; b. Motivating Achievement; c. Citizenship; d. Office Safety; e. Performance Management System
2	Supporting Competencies	8	227	a. Leadership for First-line Management; b. HR Management for Executives; c. Post-service Training;
3	Specific Competencies	139	3,656	a. Competencies in Engineering and Operation, including: - Risk-Based Inspection - Pipeline Patrol & Leakage Survey - Advance Pipeline Studio - Service Excellence for Frontliners - Advanced Natural Gas Utilization - MR/S Operation & Maintenance - Corrosion Control & Cathodic Protection - Fire & Safety - Gas Measurement - Basic Gas Engineering - LNG Operation & HSE - SCADA & GMS - TPM - GIS & GPS - Advanced Metering Infrastructure - Pipeline Engineering - GESOM b. Financial Competencies, including: - Strategic Planning, Budget & Control - PSAK - ISAK - Taxation Implications in relation to LNG & CNG Projects - International Tax & Treaties - Billing & A/R c. General and Administrative Competencies, including: - Basic Goods & Services Procurement for PGN - High Performing for Procurement Officers - Business Process Reengineering - Quality Management - First Aid - Safety Driving & Riding - Integrated Risk Management & Internal Control - Archive/Vital Document Management - Public Relations and Media - Personality Development & Communication Skills - TOT - Property Asset Management

Education

The education programs organized in 2011 were aligned with the long-term competency needs of the Company, as follows:

a. Education program for employees in cooperation with PTK AKAMIGAS STEM Cepu:

No	Educational Level	Subject			Total
		Gas Technology	Gas Technology (LNG Sub Prog.)	Instrumentation	
1	Diploma II	-	-	2	2
	Diploma III	4	-	-	4
2	Diploma IV	-	20	-	20
TOTAL					26

b. Educational scholarship program for high-achieving students in cooperation with Taruna Nusantara Senior High School in Magelang and PTK AKAMIGAS STEM Cepu:

No	Educational Level	Subject			Total
		Gas Technology	Gas Technology (LNG Sub Prog.)	Instrumentation	
1	Diploma I	5	-	5	10
2	Diploma II	5	-	5	10
3	Diploma III	-	10	-	10
TOTAL					30

Through the scholarship program, we hope to find the best candidates who are also ready to work in the gas industry and at the same time fulfill some of our social responsibilities to the community.

3. Performance Management

PGN recognizes that the foundation for the Company's success is the performance of its employees. We therefore place a high value on employees who have a demonstrated track record of good performance, and consistently improve our performance management to facilitate such success. In 2011, we carried out a series of measures to update our Key Performance Indicator-based performance management.

We began with employees at VP and AVP level from January to March 2011, training on formulating KPI-based SKI and how to cascade them down to their teams. The results of the training were implemented immediately in each Work Unit so that in 2011, the performance targets of each employee were linked with those of their supervisors and their subordinates. A mid-year review was carried out to monitor progress towards the achievement of each performance target so that both supervisors and subordinates have a strategy going forward to maximize their achievements. At the end of the year employees are assessed by their supervisors, who compare the targets set at the beginning of the year with the achievements at year end.

This achievement is then compared with that of other employees within a single population using a normal distribution. The results yield a performance rating that falls into one of six achievement categories: Outstanding, Very Good, Good Plus, Good, Reasonable and Unsatisfactory. The assessment results influence annual salary raises, bonuses and promotion opportunities.

During the year, PGN updated performance management by developing a web-based system that can be accessed anywhere, at any time through an internet connection.

With this system, employees will be able to monitor their performance target achievement and that of others at any time. At the end of 2011, the system was ready to be configured and it will be deployed in the Company's performance management in 2012.

4. Recognizing High-Performing Employees

PGN recognizes that the employees are a vital asset, and we have various reward frameworks for employees who perform well. The fair and transparent promotion process is one way in which we reward achievement.

Reliable sources of performance data in combination with competency assessment provide the platform for this process. Top management determines who is the best through a challenging process that is consistent with the principles of open and fair HR management.

EMPLOYEE WELFARE

PGN has ensured that the minimum wage paid to employees is above the regional minimum wage in each of the areas where the Company operates. PGN provides health insurance for the employees and assures gender equality by ensuring that the dependents of our women employees are recognized in the same way as those of male employees. PGN also ensures that the amount of the religious holiday allowance paid to its employees at least matches the amount stipulated by law.

The Company recognizes that success in business can only be achieved through the efforts of its employees; PGN's growth as a company therefore contributes directly to the compensation it pays its employees.

Since 2009, in line with the expansion of the business, the Company has enrolled its employees in a defined contribution pension plan. Previously, employees were enrolled in an insurance benefit retirement program. Under the current plan, employees have a choice of several pension funds or investment portfolios, which makes it easier for them to achieve their own personal investment results according to their respective goals.

PGN's employees can feel secure in the knowledge that the Company insures them against the risks involved in their work. In addition to the mandatory state social insurance that covers work accidents, death and retirement, employees are also covered by 24-hour worldwide insurance against the risk of accidental or normal death. The Company also provides Director & Officer Liabilities Insurance, which covers PGN's Management and employees against civil claims from third parties in connection with their work for the Company.

FREEDOM OF ASSOCIATION

In support of freedom of association and the application of employment regulations, SOEs in general and PGN in particular must be able to serve as role models. Given their strategic position, SOEs are frequently seen as a national barometer for other companies because of the relatively large scale of their business, and are deemed an ideal example of harmonious industrial relations in action. It is not only the company's performance that comes under the public spotlight; the way they manage their human resources, including the relationship between the company and its employees, are also frequently used as a point of reference by other companies.

In this position, therefore, PGN has to be able to serve as a model for the management of healthy industrial relations and freedom of association for the employees, demonstrating that it is possible to defend their rights while still improving the competitiveness of the Company.

PGN guarantees the right of employees to associate, gather and express their opinions, and supported these principles by establishing an employee union, Serikat Pekerja PGN (SP-PGN). SP-PGN was registered at the West Jakarta Office of Manpower and Transmigration under registration number 387/II/P/IX/2009 on 19 September 2009.

Professional Human Resources

PGN actively supports SP-PGN, and considers the union to be Management's partner in achieving the objectives of the Company. PGN provides support for SP-PGN's work by ensuring the following:

1. freedom for SP-PGN to function as a union, including in negotiating and protecting the employees' interests;
2. freedom to operationalize the Articles of Association and by-laws and other rules, choose their representatives, and organize and implement various programs;
3. financial support for the independent SP-PGN;
4. freedom for employees from the threat of dismissal or suspension without clear legal process or the opportunity to appeal to an independent and objective legal entity;
5. freedom to organize and join a federation or confederation of their choice, and freedom to affiliate with international employees' or employers' associations. The freedom of such federations and confederations is also protected.

To guarantee freedom of association for the employees and to strengthen industrial relations, PGN and SP-PGN have a Collective Work Agreement (CWA). This is the highest regulatory instrument within the internal environment of PGN and is a joint commitment on the part of the employees and the Company to create a harmonious, dynamic and fair climate for industrial relations.

As an SOE and as part of the backbone of the national economy, PGN's management of the Company has to be responsible and in accordance with the principles of Good Corporate Governance (GCG).

PGN is currently managed with integrity and supported by a highly professional workforce that is able to interact with management in a harmonious, dynamic and equitable industrial relationship. This relationship is built on an awareness of each party's responsibilities in the drive for productivity, as articulated in the Collective Work Agreement (CWA).

The Company is committed to implementing the CWA as the main instrument of agreement between the management and the employees in exercising their rights and obligations.

Information on the Shareholders

Information on the Shareholders

transforming to increase the company's added value

76.97

trillion Rupiah

PGN's market capitalization, Top 10 on BEI

Top 4

market capitalization among SOE

PGN actively engages in analyst and investor forums such as public exposes, conferences, non-deal road show, analyst meetings, conference calls, analyst visits, site visits.

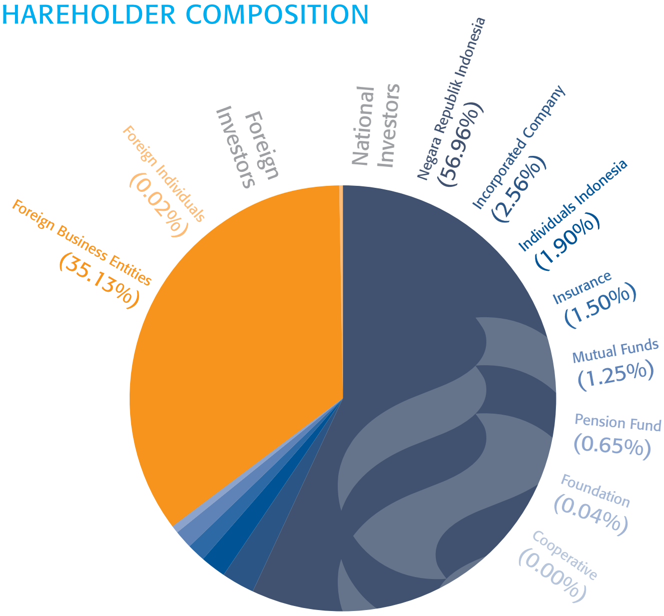
After listing its stock on Indonesian Stock Exchange in 2003, PGN's share was split from 1 to 5 in August 2005. As of 31 December 2011 total commonshare outstanding were 24,241,508,196 with government holding 56.96% and public 43.04%

Of the total commonshare outstanding, 35.14% were hold by foreign investors. In 2011, PGAS daily trading value were around Rp133 billion with highest closing price reaching Rp4,500 in January 2011 and lowest closing price of Rp2,025 in September 2011.

The Republic of Indonesia owns one series A Dwiwarna share, which has special voting rights. The Dwiwarna share has the same rights and restrictions as Ordinary Shares except for the fact that the Dwiwarna share can not be transferred, and has special rights attached to it with regard to changes in capitalization, the appointment and termination of members of the Board of Directors and Commissioners, the Articles of Association, mergers, consolidations and takeovers as well as dissolution and liquidation of the Company.

On 31 December 2011, the Republic of Indonesia owned 13,809,038,756 of the Ordinary Shares and one Dwiwarna share with special voting rights.

COMMON SHAREHOLDER COMPOSITION



SHAREHOLDER HOLDING 5% MORE OF THE OUTSTANDING SHARES AS OF 31 DECEMBER 2011

Name	Ownership	Total Shares	Percentage
Government of the Republic of Indonesia	Government of the Republic of Indonesia	13,809,038,756	56.96%

PGN has distributed interm dividend for period of 2009-2011 as follows:

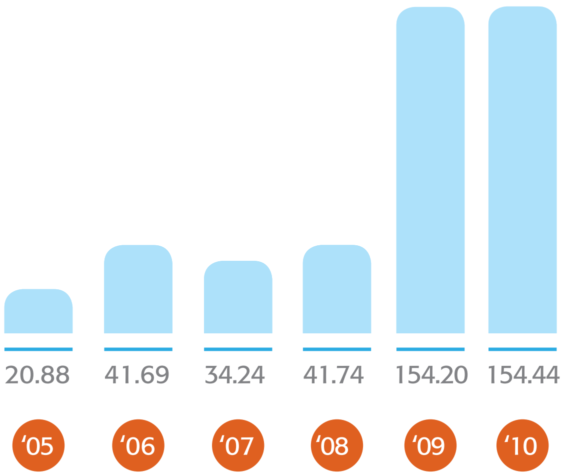
Date	Dividend Per Share (in Rupiah)
23 December 2009	10
4 January 2011	10,20
16 December 2011	10,87

CHRONOLOGY OF DIVIDENT PAYMENT

Fiscal Year	Devidend Per Share	Pay Out Ratio
2006	41.69*	50%
2007	34.24 *	50%
2008	41.74* *	98.75%
2009	154.20	60%
2010	154.44	60%

* Adjusment after stock split 5:1
** Part of total cash dividend of Rp1 trillion with the buy back shares were excluded

CASH DIVIDEND PER SHARE
(in Rupiah)



SHARES OWNERSHIP BY DIRECTORS AND COMMISSIONERS AS OF 31 DECEMBER 2011

Name	Title	Total Shares	Percentage
Tengku Nathan Machmud	President Commissioner and Independent Commissioner	0	0%
Widya Purnama	Independent Commissioner	0	0%
Kiagus Ahmad Badaruddin	Commissioner	0	0%
Megananda Daryono	Commissioner	0	0%
Pudja Sunasa	Commissioner	1,027,795	0.004%
Hendi Prio Santoso	President Director	0	0%
Mochtar Riza Pahlevi Tabrani	Director of Finance	0	0%
Muhammad Wahid Sutopo	Director of Invesment Planning and Risk Management.	0	0%
Michael Baskoro Palwo Nugroho	Director of Commercial	1,000,000	0.004%
Eko Soesamto Tjiptadi	Director of Human Resources and General Affairs	0	0%
Jobi Triananda Hasjim	Director of Technology and Development	0	0%

CHRONOLOGY OF STOCK LISTING

Description	Republic of Indonesia (shares)	Public (shares)	Total (shares)	Percentage owned by the Republic of Indonesia
Prior to IPO	3,500,000,000	-	3,500,000,000	100%
IPO (15 December 2003) listed at BEJ and BES*				
Divestment	(864,198,000)	864,198,000		
New share issue without Rights Issue	-	820,987,000		
	2,635,802,000	1,685,185,000	4,320,987,000	61.00%
Conversion of DPP 1 (2004)	56,943,305	-		
MSOP 1 (2005-2006)	-	108,024,675		
MSOP 2 (2006-2007)	-	53,930,825		
	2,692,745,305	1,847,140,500	4,539,885,805	59.31%
Divestment	(185,802,000)	185,802,000		
(December 2006	2,506,943,305	2,032,942,500	4,539,885,805	55.22%
MSOP 3 (2007-2008)	-	53,551,388		
	2,506,943,305	2,086,493,888	4,593,437,193	54.58%
Stock Split (5:1) (August 2008)	12,534,716,525	10,432,469,440	22,967,185,965	54.58%
Conversion of DPP 2 phase 1 (April 2009)	992,724,172	-		
	13,527,440,697	10,432,469,440	23,959,910,137	56.46%
Conversion of DPP 2 phase 2 (October 2009)	281,598,059	-		
	13,809,038,756	10,432,469,440	24,241,508,196	56.96%
As of 31 December 2010	13,809,038,756	10,432,469,440	24,241,508,196	56.96%
As of 31 December 2011	13,809,038,756	10,432,469,440	24,241,508,196	56.96%

* merger to become Indonesia Stock Exchange

CHRONOLOGY OF OTHER SECURITIES LISTING

In 2003 the Company, trough its subsidiary PGN Euro Finance 2003 limited (PGNEF), listed USD150 million of Guaranteed Notes, scheduled to mature in 2013, with Singapore Exchange Securities Trading Limited (SGX-ST).

In 2004, the Company, again trough PGNEF, listed USD125 million of guaranteed Notes due in 2014.

CORPORATE ACTION

The average cost of debt down to 2.56% after the bond redemption of USD275 million on 24 December 2009

Type of Security	Value	Stock Exchange	Coupon Rates	Maturity Date	Ratting	Status
Guaranteed Notes	USD 150 million	Singapore Exchange Securities Trading Limited	7,5%	10 September 2013	Ba2 by Moody's	Fully paid at par value as of 24 December 2009
Guaranteed Notes	USD 125 million			13 February 2014	BB- by S&P	

CREDIT RATING AS OF 31 DECEMBER 2011

Rating Agency	Rating	Outlook
STANDARD & POOR'S RATINGS SERVICES	BB	Positive
MOODY'S	Ba1	Positive
FitchRatings	BB+	Positive

Credit rating agency, Moody's increased PGN's credit rating from stable to positive on 19 January 2012 following the improved credit rating by fitch from BBB- with stable outlook to BB+ with positive outlook on 15 August 2011.

Investor Relations Activities in 2011

Since it was established in 2004, the Investor Relations division has been the bridge between PGN's management and investors and analysts seeking information about PGN. Investor Relations introduces PGN to the capital market community by engaging and communicating with shareholders. To implement the principles of disclosure and transparancy in all the Company's activities, particularly those of a material nature, Investor Relations delivers balanced information promptly through various communications media such as email, the website, and conference calls.

To comply with disclosure requirements, reports are submitted to Bapepam-LK and the Indonesia Stock Exchange (IDX) as the Capital Market Authorities. Reporting of information disclosure to the Indonesia Stock Exchange was submitted through IDXNET. In addition, the Company regularly engages analysts and investors through forums such as public exposes, analysts' meetings, conference calls, analysts' visits, site visits, participation in conferences and non-deal roadshows.

Investor Relations is a unit under the Corporate Secretary supervision that interacts with the Board of Directors and related Divisions at the Company to support information disclosure of the Company. Investor Relations also communicates response, inquiries, critics and advices from investors to the Management of the Company.

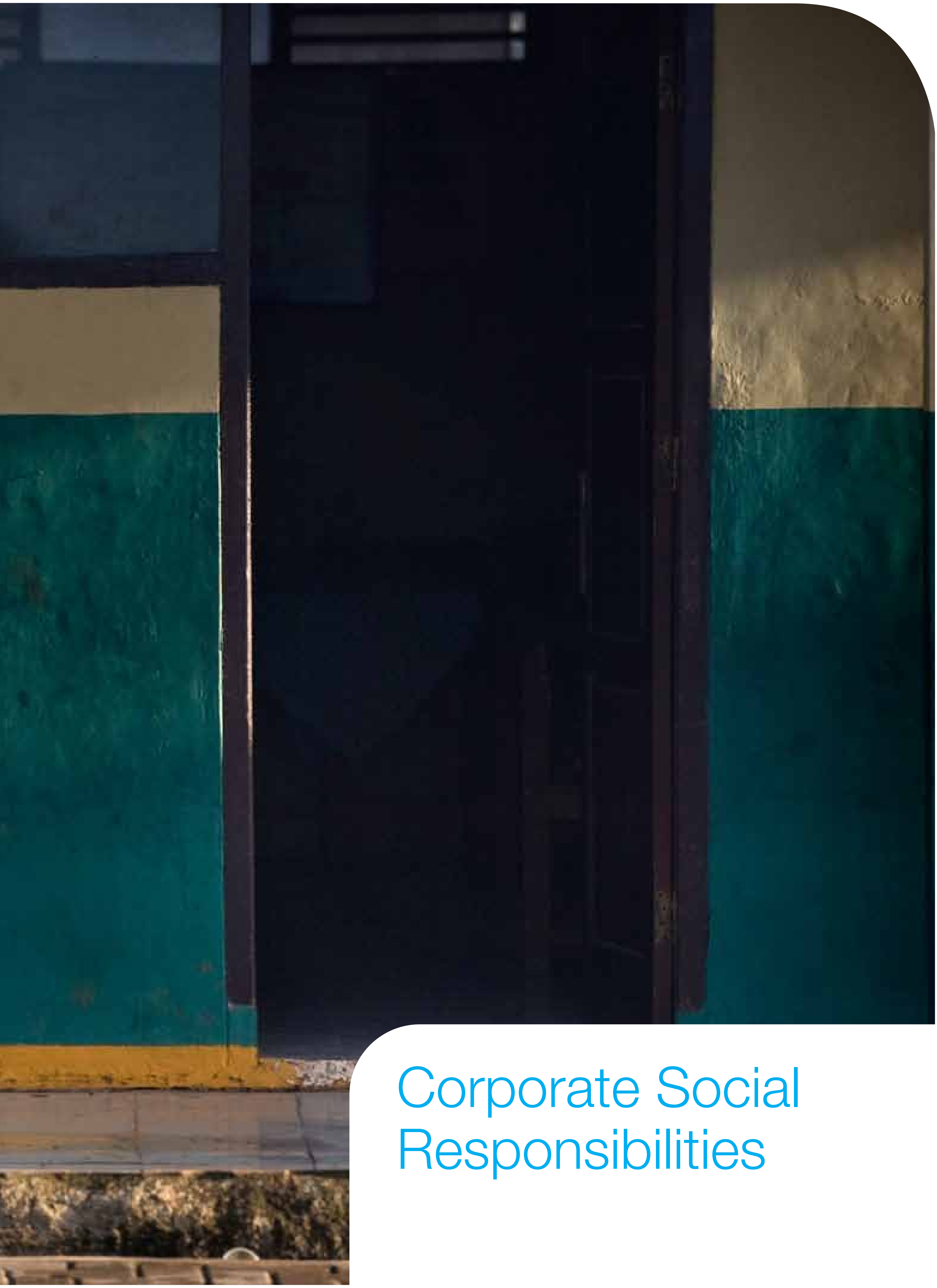
The following investor relations activities were held in 2011 to present and explain the Company's ever-improving condition and achievements to shareholders.

INVESTOR RELATIONS ACTIVITIES IN 2011

Activities	Frequency
External Reports: • Report to Bapepam-LK • Reports to IDX	55
Non-Deal Roadshow dan Conference	6
Analyst visit	83
Conference Call : • Global Conference Call: • In-house Conference Call:	54
Site Visit	2
GMS	2
Public Expose	1
Investor Summit	1
Annual Report	1

During 2011, the Company attended 6 Non-deal Roadshow (NDR) and Conferences held by International Securities Companies included Merryl Lynch, UBS, Goldman Sach, Macquarie, Morgan Stanley & Deutsche. The Company also participated in Investor Summit event held by Indonesia Stock Exchange. Investor Relations served 83 times of Company Visit from analysts and fund managers in the country and abroad. Conferece calls included Global Conference Call were held with PGN's Management, facilitated by Thomson Reuters. Investor Relations consistently implements the principle of transparency and disclosure to comply with the regulations applied to public listed companies.

Madrasah Tsanawiyah Bany Tsamin
Desa Teluk Terate, Serang Regency, West Java



Corporate Social Responsibilities

Corporate Social Responsibilities

transforming to contribute in the national development

289.16
billion Rupiah
fund disbursed for SER & PCDP

54
school building
construction and renovation

1,050
students were awarded scholarships
in 14 State Universities

Social and Environmental Responsibility is the Company's commitment to participating in sustainable economic development to improve the quality of life and the environment which is beneficial, both for the Company itself, the local communities, and society as a whole".

In 2007, PGN developed Kampung Binaan Pagardewa as part of its commitment in the corporate social and environment responsibility.

In moral terms, Social and Environmental Responsibility (SER) is our obligation as a good corporate citizen, which operates a business within society and interacts with various other stakeholders, including the environment which PGN must conserve for future generations.

PGN believes that the existence of a company will be well accepted by the community and other stakeholders if Social and Environmental Responsibility is properly fulfilled. Although for example the Company is in a financial crisis, as a responsible company, its commitment to addressing social and environmental issues will remain.

Moreover, if linked to the role of SOEs as "agents of development", PGN is obliged to run its business with an environmental perspective and must participate in the Government's efforts to create a prosperous society, through the implementation of various environmental, social, and community programs, as reported in this chapter.

Our Definition of Social and Environmental Responsibility

PGN has adopted the definition of social and environmental responsibility articulated in Article 1 (3) of Law No 40 year 2007 regarding Limited Liability Companies, which emphasizes that "Social and environmental responsibility is a company's commitment to participating in sustainable economic development to improve the quality of life and the environment in a way that benefits the company itself, the local communities, and society as a whole".

Social and environmental responsibility is more commonly referred to by the international community as Corporate Social Responsibility (CSR). For PGN as a listed company, 'SER' is a synonym for CSR. As defined by the international community—a definition that we have also adopted—CSR involves not only charitable donations, but also takes in broader concerns, such as environment, respect for human rights, the obligation to provide a safe and healthy workplace and maintain good working relations with the employees, health and safety in the workplace, and participation in local economic and community development.

To ensure that CSR is implemented effectively in PGN, with optimal results that deliver maximal impact, PGN refers to its own concept of CSR, which we call “PGN Share”:

- Contribute to the improvement of community WELFARE;
- Build HARMONIOUS relations with stakeholders;
- Ensure the sustainability of the Partnership Program and the Community Development Program as a MANDATE;
- Be RESPONSIVE to social concerns;
- Show EMPATHY with social concerns.

This report is presented partly to ensure its compliance with the provisions of Article 66 (2c) of Law No 40 year 2007 regarding Limited Liability Companies, which explicitly states that the annual report must contain a report on the implementation of Social and Environmental Responsibility.

Scope and Funding of SER

Referring to the definition of SER above, the scope of SER can be divided into two parts. The first of these is Internal SER, i.e. the social and environmental responsibilities that are implemented through the day-to-day functions and operations of a work unit, which are regulated by various Company regulations derived from the provisions and regulations in force, such as the laws on the environment, labor, oil and gas, and so on.

More specifically, the scope of Internal SER encompasses our responsibilities with regard to the environment, labor, safety and health, and products, and is implemented by each of the work units concerned. The funds for Internal SER activities are budgeted each year in the Corporate Work Plan and Budget (RKAP). PGN take the implementation of Internal SER very seriously, because this is what will sustain the Company in the long term period.

The second part is the SER Program, which is SER packaged into various programs that are managed by a separate work unit, the Social and Environmental Responsibility Division, which reports to the Director of Finance. Broadly, the scope of the SER Program covers the Partnership and Community Development Program and the CSR Program.

As a State-Owned Enterprise (SOE), PGN is required to run a Partnership and Community Development Program (PCDP). The implementation and activities of the PCDP refer to Minister of SOEs Regulation No. PER-05/MBU/2007 regarding SOE Partnership Programs with Small Enterprises and the Community Development Program. In addition, PGN is also required to implement a CSR Program, as stated in Article 74 of Law No 40 year 2007 regarding Limited Liability Companies.

The source of funds for the PCDP activities is from the Company’s profits. In 2011 a total of Rp 249.57 billion was allocated to PCDP activities, 60.27% more than in 2010. The funds for the CSR Program, as intended in Article 74 of Law No 40 year 2007, come from the Company’s budget, and in 2011 totaled Rp 23.62 billion.

The PCDP funds are used for Partnership Program, which includes the disbursement of revolving loans and other activities to empower economic of local communities, and Community Development activities, which encompass assistance for the

Madrasah Tsanawiyah Bany Tsamin
Desa Teluk Terate, Serang Regency, West Java

provision of facilities and infrastructure, as well as assistance for communities affected by natural disasters, and other community assistance. Similar to the Community Development program, the CSR Program channels funds to finance the construction of facilities and infrastructure as well as other assistance for communities and environmental conservation programs.

Overall, the social and environmental responsibility activities implemented in 2011 included environmental conservation programs, which were mainly related to initiatives to mitigate carbon (CO2) emissions; programs related to labor and workplace health and safety issues; the Partnership Program and community economic empowerment; the construction of community facilities and infrastructure for communities; and disaster relief and community assistance programs.

Kampung Binaan PGN
Pagardewa, Palembang

PGN'S KAMPUNG BINAAN IN PAGARDEWA

In 2005, PGN provided assistance for the installation of electricity from PLN, the construction of sanitation facilities, and a clean water supply for the people of Pagar Dewa village in Muara Enim, South Sumatra.

This village is situated within our operational area. After conducting an in-depth study and coordinating with the local government, we went a step further by rebuilding the village as part of our Community Development Program, to improve the quality of life of the people living there.

In 2011, PGN rebuilt the village by renovating and/or constructing public facilities and infrastructure, including the following projects:

- Renovation and addition of classrooms, as well as the provision of furniture, computers and other equipment to support Early Childhood Education (PAUD).
- Construction of 2 new classrooms and the renovation of 4 old classrooms at Primary School
- Construction of a Manager's House and Sub-Puskesmas (primary health center).
- Renovation and conversion of teachers' houses into the Sub-Puskesmas and houses for the Development Village caretakers as well as provision of medical equipment for the Sub-Puskesmas.
- Construction of a mosque and provision of equipment (prayer mats, ornamental lights, sound system, lectern, etc.).
- Construction of a village hall as well as equipment for its upkeep.

- Construction of a Public Reading Room and a Playground.
- Construction of infrastructure, including road paving, gardens, sewers, street lighting, etc.

ENVIRONMENTAL RESPONSIBILITY

Policy

PGN's commitment to environmental responsibility is fulfilled through various programs attached to and managed by each of the functions in the specific work units, namely the Occupational Safety and Health and Environmental Management (OSH&EM) Division and the SER Division.

PGN recognizes that its activities in its operations have impacts on the environment; this may include carbon (CO^2) emissions resulted from electricity use, fuel consumption, and work-related travel, as well as chemical substances use that could damage the ozone layer. Our operational activities also have the potential to damage the environment if they are not properly handled, such as office waste, water consumption, and emissions from gas installations.

Corporate Social Responsibilities

As a responsible company, we are strongly committed to operating with an environmental perspective. PGN has acted on this commitment by formulating various environmental policies, including the following:

1. Preparing an AMDAL (Environmental Impact Analysis) for each new project with the help of independent external parties;
2. Executing the RKL (Environmental Management Plan) and RPL (Environmental Monitoring Plan), and reporting regularly (every semester, 2 times a year) to the related agencies
3. Encouraging employees to save electricity consumption
4. Replacing machineries with new, energy-saving technology
5. Encouraging employees to adopt the 'paperless' culture

Activities

Each work unit is required to adopt environment-friendly practices. At the time of preparing this report, PGN's calculating the carbon footprint of the Company's operations as the baseline for formulating policies and devising smart solutions for reducing its CO^2 emissions. For this project, PGN has also assigned independent third parties to conduct the projects of studies on carbon footprint and energy efficiency.

At the same time, through our Community Development Program and CSR Program, PGN has carried out various activities aimed at conserving the environment with fund of Rp6.3 million disbursed. In 2011 these activities included:

- Improving environmental quality and rehabilitating forest areas to conserve protected forests and community forests, in collaboration with PT Perhutani (Persero), IPB, Brawijaya University and the Forestry Offices of Lampung and South Sumatra. Through this program, in 2011 PGN planted 934,638 trees, or 43.79 % more than its target of 650,000 trees.
- Integrated waste management, which involves converting waste into compost, in line with the policy of the Ministry of the Environment. Working with the respective local governments, PGN implemented this program in Batam, Palembang, Lampung, Bogor, and Surabaya in 2011.
- Converting seawater into fresh water through the Drinking Water Supply Installation program in Panggang Island in the Thousand Islands, in collaboration with PT Energi Manajemen Indonesia (Persero).
- Establishing conservation and beach ecosystem communities to increase income and environmental qualities in the Kedawang and surrounding areas
- Renewable energy in villages. In 2011, working with Brawijaya University, PGN was able to provide renewable energy using micro hydro-electricity technology in the village of Tiris, Probolinggo, East Java.

These activities have positive impact on the environment, and are the tangible contribution to environmental conservation and addressing global warming and climate change.

Through the implementation of these programs, PGN has observed the growing awareness among its employees and the communities, the company work with of the importance of protecting the environment.

Financial Impact of the Activities

A total of Rp. 1,891,917,725 was spent on environment-related activities in 2011. This figure included the cost of drafting environmental documents and reports on environmental management and monitoring.

Environmental Certification

In line with PGN's vision of being "a world-class energy company in natural gas exploitation," the Company, which as originally concerned only with local issues, has now shifted its orientation towards the global market, which not only expects quality products/services but is also beginning to demand better control over environmental, safety and health issues.

To comply with Government regulations and international standards, particularly the application of the OHSAS 18001:2007 and SMK3 Management System, we conducted a Diagnostic Assessment of the application of these systems, setting a target of achieving OHSAS 18001:2007 and SMK3 Management System certification in 2013.

LABOR, OCCUPATIONAL SAFETY AND HEALTH

PGN's employees are both assets and stakeholders of the Company. CSR is therefore highly strategic for the Company as it encompasses labor issues as well as workplace health and safety. PGN's human resources play a strategic role in the continuity and sustainability of the business. As a result, the Company pays close attention to improving their professionalism as well as ensuring that remuneration is in line with industry standards.

LABOR

Policy

One of the Management's priorities in improving the Company's performance is Human Resources (HR). In the face of intensifying competition, PGN has sought to optimize human resource management while giving due attention to the interests of the employees. To implement its policy on managing high quality human resources and to take into consideration the interests of both management and employees, the management maintains a conducive working relationship by applying the following model:

1. Managing relations with the employees
   The Company views the employees as partners in growing Company profits, partners in carrying out operational tasks and partners in increasing productivity. The relationship involves the employees, the union and the Company
2. Compliance with labor and employment laws and regulations
   Compliance with the legislation minimizes the possibility of violations of human rights in industrial relations
3. Pay
   The Company guarantees that the pay received by the employees is above the statutory minimum wage
4. The Company upholds the human rights of its employees and fully supports the establishment of a union, and respects the employees' right to express their opinions and aspirations
5. The Company organizes various improvement and competency training programs for employees to create a highly competent workforce
6. Equality in career development
   Each employee has the same opportunities to develop their careers. This is related to the principle of open and transparent HR management
7. Gender equality in remuneration
   The Company guarantees gender equality, particularly with regard to health insurance, for which women employees can claim for their dependents on an equal basis with male employees. Men and women employees are also treated equally with regard to pay.

Corporate Social Responsibilities

Farming Cluster
Serang Regency

Activities

In 2011, PGN fulfilled its social responsibilities with regard to labor by conducting several activities as follows:

1. 167 training programs, comprising:
   a. 20 trainings for mandatory competencies with 391 employees participating in the program
   b. 8 training for supporting competencies with 227 employees participating in the program
   c. 139 training for specific competencies with 3,656 employees participating in the program
2. The Collective Work Agreement (CWA) was agreed on June 1, 2011 and witnessed/signed by the Ministry of Manpower No. 78/PHIJSK-PKKAD/PKB/VI/2011 on June 13, 2011
3. The Company has formulated an Employee Retirement Benefits package in accordance with the provisions and the Company rules.
4. Key Performance Indicators have been implemented effectively, and form the basis of promotion and career development decisions for our employees.
5. PGN's employees' remuneration is index-linked to inflation, and also depends on individual employee achievements.

Financial Impact of the Activities

PGN is continually guiding and developing the employees to ensure that they acquire the competencies and skills they need. This is effected through education, training and special assignments, as well as transfers and promotion. The HR development is competency-based, focusing on both generic and technical competencies.

Employees receive periodic updates on the competencies they possess, based on assessment results.

Guided by this competency profile, employees are given advice and recommendations on the options available to them to develop their competencies. The development programs on offer range from training programs and assignments to job enlargement, job enrichment, and others.

In 2011 PGN provided a total of 31,366 man days of education and training for employees at a total cost of Rp. 28.766 billion.

OCCUPATIONAL SAFETY AND HEALTH

Policy

We have stipulated a number of strategic policies on Occupational Safety and Health, as follows:

1. Zero Incidents Targets, which includes the following:
   a. Fatalities $= 0$
   b. LTIF ≤ 1
   c. TSAF ≤ 0.5
   d. RCA Findings Severity Value 4/5 $< 80\%$
2. Education and training in 2011 included:
   a. In-house training:
      - LNG Process Standards, Safety Operational & Environmental Procedures. Internal OSH Audit (certified)
      - Hazards of LNG Processes
      - Process Hazard Analysis
   b. Public Training:
      - Basic fire and safety Training
      - OSH Management System
      - First Aid
      - Defensive Driving Course
      - Quality Assurance
      - OSH Audit
      - General OSH Experts
      - Process Safety Management
3. Activities related to the Formulation and Dissemination of Operational Procedures
   - Dissemination of Contractor Safety Management in all Units
   - Preparation of OSH&EM Operational Procedures

4. Provision of occupational safety equipment as specified in the 2011 RKAP Guidelines, including:
   - Providing personal work equipment including wearpack and personal safety equipment
   - Installing safety signs in each offtake station inluding the offtake entry rules sign , wind sock, lightning protection and other warning signs
   - Avoiding the use of portable fire extinguishes (APAR) with foam/powder, which can have a negative impact on the environment
5. Inspection and Supervision
   Inspection/supervision by the OSH&EM Division through the monitoring activities of all Work Units.

Activities

In 2011, OSH responsibility was fulfilled by conducting activities, as follows:

1. Zero Incidents Target realization in 2011 was as follows:

a. Fatalities $= 0$ (Achieved)
b. LTIF ≤ 1 (Achieved)
c. TSAF > 0.5 (for Head Office and SBU I, not achieved)
d. RCA Findings Severity Value 4/5 $< 80\%$ (not achieved)

The recapitulation of the Zero Incidents Target realization in 2011 is shown in the following safety metrics:

QUARTER REPORT ON SAFETY METRIC IN 2011

Item	Head office	SBU Distribution I	SBU Distribution II	SBU Distribution III	SBU TSJ	Remarks	Target
Fatalities	0	0	0	0	0	In 2011	0
LTIF	0	0	0	0	0	In 2011	1
Minor Accidents	0	0	1	0	0	In 2011	
First Aid	2	0	0	2	7	In 2011	
Near Missed	14	0	37	0	4	In 2011	
Vehicular Accidents	21	8	0	0	0	In 2011	
TSAF	1,23	0,52	0,43	1,22	0,18	In 2011	0,5
Safe Working Hours (Hours)	2.281.601	6.768.643	4.612.735	4.180.401	4.107.097	Cumulative up to 2011	
Risk Containment Audit							
- % Participation	100,00%	100,00%	100,00%	99,12%	98,00%	OSH&EM Division implemented RCA in the Head Office (December data 2011)	100%
- % Severity 4/5	7,14%	12,00%	8,73%	14,53%	1,00%		20%
- Severity Improvement 4/5	100,00%	62,22%	12,11%	22,02%	76,00%		80%
Observation							
- % Participation	-	100%	100,00%	69,43%	98%		100%
BOD Site Visit	-	Implemented	-	Implemented	Implemented		100%

2. Education and training

No	Training Type	Activity Implementation
I	In-house Training	
a.	LNG Process Standards, Safety Operational & Environmental Procedures, in Bontang	7-11 February 2011 and 19-23 July 2011
b	First Aid	24-25 March 2011 and 7-8 April 2011
c	Office safety	25 February 2011
d	OSH Management System Training	28-30 December 2011
II	Public Training	
a	Process Safety Management Training	26-27 July 2011
b	Process Safety Information Training	30 September 2011
c	Quality Assurance Training	29 September 2011
d	LNG Custody Transfer Training	1-4 November 2011
e	Marine Harbor Training	15-16 November 2011

3. Realization of activities related to Operational Procedures (OP):

- OP for Contractor Safety Management were disseminated in all Units
- OP for OSH&EM were formulated and endorsed on 25 August 2011, and consist of:
  - OP for Job Safety Analysis
  - OP for Work Permit
  - OP for Process Hazard Analysis
  - OP for Job Cycle Check
  - OP for Risk Containment Audit
  - OP for Observation and Reporting
  - OP for Internal OSH Audit
  - OP for Management Of Change
  - OP for Lock Out Tag Out
  - OP for Incident Investigation
  - OP for Emergency Response Plan
  - OP for Pre Start Up Safety Review
  - OP for OSH Demonstration Report

4. Occupational safety instruments have been procured as specified in the RKAPs prepared by each Unit and Division in 2011.
5. Annual inspections and supervisions were carried out in all Units and Projects on the following dates:

No	Monitoring	Activity Implementation
a.	SBU DW I Western Java	18 April - 4 May 2011
b	SBU DW II Eastern Java	30 May - 1 July 2011
c	SBU DW III Northern Sumatra	12 - 16 September 2011
d	SBU Transmission Sumatra Java	9 -14 October
e	Lirik - Ukui Distribution Project	27-28 October 2011

Financial Impact of the Activities

Funds spent on activities related to occupational safety and health in 2011 amounted to Rp9,465,786,363.

SOCIAL AND COMMUNITY DEVELOPMENT

The Partnership Program, which is part of the Partnership and Community Development Program (PCDP), is aimed at nurturing local economies, particularly in the vicinity of PGN's operational areas, to build self-reliance and resilience. This program is essentially aligned with the Government's poverty reduction program.

Madrasah Diniyah Al-Jauhrotun Naqiyah
Desa Toyomerto, Serang Regency, West Java

Policy

As well as referring to the Minister of SOEs Regulation that governs PCDP, this program also seeks to synchronize with the local potential in the beneficiary communities. The primary targets of this program are small and medium enterprises (SMEs).

In implementing this program, PGN referred to the stipulated policies, as follows:

- Priority beneficiaries are the people living in or in the vicinity of our operational areas, or close to a natural gas pipeline network.
- The provision of assistance to beneficiaries outside PGN's operational area is intended to support Government programs.
- The assistance provided to beneficiaries should, to the extent possible, be in kind.
- Priority is given to the distribution of partnership program assistance to Clusters.
- PCDP assistance is distributed both individually and in synergy with other SOEs.
- SER supports PGN's operational and development activities.

In the interests of doing our part to maintain stability in the supply and prices of domestic agricultural products, we have created synergies through our cooperation with a number of SOEs on the implementation of Partnership Programs, as follows:

- Support for the Cooperative-based movement to Increase Food Productivity (GP3K) Program, a synergized effort with PT Pertani (Persero) and PT Sang Hyang Seri (Persero) to increase rice

production
- Provision of funds to sugar cane farmers in East Java to maintain stability of sugar production and prices, in cooperation with PTPN X (Persero) and PTPN XI (Persero)
- Boosting national salt production through partnership loans for salt farmers, in collaboration with PT Garam (Persero).

Through the Partnership Program in 2011, PGN established Micro and Small Business clusters to facilitate management, coordination and communication with its Partners, and to facilitate its supervision as follow:
- Livestock Farming clusters in South Sumatra and Lampung to guarantee the supply of meat in these areas, and providing training, in collaboration with other relevant agencies, on livestock farming and processing animal waste.
- Tenun weaving clusters in Garut and Majalaya, in collaboration with Cita Tenun Indonesia, to conserve this cultural heritage and develop the weaving industry while increasing the sale value of weaving products
- Clusters of craftsmen and women working with silver/copper and palm fiber weaving, in collaboration with the Chamber of Commerce and Industry of Special Region of Yogyakarta

To improve quality as well as the technical, administrative and marketing capacities of the partners, PGN provided guidance and support for our Partners through financial management and marketing training, and involved them in local, national and international exhibitions.

Activities

In 2011, the Partnership Program disbursed Rp.188.27 billion, resulting in an 8% improvement in disbursements effectiveness compared to 2010, from 88% to 96%.

The number of partners grew by a phenomenal 529% to 38,430 partners in 2011, from 6,109 partners in 2010.

Our partners are involved in a variety of businesses, namely from livestock and crop farming to the creative industry. PGN provided assistance in the form of loans and assistance through grants, training and promotion.

In 2011, the Community Development Program focused on improving social welfare through education, health and environmental management programs worth Rp 84.68 billion or 64% of the work plan and budget, increased from Rp 35.41 billion in 2010.

Partnership Program activities in 2011 included training on Management and Finance, Marketing and Motivation, cattle and goat husbandry, rice farming, sugar cane farming, design motif dyeing & weaving and design.

To boost marketing and promote the business of our Partners, PGN organized a number of activities with them in 2011, including the SOEs PCDP Gelar Karya (Exhibition of Work); Inacraft; Interior & Craft Exhibition (ICRA); Indonesian Product Expo in Amman, Jordan; Trade Expo Indonesia; World Batik Summit, Asia Expo, Singapore; Inacraft Style, Malaysia; and other exhibitions.

Madrasah Diniyah Al-Jauhrotun Naqiyah
Desa Toyomerto, Serang Regency, East Java

Farming cluster
Oku Timur Regency, Sumatera

HIGHLIGHTS OF REVOLVING FUND DISBURSEMENT TO PARTNERS, 2011

Business Type	Number of Partners	Total (million Rp)
Industry	186	7,597,500,000
Commerce	13	475,000,000
Farming	30,355	99,000,000,000
Animal Husbandry	79	4,020,000,000
Plantation	1,685	64,600,000,000
Fisheries	0	0
Services	3	130,000,000
Others	0	0
Funds for partnership program		12,456,456,149
Total	32,321	188,278,956,149

Assistance for Communities and Natural Disaster Relief

In addition to the Partnership Program, PGN have a Community Development Program, which is also part of PCDP and SER. The activities under this program in 2011 included the following:

Education

To increase total disbursement by means of the number of beneficiaries, value, and type of program, PGN has added to its partners through synergies with SOEs and other institutions. The program includes:

a. Increasing the public's interest in reading by publishing a series of 20 comics on National Heroes, which have been distributed to schools in PGN's operational areas and public reading rooms in its partnership village, PGN Pagardewa, through a synergy with PT Balai Pustaka (Persero).

b. The construction and renovation of 54 schools, involving minor and major renovations as well as the construction of new classrooms, in the Company's operational areas, through a synergy with PT WIKA (Persero) Tbk.

c. Demonstrating its concern for improving the quality of education in remote areas, PGN worked with Indonesia Mengajar to send 25 young teachers to schools in its operational areas.

d. Improving teachers' competencies through Teacher Training for volunteer preschool teachers and Early Childhood Education (PAUD) and writing skills for High School teachers.

e. Increasing disbursement by increasing the number of scholarship recipients and increasing the value of scholarships. Scholarships were awarded to 1,050 students in 14 state universities.

Worship Facilities

This program is aimed at enhancing the quality of religious activities. In 2011 PGN provided assistance for the renovation and construction of places of worship and other supporting facilities, as well as assistance for conducting religious activities. In addition, PGN provided donations for orphans, and assisted a number of couples so that they could participate in a mass wedding, as well as other religious activities.

Health Facilities

The Health-related activities PGN conducted in 2011 included the following:

- Adding 4 more mobile health units, working with Rumah Zakat to improve community health in remote areas within its operational areas
- Free health services as an expression of its concern for disadvantaged communities, working with Baznas by building a 'Health House' in Sidoarjo
- Providing health services for people making the trip to their hometowns for the Idul Fitri holiday through the 2011 Posko Mudik Sehat PGN Program

Public Facilities

Activities in 2011 included:

- Providing clean water for the community on Panggang Island in the Thousand Islands by processing seawater, in a bid to improve health and the economy while conserving water, working with PT Energi Management Indonesia (Persero)
- Building more public roads in its operational areas
- Building sanitation facilities in slum areas
- Providing street lighting facilities powered by solar cells at the village hall in its partnership village of Pagar Dewa in South Sumatera.

Disaster Relief

In 2011 PGN showed its concern and empathy for those affected by natural disasters by providing the following assistance:

- Assistance for people affected by the eruption of Mount Bromo in East Java, in the form of basic needs packages, clean water installations and water pumps
- Assistance for people affected by the earthquake in Tarutung, North Sumatra, in the form of basic needs packages, medicines, clothes, and funds to rebuild schools and places of worship as part of the post-earthquake recovery effort.

Financial Impact of the Activities

Fund disbursed for Social and Community Development in 2011:

Description	SER	PCFP	Total
A. COMMUNITY DEVELOPMENT PROGRAM			
Education	100,000,000	45,920,465,526	46,020,465,526
Public Infrastructure	99,065,000	8,081,183,644	8,180,248,644
Worship Facilities	3,418,720,000	14,505,755,098	17,924,475,098
Health Facilities	2,070,200,690	9,638,131,024	11,708,331,714
Environment Preservation	13,500,000	6,311,028,475	6,324,528,475
Disaster Relief		222,406,249	222,406,249
Total Fund Disbursement for Community Development	5,701,485,690	84,678,970,016	90,380,455,706
B. PARTNERSHIP PROGRAM			
Soft Loan			
Aceh		3,392,652,969	3,392,652,969
Lampung		21,322,113,310	21,322,113,310
Banten		6,301,271,475	6,301,271,475
D.I. Yogyakarta		6,712,500,000	6,712,500,000
DKI Jakarta		125,000,000	125,000,000
West Java		31,468,728,532	31,468,728,532
Central Java		22,699,149,964	22,699,149,964
East Java		70,035,000,000	70,035,000,000
South Sumatera		10,685,200,000	10,685,200,000
North Sumatera		1,198,400,000	1,198,400,000
West Kalimantan		1,882,483,750	1,882,483,750
Total Soft Loan (1)		**175,822,500,000**	**175,822,500,000**
Training			
Training in Marketing/Promotion		4,844,706,006	4,844,706,006
Learning Training		7,611,750,143	7,611,750,143
Total for Training (2)		**12,456,456,149**	**12,456,456,149**
Total Fund Disbursement for Partnership Program (B=1+2)		**188,278,956,149**	**188,278,956,149**
C. OPERATIONAL EXPENSE			
Partnership Program Expenses		2,152,496,211	2,152,496,211
Community Development Program Expenses		4,164,004,536	4,164,004,536
Advance Payment for PCDP		4,182,599,863	4,182,599,863
Total Operational Expenses (C)		10,499,100,610	10,499,100,610
GRAND TOTAL (A+B+C)	5,701,485,690	283,457,026,775	289,158,512,465

Farming cluster
Oku Timur Regency, Sumatera

RESPONSIBILITY TO CONSUMERS

Policy

As a responsible company, PGN is strongly committed to meeting its responsibilities to its consumers. For PGN, customer satisfaction is a fundamental aspect of service. PGN is committed to implementing customer satisfaction programs by holding campaigns to emphasize the importance of premium service in ProCISE, its corporate culture, one of the values of which is Service Excellence.

Activities

2011, To fulfill its responsibility to consumers in 2011, PGN carried out the following:

1. PGN developed its customer information and complaints center, known as the Gas Contact Center, which can be reached by phone on 0800 1 500 645 (toll free) or 021 633 3000, or by email at contact.center@pgn.co.id

2. PGN measured customer satisfaction internally in each Sales and Service Area.
3. To communicate more effectively, share the latest information, educate the market and foster closer relationships between the Company and its customers, PGN held a series of Customer Gatherings.
4. PGN made visits to customers and prospective customers to promote greater harmonization and synergy in the distribution of natural gas.

Financial Impact of the Activities

PGN continue to update its Service Excellence standards to enable us to fulfill customer expectations and deliver premium service. Working with an independent service provider, PGN mapped customer expectations against the Company's current condition and published a Service Excellence Pocket Book, which is used throughout the Company. This demonstrates the strong commitment on the part of the Company and each employee to delivering customer satisfaction and preparing the company to meet the business and competitive challenges in the future. In 2011, PGN's expenditure on driving improvements in the quality of customer service and customer satisfaction amounted to Rp 2.34 billion.


pgn
pgn

Safety First

Safety First

transforming to improve work quality

5,920,486
safe work hours
SBU Distribution Area I

3,588,193
safe work hours
SBU Distribution Area II

3,766,523
safe work hours
SBU Distribution Area III

3,731,306
safe work hours
SBU Transmission Sumatera Java

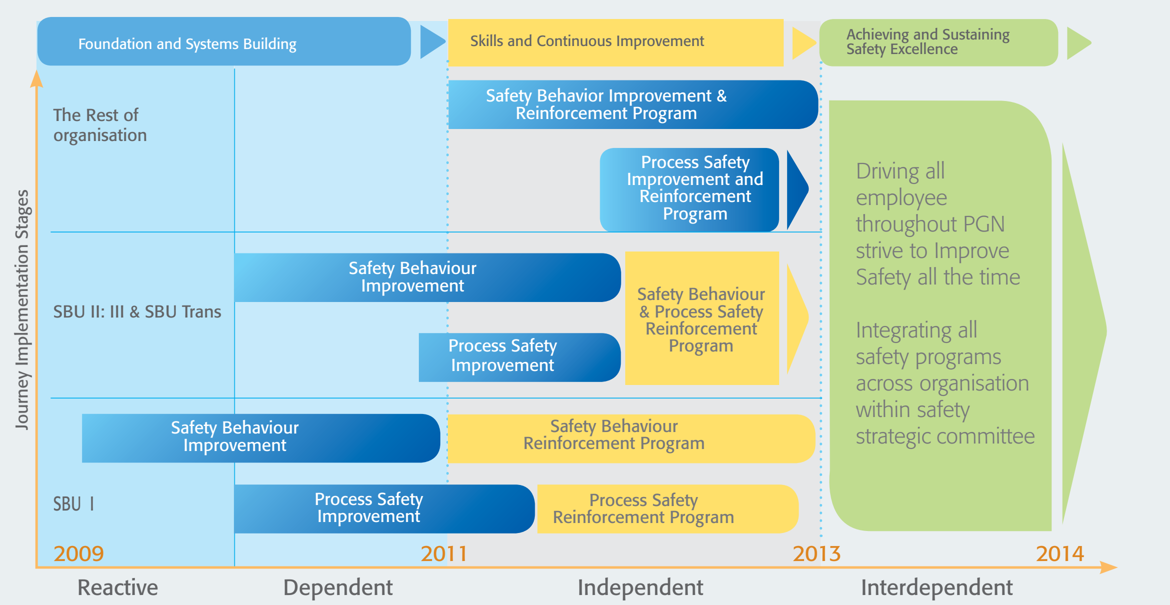
To maximize safety effectiveness in all aspects of activities, the Company established an Executive Central Safety Committee in PT Perusahaan Gas Negara (Persero) Tbk, which is headed by the President Director.

SAFETY THROUGHOUT PGN'S BUSINESS

In line with the Company's vision of being a world class energy company in natural gas utilization, safety must be considered as fundamental requirement. Safety needs to be an integral part of risk mitigation in order to reduce the potential hazards in all aspects of our business.

In line with Safety Excellence Journey Road Map, in 2011, PGN's focus was on reinforcing safety behavior and safety processes, with the aim of achieving 'self goverment' level in 2012.

High Level PGN Safety Excellence Journey Road Map



PGN Safety Assessment Report, August 2009

In 2011, the Company formulated a reference document on Occupational Safety and Health and Environmental Management (OSH&EM). This was a strategic move towards self governance in the implementation of our safety journey, as well as making safety excellence easy to understand and implement.

The management demonstrated well commitment in safety by conducting site visits. The goal is to improve communication between management and employees and motivating employees to implement safety practices.

In 2011, PGN won the "Patra Nirbhaya Karya Utama" award from the Ministry of Energy and Mineral Resources in recognition of our achievement of safe work hours throughout all our SBUs up to August 2011, which were as follows:

1. SBU Distribution I : 5,920,486 hours
2. SBU Distribution II : 3,588,192.5 hours
3. SBU Distribution III : 3,766,523 hours
4. SBU Transmission Sumatra Java : 3,731,306 hours

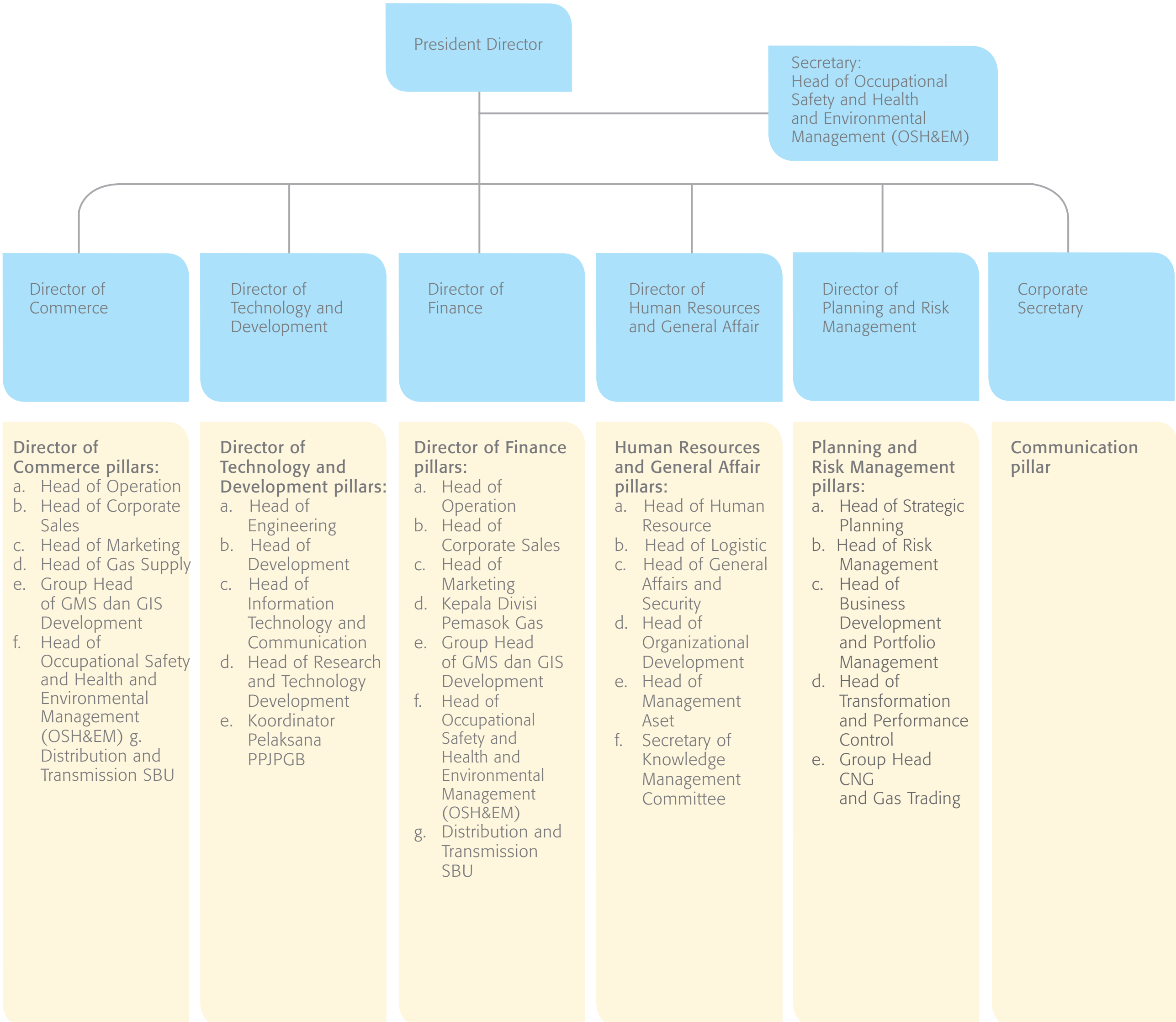
The improvement in our safety performance can also be seen in the participation and improvement of RCA 4/5 through the monthly reporting of safety metrics by each SBU. This indicates that there is already a good level of safety understanding in the Company, even though it still needs to be improved continuously.

In addition to these strategic activities, the company also carried out regular monitoring, dissemination and OSH & EM coordination meetings to improve safety awareness.

To reward SBUs for their safety performance, the Company holds an SHE (Safety, Health and Environment) Day with awards for Best SHE Performance, Best Gas Station, and Best Safety Value, among others. This is also an opportunity to communicate the Company's SHE Goals, namely zero incidents and the integration of safety implementation and environmental management in every aspect of our business.

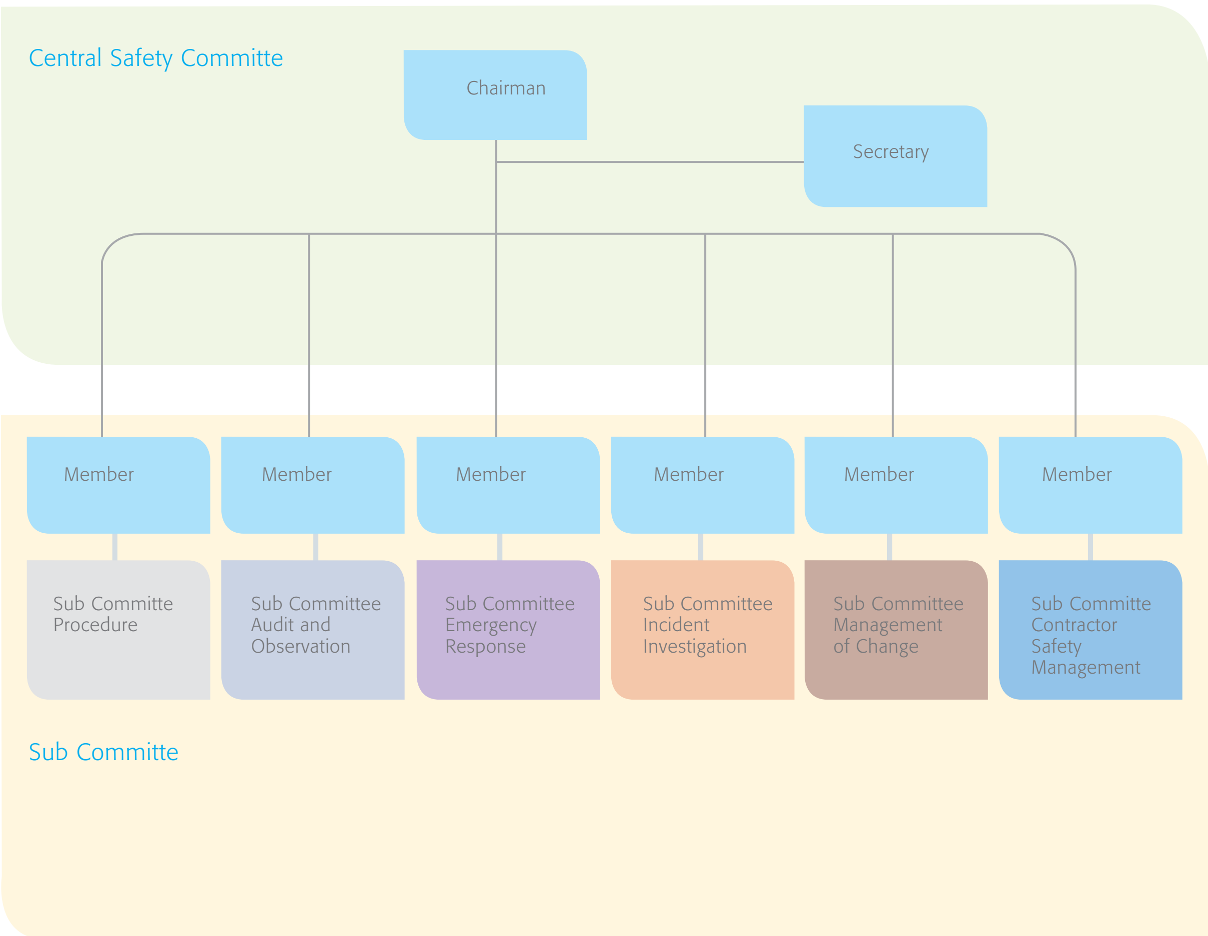
To maximize safety effectiveness in all aspects of our activities, the Company established an Executive Central Safety Committee in PT Perusahaan Gas Negara (Persero) Tbk, which is headed by the President Director.

ORGANIZATIONAL STRUCTURE OF EXECUTIVE CENTRAL SAFETY COMMITTEE



Organization of the Executive Central Safety Committee. This Committee brings together the Central Safety Committees that were formed in 2009 in each SBU under the Directorate of Commerce which are headed by the General Manager.

ORGANIZATIONAL STRUCTURE OF CENTRAL SAFETY COMMITTEE AT SBU



OPERATIONAL EXCELLENCE

Operation Excellence (OE) is the management of the Occupational Safety and Health and Environmental Management business processes, including operational asset risk/integrity, reliability and efficiency, in a structured, integrated and systematic manner. The application of OE requires the participation and commitment of the leadership, systematic application in terms of regulating aspects of safety, health, reliability and efficiency, as well as synchronization with the Company's quality improvement programs to meet its expectations and business objectives.

OE is a milestone in the operational business process that will be achieved by putting into practice a series of operational principles that will make the company a 'PRUDENT Operator'. A PRUDENT Operator is a business entity or work unit that fulfills its obligations to both internal and external customers with the best of intentions, and whose work is carried out with skill, thoroughness, care and accountability by operators who have the expertise and experience to comply with the provisions and laws that apply to similar businesses. The operational principles of a PRUDENT Operator are:

a. Safe operation within the designed limits,
b. Reliable & efficient,
c. Excellent, competent, and compliant with the SOPs and regulations,
d. Documentation of every change,
e. Emergencies and abnormal operations are addressed quickly and appropriately,
f. Secure operational area and surrounding environment,
g. The right time, the right quality and the right quantity.

Objectives and activities in the management of pipeline networks and facilities fall into four key management areas: Network Integrity, Operation and Maintenance, Gas Management Systems and Operational Asset Management. These four management systems refer to our vision and mission through the application of operational processes based on Operational Excellence and the PRUDENT Operator principles.

Achieving Operational Excellence requires not only the management of the operational business processes but the participation of all functions to ensure that natural gas transportation is carried out safely and reliably. The key operational achievements in 2011 were as follows:

1. Implementation of risk-based operation and maintenance activities, management of the Calibration Workshop, and routine inspections of all pipeline networks and facilities.

2. Strengthening the implementation of the network integrity management system, including an assessment of the distribution pipeline network and Intelligent Pigging on the SSWJ pipeline Phase I, SBU Transmission Sumatra Java.

3. Improving the operational asset management system by making an asset register using a GIS application and compiling the Operational Asset Management reference document.

4. Implementation of the gas management system work programs included the development of the Gas Transportation Information System and the formulation of Access Arrangements (AA) for SSWJ and Wampu-Belawan.

IMPLEMENTATION ON SAFETY PERFORMANCE 2011

No	Target	Work Program	Achievement
1.	Safety awareness and safety culture	a. Development of activities at Head Office, SBUs and Projects b. Promoting Safety c. Installation of online OSH guidelines	LTIF $<$ 1 ; Fatality = 0; severity value 4 and 5 maximum 20% on the report for work achieved; TSAF $>$ 0.5 LTIF: Loss Time Injury Frequency TSIF : Total Sickness Absence Frequency
2.	Zero Incidents	a. Monitoring OSH implementation related to operational units, annually. b. Monitoring OSH implementation in projects c. Monitoring Risk Containment Audit result of SBUs & Projects, monthly d. Monitoring results of Observation in SBUs and Projects, every month	a. OSH monitoring in SBU Distribution I on 18 April - 4 May 2011; in SBU Distribution II on 30 May - 1 July 2011; in SBU Distribution III on 12 - 16 September 2011; in SBU TSJ on 9 -14 October. b. Monitoring of Lirik and Ukui Projects on 27 - 28 October 2011. c. RCA and Observation safety metric reports reviewed.
3.	Compilation and implementation of the OSH&EM Reference Document (Guidelines, Operational Procedures and Job Instructions)	a. Reviewing the Guidelines, Operational Procedures and Job Instructions. b. Safety Management System in Projects. c. Communication of safety procedures three times a year.	a. OSH&EM PO endorsed by BoD in August 2011. b. Safety Journey contract signed at corporate, directorate and project levels on 24 January 2012. c. Communication of Guidelines and Management PO on Contractor Safety & Health, RCA, Observation and Environmental Management in SBU I, SBU II, SBU III, SBU TSJ and Projects.
4.	Human resource capacity building on OSH&EM	OSH&EM training to improve competencies	249 man days spent on OSH&EM training.

5.	Improving executive awareness	a. Safety Meeting for SBU/ Project OSH&EM managers, 4x year. b. BOD site visits on OSH, 4 times a year for each SBU.	a. Phase 1 OSH&EM meeting held on 22-23 February 2011 in SBU TSJ; Phase 2 OSH&EM meeting on 23-24 Mei 2011 at SBU Distribution I; Phase 3 OSH&EM meeting on 28-29 September 2011 at SBU Distribution III, Phase 4 OSH&EM meeting on 27-28 Des 2011 at SBU Distribution II. b. Management visit to SBU Distribution III by the Director of General Affairs and Human Resources on 28 July 2011; to SBU Distribution I by the Director of Investment Planning and Risk Management on14 September 2011; to SBU TSJ by the Director of General Affairs and Human Resources on 18-20 October, to SBU TSJ by the Director of Technology & Development on 17-18 November.

PGN Customer
PT Dalle Energy, Batam

Customer First

Customer First

transforming to improve quality of services to customers

2.34

billion Rupiah

expenditure on driving improvements in the quality of customer service and customer satisfaction

5.00

likert scale of 1-6

score on Customer Satisfaction Index

For PGN, customer satisfaction is a fundamental aspect of service. PGN is committed to applying customer satisfaction programs by holding campaigns to emphasize the importance of premium service in ProCISE, our corporate culture.

CUSTOMER SERVICE

Customer Service Programs

A. Contact Center

The Company has established a customer complaints and information center known as the Gas Contact Center, which can be reached by phone on 0800 1 500 645 (toll free) or 021 633 3000, or by email at contact.center@pgn.co.id which deals with inquiries and complaints from customers and the public. The Contact Center opens 24 hours a day, 7 days a week. Any general inquiries about PGN are dealt with directly by a Contact Center Agent, while complaints are forwarded to the department authorized to handle them. All complaints and inquiries are recorded in the Contact Center database. The Contact Center is a centralized unit in the Head Office and is integrated with the Company's three Strategic Business Units in Jakarta, Surabaya and Medan. In line with our corporate culture, ProCise, which stresses the importance of Service Excellence, PGN aims for a maximum response for complaints of 24 hours from the time of receipt.

B. Measuring Customer Satisfaction

As the company serves more than 87% of the natural gas distribution market in Indonesia, it consistently strives to improve our service by measuring customer satisfaction and updating the Service Excellence Standards. In 2011, PGN surveyed customer satisfaction internally in each Sales and Service Area. This process resulted in a Customer Satisfaction Index (CSI) indicating the level of customer satisfaction with the performance, and a Customer Importance Index (CII), which indicates the importance of the customer to PGN's performance. The surveys revealed certain expectations and issues that the company will draw on to continue delivering excellent service and improve its service performance.

On the 2011 survey, PGN scored 5.00 (on a Likert scale of 1-6) on the CSI and 5.20 (Likert scale 1-6) on the importance index, assessed on 8 dimensions of its service. One of the dimensions of customer service measured in the survey is Security, or a guarantee of safety in the use of its products and services. This dimension increased significantly in 2011. Both PGN personnel and our customers are increasingly aware about Safety culture, which PGN continuously communicate through brochures and face-to-face discussions at Customer Gatherings and Seminars to educate customers.

PGN also regularly update its Service Excellence Standards to enable the Company to fulfill customer expectations and deliver premium service. Working with an independent service provider, PGN mapped customer expectations against the Company's current condition and published a Service Excellence Pocket Book, which is used throughout the Company. This demonstrates the strong commitment on the part of the Company and each employee to delivering customer satisfaction and prepare itself to meet the business and competitive challenges in the future.

In 2011, PGN's expenditure on driving improvements in the quality of customer service and customer satisfaction amounted to Rp2.34 billion.

C. Customer Gatherings

In order to maintain effective communications, share the latest information, educate the market and foster closer relationships, PGN hold regular customer gatherings. Through these events, PGN hopes to gain a better understanding of its customers and narrow the gap between what customers want and its ability to deliver such services.

In addition to the customer gatherings, PGN Account Executives and Technical Service staff conduct regular visits to customers and prospective customers to promote better alignment and synergy within the natural gas distribution business. During these visits, the Account Executive and Technical Service staff provide input to existing and potential customers on how they can utilize their equipment more efficiently, and to gain a more complete understand of their business situation. Through this program, PGN obtains valuable inputs for the management consideration on policy making for customers

The customer gatherings held in 2011 are shown below:

SBU DISTRIBUTION AREA I WESTERN JAVA

No	Area	Date	Theme	Subject/Activities
1	Jakarta	21 November 2011	A New Era for PGN to Defend National Energy	1. Explanation by the General Manager on the New Era for PGN's Business: Towards LNG 2. Explanation by oil expert Prof. Dr. Kurtubi about LNG. 3. Explanation by PGN Partner (PT Multipratama) on Energy Efficiency
2	Banten	23 November 2011	A New Era for PGN to Defend National Energy	1. Explanation by the General Manager on the New Era for PGN's Business: Towards LNG 2. Explanation by oil expert Prof. Dr. Kurtubi about LNG. 3. Explanation by PGN Partner (PT Multipratama) on Energy Efficiency
3	Bekasi-Karawang	28 November 2011	A New Era for PGN to Defend National Energy	1. Explanation by the General Manager on the New Era for PGN's Business: Towards LNG 2. Explanation by oil expert Prof. Dr. Kurtubi about LNG. 3. Explanation by PGN Partner (PT Multipratama) on Energy Efficiency
4	Bogor	29 November 2011	A New Era for PGN to Defend National Energy	1. Explanation by the General Manager on the New Era for PGN's Business: Towards LNG 2. Explanation by oil expert Prof. Dr. Kurtubi about LNG. 3. Explanation by PGN Partner (PT Multipratama) on Energy Efficiency
5	Cirebon	30 November 2011	Towards Premium Service	1. Explanation of BGN's change of logo 2. Procedure for Becoming a Gas Customer: dissemination 3. Safety: dissemination
6	Palembang	6 December 2011	Synergy between PGN and Customers on Safety and Efficiency in Natural Gas Utilization	1. Explanation about Gas Buy/Sell Agreements 2. Explanation about safety and gas distribution 3. Efficiency of Natural Gas Utilization
5	Cirebon	30 Nopember 2011	Towards Premium Service	1. Explanation of BGN's change of logo 2. Procedure for Becoming a Gas Customer: dissemination 3. Safety: dissemination
6	Palembang	6 December 2011	Synergy between PGN and Customers on Safety and Efficiency in Natural Gas Utilization	1. Explanation about Gas Buy/Sell Agreements 2. Explanation about safety and gas distribution 3. Efficiency of Natural Gas Utilization

SBU DISTRIBUTION AREA II EASTERN JAVA

No	Area	Date	Theme	Subject/Activities
1	Surabaya	17 March 2011	Repair of the Santos MOPU Facility	1. Communication about the repair of the Santos MOPU 2. PGN's actions during the Santos shutdown
2	Surabaya	24 October 2011	Information on the repair of the Santos MOPU and Natural Gas Price Adjustment	1. Update on the repair of the Santos MOPU 2. Introduction of GM and new Head of Sales and Services Areas 3. Natural Gas Price Adjustment

SBU DISTRIBUTION AREA III NORTHERN SUMATRA

No	Area	Date	Theme	Subject/Activities
1	Medan	24 August 2011	Communication about the Natural Gas Price Adjustment and Breaking of the Fast Together	1. Communication about the Natural Gas Price Adjustment 2. Introduction of GM and new Heads of Sales and Service Areas 3. Breaking the Fast
2	Batam & Pekanbaru	20 October 2011	Good Communication for Service Excellence	1. Customer Gathering 2. PGN-Customers Golf Tournament

ISO 9001:2008 IMPLEMENTATION

As one of its commitment to improve service standards to customers, PGN adopted Quality Management System ISO 9001:2008. Below is the activities of implementing Quality Management System in 2011.

IMPLEMENTATION OF THE QUALITY MANAGEMENT SYSTEM

No.	Activity	Remarks
1	Surveillance Audit ISO 9001:2008 - Surveillance Audits 3 and 4 were conducted on 10-13 January 2011 - Surveillance Audit 5 was conducted on 17-19 October 2011 PGN was recommended for an extension of the ISO 9001:2008 certification.	The Surveillance Audit is an audit conducted by the Lloyd's Resister Quality Assurance (LRQA) certification body from the UK to assess the effectiveness of the application of the Quality Management System in PT PGN (Persero) Tbk.
2	Internal Quality Audit - IQA Period 1 2011 was conducted on 18 May- 14 July, covering 17 Work Units - IQA Period II 2011, was conducted on 21 Nov-20 Dec 2011, covering 16 Work Units	The Internal Quality Audit is conducted by a Certified Internal Auditor to assess the effectiveness of the application of the Quality Management System.
3	Expanded the scope of the Quality Management System Application Certification by adding the SBU Transmission Sumatra-Java: Stage 1, 3-5 2011 Stage 2, 9-13 Jan 2012 PGN obtained an extension of its ISO 9001:2008 certification	This audit is conducted by the Lloyd's Resister Quality Assurance (LRQA) certification body from the UK to assess the effectiveness of the application of the Quality Management System in PT PGN (Persero) Tbk
4	Transformation of the logistics function: - Results of the Gap Analysis completed on 17 January 2011 - Logistics function design completed on 11 February 2011 - Implementation of Quick Wins completed on 10 June 2011	This activity was part of the transformation of the logistics function into a more strategic function capable of supporting PGN's vision and mission

Responsibility for Annual Reporting

This Annual Report along, with the accompanying financial statements and other related information, is the responsibility of the Management of PT Perusahaan Gas Negara (Persero) Tbk, and has been approved by the members of the Board of Commissioners and the Board of Directors whose signatures appear below.

Board of Commissioners

TENGKU NATHAN MACHMUD
President Commissioner and Independent Commissioner

KIAGUS AHMAD BADARUDDIN
Commissioner

PUDJA SUNASA
Commissioner

WIDYA PURNAMA
Independent Commissioner

Board of Directors

HENDI PRIO SANTOSO
President Director

M. RIZA PAHLEVI TABRANI
Director of Finance

M. WAHID SUTOPO
Director of Investment Planning and Risk Management

EKO SOESAMTO TJIPTADI
Director of Human Resources and General Affairs

JOBI TRIANANDA HASJIM
Director of Technology and Development

Consolidated Financial Statements

PT Perusahaan Gas Negara (Persero) Tbk
dan entitas anak/and subsidiaries

Laporan keuangan konsolidasian
beserta laporan auditor independen
31 Desember 2011 dan 2010
dan 1 Januari 2010/ 31 Desember 2009
dan tahun yang berakhir pada tanggal-tanggal
31 Desember 2011 dan 2010 /
Consolidated financial statements
with independent auditors' report
December 31, 2011 and 2010 and
January 1, 2010/ December 31, 2009
and years ended December 31, 2011 and 2010

ERNST & YOUNG

Purwantono, Suherman & Surja
Registered Public Accountants KMK No. 381/KM.1/2010
A member from of Ernst & Young Global Limited

Surat pernyataan direksi tentang tanggung jawab atas laporan keuangan konsolidasian tanggal 31 Desember 2011 dan 31 Desember 2010 PT Perusahaan Gas Negara (Persero) Tbk dan Entitas Anak

Directors statement letter relating to the responsibility on the consolidated financial statements December 31, 2011 and December 31, 2010 PT Perusahaan Gas Negara (Persero) Tbk and Subsidiaries

Kami yang bertanda tangan dibawah ini: *We the undersigned:*

1.	Nama	: Hendi Prio Santoso	: *Name 1.*
	Alamat Kantor	: Jl. K.H. Zainul Arifin No.20, Jakarta	: *Address*
	Alamat Domisili/sesuai KTP atau kartu identitas lain	: Jl. Cipete No. 15A RT 001/004, Kel. Cipete Selatan Cilandak, Jakarta Selatan	: *Residential Address (as in identity card or other qualifier)*
	Nomor Telepon	: +6221 633 9524	: *Telephone*
	Jabatan	: Direktur Utama / *President Director*	: *Title*
2.	Nama	: Riza Pahlevi Tabrani	: *Name 2.*
	Alamat Kantor	: Jl. K.H. Zainul Arifin No.20, Jakarta	: *Address*
	Alamat Domisili/sesuai KTP atau kartu identitas lain	: Jl. Tebet Barat IV/23 RT 008/003, Tebet Barat Tebet, Jakarta Selatan	: *Residential Address (as in identity card or other qualifier)*
	Nomor Telepon	: +6221 633 4838	: *Telephone*
	Jabatan	: Direktur Keuangan / *Finance Director*	: *Title*

Menyatakan bahwa:

1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian;
2. Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia; dan
   a. Semua informasi dalam laporan keuangan konsolidasian Perusahaan telah dimuat secara lengkap dan benar;
   b. Laporan keuangan konsolidasian Perusahaan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material.
3. Bertanggung jawab atas sistem pengendalian intern Perusahaan dan Entitas Anak.

Demikian pernyataan ini dibuat dengan sebenarnya.

Declare that:

1. *We are responsible for the preparation and the presentation of the consolidated financial statements;*
2. *The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards; and*
   a. All information has been fully and correctly disclosed in the Company's consolidated financial statements;
   b. The Company's consolidated financial statements do not contain false material information or facts, nor do they omit material information or facts.
3. *We are responsible for the Company's and Subsidiaries' internal control system.*

This is our declaration, which has been made truthfully.

Jakarta, 6 Maret 2012

Direktur Utama/*President Director*	Direktur Keuangan/*Finance Director*
Hendi Prio Santoso	Riza Pahlevi Tabrani

METERAI TEMPEL 3DC92AAF941298013 ENAM RIBU RUPIAH 6000 DJP

The original consolidated financial statements included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK
DAN ENTITAS ANAK
LAPORAN KEUANGAN KONSOLIDASIAN
BESERTA LAPORAN AUDITOR INDEPENDEN
31 DESEMBER 2011 DAN 2010
DAN 1 JANUARI 2010/31 DESEMBER 2009
DAN TAHUN YANG BERAKHIR
PADA TANGGAL-TANGGAL
31 DESEMBER 2011 DAN 2010**

***PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2011 AND 2010
AND JANUARY 1, 2010/DECEMBER 31, 2009
AND YEARS ENDED
DECEMBER 31, 2011 AND 2010***

Daftar Isi

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Tower 2, 7th Floor
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia
Tel : +62 21 5289 5000
Fax: +62 21 5289 4100
www.ey.com/id

The original report included herein is in the Indonesian language.

Laporan Auditor Independen

Laporan No. RPC-2055/PSS/2012

Pemegang Saham, Dewan Direksi dan Komisaris
PT Perusahaan Gas Negara (Persero) Tbk

Kami telah mengaudit laporan posisi keuangan konsolidasian PT Perusahaan Gas Negara (Persero) Tbk ("Perusahaan") dan Entitas Anak tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, serta laporan laba rugi komprehensif konsolidasian, laporan perubahan ekuitas konsolidasian dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010. Laporan keuangan adalah tanggung jawab manajemen Perusahaan. Tanggung jawab kami terletak pada pernyataan pendapat atas laporan keuangan berdasarkan audit kami.

Kami melaksanakan audit berdasarkan standar auditing yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami merencanakan dan melaksanakan audit agar kami memperoleh keyakinan memadai bahwa laporan keuangan bebas dari salah saji material. Suatu audit meliputi pemeriksaan, atas dasar pengujian, bukti-bukti yang mendukung jumlah-jumlah dan pengungkapan dalam laporan keuangan. Audit juga meliputi penilaian atas prinsip akuntansi yang digunakan dan estimasi signifikan yang dibuat oleh manajemen, serta penilaian terhadap penyajian laporan keuangan secara keseluruhan. Kami yakin bahwa audit kami memberikan dasar memadai untuk menyatakan pendapat.

Menurut pendapat kami, laporan keuangan konsolidasian yang kami sebut di atas menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Perusahaan Gas Negara (Persero) Tbk dan Entitas Anak pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, dan hasil usaha serta arus kas untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Independent Auditors' Report

Report No. RPC-2055/PSS/2012

The Shareholders, Boards of Directors and Commissioners
PT Perusahaan Gas Negara (Persero) Tbk

We have audited the consolidated statements of financial position of PT Perusahaan Gas Negara (Persero) Tbk (the "Company") and Subsidiaries as of December 31, 2011 and 2010 and January 1, 2010/ December 31 2009, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2011 and 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of PT Perusahaan Gas Negara (Persero) Tbk and Subsidiaries as of December 31, 2011 and 2010 and January 1, 2010/ December 31, 2009, and the results of their operations and their cash flows for the years ended December 31, 2011 and 2010 in conformity with the Indonesian Financial Accounting Standards.

Purwantono, Suherman & Surja
Registered Public Accountants KMK No. 381/KM.1/2010
A member firm of Ernst & Young Global Limited

ERNST & YOUNG

The original report included herein is in the Indonesian language.

Seperti yang diungkapkan pada Catatan 2 dan 43 atas laporan keuangan konsolidasian, efektif tanggal 1 Januari 2011, Perusahaan dan Entitas Anak telah menerapkan beberapa Pernyataan Standar Akuntansi Keuangan revisi, baik secara prospektif maupun retrospektif. Oleh karena itu, laporan keuangan konsolidasian tanggal 31 Desember 2010 dan tahun yang berakhir pada tanggal tersebut serta laporan posisi keuangan pada tanggal 1 Januari 2010/31 Desember 2009 telah disajikan kembali sehubungan dengan reklasifikasi akun-akun tertentu.

Audit kami dilaksanakan dengan tujuan untuk menyatakan pendapat atas laporan keuangan konsolidasian pokok secara keseluruhan. Laporan keuangan tersendiri entitas induk disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian laporan keuangan konsolidasian pokok yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Laporan keuangan tersendiri entitas induk tersebut telah menjadi objek prosedur audit yang kami terapkan dalam audit atas laporan keuangan konsolidasian pokok dan, menurut pendapat kami, disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian pokok secara keseluruhan.

As disclosed in Notes 2 and 43 to the consolidated financial statements, effective January 1, 2011, the Company and Subsidiaries adopted several revised Statements of Financial Accounting Standards that were applied either on a prospective or retrospective basis. Accordingly, the consolidated financial statements as of December 31, 2010 and for the year then ended and the consolidated statement of financial position as of January 1, 2010/December 31, 2009 were restated due to reclassification of certain accounts.

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The separate financial statements of parent entity are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements in accordance with the Indonesian Financial Accounting Standards. The separate financial statements of parent entity have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Purwantono, Suherman & Surja

Indrajuwana Komala Widjaja
Registrasi Akuntan Publik No. AP.0696/*Public Accountant Registration No. AP.0696*

6 Maret 2012/*March 6, 2012*

The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations, and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Indonesia. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in Indonesia.

The original consolidated financial statements included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 Desember 2011 dan 2010
dan 1 Januari 2010/31 Desember 2009
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)**

***PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2011 and 2010
and January 1, 2010/December 31, 2009
(Expressed in Rupiah, Unless Otherwise Stated)***

	Catatan/ *Notes*	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009* *)	
ASET					***ASSETS***
ASET LANCAR					***CURRENT ASSETS***
Kas dan setara kas	2e,2f,2s,5, 33,35,39,40	10.356.369.383.888	11.065.594.698.455	6.593.237.069.338	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya	2e,2f,2s,5,15, 18,33,35,38,39,40	26.364.706.295	6.358.338.764	36.736.067.093	*Restricted cash*
Investasi jangka pendek	2d,2f,2s,3,6, 33,38,39,40	247.339.377.520	-	-	*Short-term investments*
Piutang usaha - setelah dikurangi cadangan kerugian penurunan nilai sebesar Rp112.259.376.026 pada tanggal 31 Desember 2011, Rp98.602.984.407 pada tanggal 31 Desember 2010 dan Rp82.462.842.922 pada tanggal 1 Januari 2010/ 31 Desember 2009	2d,2f,2s,3,7, 26,33,38,39,40	1.990.088.296.402	1.891.593.890.275	1.598.477.615.784	*Trade receivables - net of allowance for impairment losses of Rp112,259,376,026 as of December 31, 2011, Rp98,602,984,407 as of December 31, 2010 and Rp82,462,842,922 as of January 1, 2010/ December 31, 2009*
Piutang lain-lain - neto	2d, 2s,8,10, 26,38,39,40	53.465.009.139	55.300.191.303	60.811.440.659	*Other receivables - net*
Persediaan - neto	2g,9,13	11.836.043.989	14.046.340.060	14.120.479.466	*Inventories - net*
Uang muka jatuh tempo dalam waktu satu tahun	2f,2s,8,10,24, 33,35,40	922.551.328.434	755.633.771.641	786.896.565.304	*Current maturities of advances*
Pajak dibayar di muka	2t,19	1.418.981.452	16.451.818.392	78.476.430.863	*Prepaid taxes*
Beban dibayar di muka	11	46.862.336.837	53.700.320.469	42.045.322.721	*Prepaid expenses*
Total Aset Lancar		13.656.295.463.956	13.858.679.369.359	9.210.800.991.228	*Total Current Assets*
ASET TIDAK LANCAR					***NON-CURRENT ASSETS***
Uang muka - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	2f,2s,8,10,24, 33,35,40	714.604.936.976	1.072.972.264.689	1.328.541.947.368	*Advances - net of current maturities*
Aset pajak tangguhan - neto	2t,3,19	188.512.050.099	141.023.733.291	112.265.592.367	*Deferred tax assets - net*
Penyertaan saham	2f,2h,2j,12,33,35	411.771.929.371	197.851.510.000	25.000.000	*Investment in shares of stock*
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar Rp9.597.375.455.407 pada tanggal 31 Desember 2011, Rp7.854.475.937.832 pada tanggal 31 Desember 2010 dan Rp6.360.845.680.918 pada tanggal 1 Januari 2010/31 Desember 2009)	2i,2j,2m,3, 13,25,26,35,42	15.866.649.691.328	16.781.896.739.636	17.329.189.330.120	*Fixed assets - net of accumulated depreciation of Rp9,597,375,455,407 as of December 31, 2011, Rp7,854,475,937,832 as of December 31, 2010 and Rp6,360,845,680,918 as of January 1, 2010/ December 31, 2009)*
Taksiran tagihan pajak	2t,19	88.885.050.809	1.461.312.985	621.639.128.978	*Estimated claims for tax refund*
Beban ditangguhkan - neto	2k	11.418.121.080	10.489.661.143	8.267.160.584	*Deferred charges - net*
Lain-lain		38.308.568.606	23.056.402.970	7.799.742.609	*Others*
Total Aset Tidak Lancar		17.320.150.348.269	18.228.751.624.714	19.407.727.902.026	*Total Non-Current Assets*
TOTAL ASET		**30.976.445.812.225**	**32.087.430.994.073**	**28.618.528.893.254**	***TOTAL ASSETS***

*) Setelah penyesuaian transisi sehubungan dengan penerapan awal PSAK No. 50 (Revisi 2006) dan PSAK No. 55 (Revisi 2006)

**) After transition adjustment on the initial implementation of PSAK No. 50 (Revised 2006) and PSAK No. 55 (Revised 2006)*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk DAN ENTITAS ANAK LAPORAN POSISI KEUANGAN KONSOLIDASIAN (lanjutan) 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009 (Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued) December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 (Expressed in Rupiah, Unless Otherwise Stated)

	Catatan/ *Notes*	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009* *)	
LIABILITAS DAN EKUITAS					***LIABILITIES AND EQUITY***
LIABILITAS JANGKA PENDEK					***CURRENT LIABILITIES***
Pinjaman bank jangka pendek	2d,2s,15,39,40	-	-	225.600.000.000	*Short-term bank loan*
Utang usaha	2d,2f,2s,14, 33,35,38,39,40	554.504.673.797	643.990.887.988	828.310.747.572	*Trade payables*
Liabilitas yang masih harus dibayar	2d,2s,16,17,18, 38,39,40	655.328.741.835	702.388.957.911	821.306.134.671	*Accrued liabilities*
Utang lain-lain	2d,2p,2s,13,16,17, 34,35,38,39,40	188.557.478.965	224.889.254.013	259.410.580.510	*Other payables*
Utang pajak	2t,3,19	193.930.617.283	419.319.414.673	708.494.870.137	*Taxes payable*
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	2d,2f,2l,2s,17, 18,33,35,38,39,40	890.995.485.514	2.045.188.653.101	769.589.546.731	*Current maturities of long-term loans*
Utang kepada pemegang saham Entitas Anak jatuh tempo dalam waktu satu tahun	2d,2s,18,20, 35,38,39,40	-	-	116.560.000.000	*Current maturities of due to a shareholder of a Subsidiary*
Total Liabilitas Jangka Pendek		2.483.316.997.394	4.035.777.167.686	3.729.271.879.621	*Total Current Liabilities*
LIABILITAS JANGKA PANJANG					***NON-CURRENT LIABILITIES***
Liabilitas pajak tangguhan - neto	2t,19	23.448.724.509	48.371.809.750	56.091.570.036	*Deferred tax liability - net*
Utang derivatif	2d,2s,2w,3, 29,38,39,40	1.616.967.611.921	1.695.882.571.498	1.174.924.527.400	*Derivative payable*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	2d,2f,2l,2o,2s,17, 18,33,35,38,39,40	9.013.375.035.835	10.742.889.051.604	9.971.716.709.888	*Long-term loans - net of current maturities*
Utang kepada pemegang saham Entitas Anak - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	2d,2s,18,20, 35,38,39,40	-	-	633.313.721.692	*Due to a shareholder of a Subsidiary - net of current maturities*
Liabilitas diestimasi atas imbalan kerja	2r,3,31	621.929.890.350	429.377.437.671	289.382.249.286	*Estimated liabilities for employees' benefits*
Pendapatan diterima di muka	35	32.695.573.701	34.178.508.908	37.402.594.000	*Unearned income*
Total Liabilitas Jangka Panjang		11.308.416.836.316	12.950.699.379.431	12.162.831.372.302	*Total Non-Current Liabilities*
TOTAL LIABILITAS		**13.791.733.833.710**	**16.986.476.547.117**	**15.892.103.251.923**	***TOTAL LIABILITIES***
EKUITAS					***EQUITY***
Ekuitas yang dapat diatribusikan kepada pemilik entitas induk					*Equity attributable to owners of the parent entity*
Modal saham - nilai nominal Rp100 per saham					*Share capital Par value Rp100 per share*
Modal dasar - 70.000.000.000 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 69.999.999.999 Saham seri B					*Authorized - 70,000,000,000 shares which consist of 1 Series A Dwiwarna share and 69,999,999,999 Series B share*
Modal ditempatkan dan disetor penuh - 24.241.508.196 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 24.241.508.195 saham Seri B	21	2.424.150.819.600	2.424.150.819.600	2.424.150.819.600	*Issued and fully paid - 24,241,508,196 shares which consist of 1 Series A Dwiwarna share and 24,241,508,195 Series B shares*
Modal saham diperoleh kembali	21	(2.501.246.250)	(2.501.246.250)	(2.501.246.250)	*Treasury stock*
Modal disetor lainnya	21	1.709.790.833.464	1.709.790.833.464	1.709.790.833.464	*Other paid-in capital*
Saldo laba	22,34				*Retained earnings*
Dicadangkan		7.009.383.145.502	4.763.213.088.130	2.427.650.973.042	*Appropriated*
Tidak dicadangkan		5.247.815.783.512	5.554.113.820.326	5.543.796.046.166	*Unappropriated*
Komponen ekuitas lainnya	2c,2o 2t,6,19	(548.884.354.477)	(580.194.298.506)	(422.194.802.821)	*Other components of equity*
Total Ekuitas yang Dapat Diatribusikan Kepada Pemilik Entitas Induk		15.839.754.981.351	13.868.573.016.764	11.680.692.623.201	*Total Equity Attributable to Owners of the Parent entity*
Kepentingan nonpengendali	2c,32	1.344.956.997.164	1.232.381.430.192	1.045.733.018.130	*Non-controlling interests*
TOTAL EKUITAS		**17.184.711.978.515**	**15.100.954.446.956**	**12.726.425.641.331**	***TOTAL EQUITY***
TOTAL LIABILITAS DAN EKUITAS		**30.976.445.812.225**	**32.087.430.994.073**	**28.618.528.893.254**	***TOTAL LIABILITIES AND EQUITY***

*) Setelah penyesuaian transisi sehubungan dengan penerapan awal PSAK No. 50 (Revisi 2006) dan PSAK No. 55 (Revisi 2006)

*) *After transition adjustment on the initial implementation of PSAK No. 50 (Revised 2006) and PSAK No. 55 (Revised 2006)*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk DAN ENTITAS ANAK LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN Tahun Yang Berakhir Pada Tanggal-Tanggal 31 Desember 2011 dan 2010 (Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME Years Ended December 31, 2011 and 2010 (Expressed in Rupiah, Unless Otherwise Stated)

	31 Des, 2011/ *Dec 31, 2011*	Catatan/ *Notes*	31 Des, 2010/ *Dec 31, 2010*	
PENDAPATAN NETO	19.567.407.240.330	2f,2p,2u, 23,33,41	19.765.716.397.448	***NET REVENUES***
BEBAN POKOK PENDAPATAN	(7.793.750.922.430)	2f,2p,2u, 24,33,35,41	(7.223.570.218.717)	***COST OF REVENUES***
LABA BRUTO	**11.773.656.317.900**		**12.542.146.178.731**	***GROSS PROFIT***
BEBAN OPERASI				***OPERATING EXPENSES***
Distribusi dan transmisi	(2.496.077.905.748)	2p,2u,13,25	(2.323.526.992.546)	*Distribution and transmission*
Umum dan administrasi	(1.555.200.315.071)	2p,2u,7,8, 13,26,31,34	(1.182.894.342.433)	*General and administrative*
Total Beban Operasi	(4.051.278.220.819)		(3.506.421.334.979)	***Total Operating Expenses***
LABA OPERASI	**7.722.378.097.081**		**9.035.724.843.752**	***OPERATING PROFIT***
Pendapatan keuangan	307.175.118.588	2p,5,28	248.716.444.072	*Finance income*
Beban keuangan	(243.930.325.301)	2p,15,18,27	(371.631.844.355)	*Finance cost*
Rugi kurs - neto	(239.492.818.832)	2s,30	(368.690.358.455)	*Loss on foreign exchange - net*
Bagian rugi entitas asosiasi	(6.080.189.200)		(2.189.937.749)	*Share in loss of associates*
Rugi perubahan nilai wajar derivatif - neto	(2.100.455.818)	2w,29	(561.586.461.826)	*Loss on change in fair value of derivative - net*
Pendapatan lain-lain	170.359.499.293	2p	99.508.407.910	*Other income*
Beban lain-lain	(54.119.983.509)	2p	(16.677.556.103)	*Other expenses*
LABA SEBELUM MANFAAT (BEBAN) PAJAK	**7.654.188.942.302**		**8.063.173.537.246**	***PROFIT BEFORE TAX BENEFIT (EXPENSE)***
MANFAAT (BEBAN) PAJAK				***TAX BENEFIT (EXPENSE)***
Kini	(1.607.989.055.989)	2t,19	(1.633.867.489.940)	*Current*
Tangguhan	72.009.774.710	2t,19	34.093.687.002	*Deferred*
Beban Pajak - Neto	(1.535.979.281.279)		(1.599.773.802.938)	*Tax Expense - Net*
LABA TAHUN BERJALAN	**6.118.209.661.023**		**6.463.399.734.308**	***PROFIT FOR THE YEAR***
PENDAPATAN KOMPREHENSIF LAIN TAHUN BERJALAN				***OTHER COMPREHENSIVE INCOME FOR THE YEAR***
Selisih kurs karena penjabaran laporan keuangan Entitas Anak - neto	35.102.493.695		(195.389.547.452)	*Difference in foreign currency translation of the financial statements of a Subsidiary - net*
Aset keuangan tersedia untuk dijual	10.150.870.520	2d,2f,6	-	*Available-for-sale financial assets*
TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK	**45.253.364.215**		**(195.389.547.452)**	***TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX***
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN	**6.163.463.025.238**		**6.268.010.186.856**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:				***TOTAL PROFIT FOR THE YEAR ATTRIBUTABLE TO:***
Pemilik entitas induk	5.933.063.233.665		6.239.361.270.479	*Owners of the parent entity*
Kepentingan nonpengendali	185.146.427.358	2c,32	224.038.463.829	*Non-controlling interests*
TOTAL	**6.118.209.661.023**		**6.463.399.734.308**	***TOTAL***
TOTAL PENDAPATAN KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA:				***TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:***
Pemilik entitas induk	5.964.373.177.694		6.081.361.774.794	*Owners of the parent entity*
Kepentingan nonpengendali	199.089.847.544	2c	186.648.412.062	*Non-controlling interests*
TOTAL	**6.163.463.025.238**		**6.268.010.186.856**	***TOTAL***
LABA PER SAHAM DASAR	**245**	2v,37	**257**	***BASIC EARNINGS PER SHARE***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original interim consolidated financial statements included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
Tahun Yang Berakhir Pada Tanggal-Tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

		Ekuitas yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/*Equity Attributable to Owners of the Parent Enity*												
					Saldo Laba/*Retained Earning*		Komponen Ekuitas Lainnya/*Other Components of Equity*							
	Catatan/ *Notes*	Modal Saham Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital Stock*	Modal Saham Diperoleh Kembali/ *Treasury Stock*	Modal Disetor Lainnya/ *Other Paid in Capital*	Dicadangkan/ *Appropriated*	Tidak Dicadangkan/ *Unappropriated*	Selisih Transaksi Restrukturisasi Entitas Sepengendali/ *Difference Arising from Restructuring Transaction among Entities under Common Control*	Selisih Kurs karena Penjabaran Laporan Keuangan Entitas Anak/ *Difference in Foreign Currency Translation of the Financial Statements of a Subsidiary*	Aset Keuangan yang Tersedia untuk Dijual/ *Available for-sale financial assets*	Selisih Transaksi Perubahan Ekuitas Entitas Anak/ *Difference Arising from Transactions Resulting in Changes in the Equity of a Subsidiary*	*Total Komponen Ekuitas Lainnya/ Total Other Components of Equity*	Kepentingan Nonpengendali/ *Non-controlling Interests*	Total Ekuitas/ *Total Equity*	
Saldo pada tanggal 1 Januari 2010/ 31 Desember 2009 disajikan sebelumnya		2.424.150.819.600	(2.501.246.250)	1.709.790.833.464	2.427.650.973.042	5.595.183.813.218	(314.889.945.926)	(30.877.300.140)	-	(76.427.556.755)	(422.194.802.821)	1.045.733.018.130	12.777.813.408.383	*Balance as of January 1, 2010/ December 31, 2009 as previously stated*
Penyesuaian bersih yang timbul dari penerapan Pernyataan Standar Akuntansi Keuangan ("PSAK") No. 55 (Revisi 2006), "Instrumen Keuangan: Pengakuan dan Pengukuran"		-	-	-	-	(51.387.767.052)	-	-	-	-	-	-	(51.387.767.052)	*Net adjustment arising from adoption of Statement of Financial Accounting Standard ("PSAK") No. 55 (Revised 2006), "Financial Instruments: Recognition and Measurement"*
Saldo pada tanggal 1 Januari 2010/ 31 Desember 2009 setelah penyesuaian		**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**2.427.650.973.042**	**5.543.796.046.166**	**(314.889.945.926)**	**(30.877.300.140)**	**-**	**(76.427.556.755)**	**(422.194.802.821)**	**1.045.733.018.130**	**12.726.425.641.331**	***Balance as of January 1, 2010/ December 31, 2009 as adjusted***
Laba tahun berjalan		-	-	-	-	6.239.361.270.479	-	-	-	-	-	224.038.463.829	6.463.399.734.308	*Profit for the year*
Pendapatan komprehensif lain tahun berjalan		-	-	-	-	-	-	(157.999.495.685)	-	-	(157.999.495.685)	(37.390.051.767)	(195.389.547.452)	*Other comprehensive income for the year*
Total pendapatan komprehensif tahun berjalan		-	-	-	-	6.239.361.270.479	-	(157.999.495.685)	-	-	(157.999.495.685)	186.648.412.062	6.268.010.186.856	*Total comprehensive income for the year*
Pembayaran dividen	22	-	-	-	-	(3.737.755.293.823)	-	-	-	-	-	-	(3.737.755.293.823)	*Payment of dividends*
Dana untuk program kemitraan	22	-	-	-	-	(62.290.434.963)	-	-	-	-	-	-	(62.290.434.963)	*Funds for partnership program*
Dana untuk program bina lingkungan	22	-	-	-	-	(93.435.652.445)	-	-	-	-	-	-	(93.435.652.445)	*Funds for community development*
Pencadangan saldo laba untuk cadangan tujuan	22	-	-	-	2.310.108.340.381	(2.310.108.340.381)	-	-	-	-	-	-	-	*Appropriation for specific reserve*
Pencadangan saldo laba untuk cadangan wajib	22	-	-	-	25.453.774.707	(25.453.774.707)	-	-	-	-	-	-	-	*Appropriation for mandatory reserve*
Saldo pada tanggal 31 Desember 2010		**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**4.763.213.088.130**	**5.554.113.820.326**	**(314.889.945.926)**	**(188.876.795.825)**	**-**	**(76.427.556.755)**	**(580.194.298.506)**	**1.232.381.430.192**	**15.100.954.446.956**	***Balance as of December 31, 2010***
Laba tahun berjalan		-	-	-	-	5.933.063.233.665	-	-	-	-	-	185.146.427.358	6.118.209.661.023	*Profit for the year*
Pendapatan komprehensif lain tahun berjalan		-	-	-	-	-	-	21.159.073.509	10.150.870.520	-	31.309.944.029	13.943.420.186	45.253.364.215	*Other comprehensive income for the year*
Total pendapatan komprehensif tahun berjalan		-	-	-	-	5.933.063.233.665	-	21.159.073.509	10.150.870.520	-	31.309.944.029	199.089.847.544	6.163.463.025.238	*Total comprehensive income for the year*
Pembayaran dividen	22	-	-	-	-	(3.743.616.762.287)	-	-	-	-	-	-	(3.743.616.762.287)	*Payment of dividends*
Dana untuk program kemitraan	22	-	-	-	-	(124.787.225.410)	-	-	-	-	-	-	(124.787.225.410)	*Funds for partnership program*
Dana untuk program bina lingkungan	22	-	-	-	-	(124.787.225.410)	-	-	-	-	-	-	(124.787.225.410)	*Funds for community development*
Pencadangan saldo laba untuk cadangan tujuan	22	-	-	-	2.246.170.057.372	(2.246.170.057.372)	-	-	-	-	-	-	-	*Appropriation for specific reserve*
Pembayaran dividen oleh Entitas Anak		-	-	-	-	-	-	-	-	-	-	(86.514.280.572)	(86.514.280.572)	*Payment of dividends by a Subsidiary*
Saldo pada tanggal 31 Desember 2011		**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**7.009.383.145.502**	**5.247.815.783.512**	**(314.889.945.926)**	**(167.717.722.316)**	**10.150.870.520**	**(76.427.556.755)**	**(548.884.354.477)**	**1.344.956.997.164**	**17.184.711.978.515**	***Balance as of December 31, 2011***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
Tahun Yang Berakhir Pada Tanggal-Tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah,
Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF CASH FLOWS
Years Ended
December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

	31 Des, 2011/ Dec 31, 2011	Catatan/ *Notes*	31 Des 2010/ Dec 31, 2010	
ARUS KAS DARI AKTIVITAS OPERASI				***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan dari pelanggan	19.497.510.272.100		19.615.304.179.507	*Receipts from customers*
Penerimaan dari penghasilan bunga	371.297.600.103		297.309.515.278	*Receipts from interest income*
Pembayaran kepada pemasok	(7.712.824.282.102)		(7.195.282.481.830)	*Payments to suppliers*
Pembayaran untuk beban operasi dan aktivitas operasi lainnya	(990.216.227.811)		(889.398.442.929)	*Payments for operating expenses and other operating activities*
Pembayaran pajak penghasilan setelah dikurangi penerimaan dari tagihan pajak	(2.135.628.313.001)		(1.501.624.712.641)	*Payments for income taxes net-of receipts from claims for tax refund*
Pembayaran kepada manajemen dan karyawan	(521.392.787.204)		(511.126.120.576)	*Payments to management and employees*
Pembayaran bunga	(194.375.843.689)		(279.134.309.202)	*Payments for interest*
Kas neto yang diperoleh dari aktivitas operasi	**8.314.370.418.396**		**9.536.047.627.607**	***Net cash provided by operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI				***CASH FLOWS FROM INVESTING ACTIVITIES***
Penambahan aset tetap	(686.185.070.520)		(1.139.198.992.238)	*Additions to fixed assets*
Penambahan investasi jangka pendek	(233.006.256.250)	6	-	*Additions to short-term investment*
Penambahan penyertaan saham	(220.000.000.000)		(200.000.000.000)	*Increase in investment in shares of stock*
Penambahan (pengurangan) kas yang dibatasi penggunaannya	(19.983.862.301)		(28.916.953.675)	*Additions to (deduction from) restricted cash*
Penambahan biaya ditangguhkan	(8.114.560)		(2.423.426.347)	*Increase in deferred charges*
Kas neto yang digunakan untuk aktivitas investasi	**(1.159.183.303.631)**		**(1.370.539.372.260)**	***Net cash used in investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN				***CASH FLOWS FROM FINANCING ACTIVITIES***
Hasil pinjaman utang	1.938.317.540		2.247.750.000.000	*Proceeds from loan borrowings*
Penerimaan atas penyertaan saham oleh kepentingan nonpengendali Entitas Anak	710.000.000	12	-	*Proceeds from investment in share of stock Issuance by non-controlling interest of the Subsidiary*
Pembayaran pinjaman	(3.655.310.307.715)		(1.795.051.372.471)	*Payments of loans*
Pembayaran dividen	(3.575.782.155.327)	20	(3.495.358.711.863)	*Payments of dividends*
Pembayaran dividen interim	(263.485.084.590)	8	(247.244.488.099)	*Payments of interim dividends*
Pembayaran untuk program kemitraan dan bina lingkungan	(249.574.450.820)		(155.726.087.408)	*Payments for partnership and community development program*
Penerimaan (pembayaran) dari derivatif	(102.788.262.253)		9.132.619.134	*Receipts (payment) of derivative*
Kas neto yang digunakan untuk aktivitas pendanaan	**(7.844.291.943.165)**		**(3.436.498.040.707)**	***Net cash used in financing activities***
Pengaruh perubahan kurs neto dari kas dan setara kas	(20.120.486.167)		(256.652.585.523)	*Net effects foreign exchange differences from cash and cash equivalents*
KENAIKAN (PENURUNAN) NETO KAS DAN SETARA KAS	**(709.225.314.567)**		**4.472.357.629.117**	***NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL TAHUN	**11.065.594.698.455**		**6.593.237.069.338**	***CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR***
KAS DAN SETARA KAS AKHIR TAHUN	**10.356.369.383.888**	2e,5	**11.065.594.698.455**	***CASH AND CASH EQUIVALENTS AT END OF YEAR***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
Pada Tanggal 31 Desember 2011 dan 2010
dan 1 Januari 2010/31 Desember 2009
dan Tahun yang Berakhir
Pada Tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)**

1. UMUM

a. Pendirian Perusahaan

PT Perusahaan Gas Negara (Persero) Tbk ("Perusahaan") pada awalnya bernama Firma L. J. N. Eindhoven & Co. Gravenhage yang didirikan pada tahun 1859. Kemudian, pada tahun 1950, pada saat diambil alih oleh Pemerintah Belanda, Perusahaan diberi nama NV. Netherland Indische Gaz Maatschapij (NV. NIGM). Pada tahun 1958, saat diambil alih oleh Pemerintah Republik Indonesia, nama Perusahaan diganti menjadi Badan Pengambil Alih Perusahaan-Perusahaan Listrik dan Gas (BP3LG) yang kemudian beralih status menjadi BPU-PLN pada tahun 1961. Pada tanggal 13 Mei 1965, berdasarkan Peraturan Pemerintah No. 19/1965, Perusahaan ditetapkan sebagai perusahaan negara dan dikenal sebagai Perusahaan Negara Gas (PN. Gas). Berdasarkan Peraturan Pemerintah No. 27 tahun 1984, PN. Gas diubah menjadi Perusahaan Umum ("Perum") dengan nama Perusahaan Umum Gas Negara. Setelah itu, status Perusahaan diubah dari Perum menjadi perusahaan perseroan terbatas yang dimiliki oleh negara ("Persero") dan namanya berubah menjadi PT Perusahaan Gas Negara (Persero) berdasarkan Peraturan Pemerintah No. 37 tahun 1994 dan Akta Pendirian Perusahaan No. 486 tanggal 30 Mei 1996 yang diaktakan oleh Notaris Adam Kasdarmaji, S.H. Akta Pendirian telah disahkan oleh Menteri Kehakiman Republik Indonesia dalam Surat Keputusan No. C2-7729HT.01.01.Th.96. tanggal 31 Mei 1996 dan diumumkan dalam Lembaran Berita Negara Republik Indonesia No. 8508 Tambahan Berita Negara No. 80 tanggal 4 Oktober 1996.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, yang terakhir dengan Akta Notaris No. 11 dari Notaris Fathiah Helmi, S.H., tanggal 6 April 2011, yang mengatur, antara lain, perubahan Anggaran Dasar Perusahaan. Perubahan ini telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Persetujuan No. AHU-47045.AH.01.02 tahun 2011, tanggal 28 September 2011.

***PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS
As of December 31, 2011 and 2010
and January 1, 2010/December 31, 2009
and Years Ended
December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)***

1. GENERAL

a. The Company's Establishment

PT Perusahaan Gas Negara (Persero) Tbk (the "Company") originally named Firma L. J. N. Eindhoven & Co. Gravenhage, was established in 1859. Subsequently, the entity was named NV. Netherland Indische Gaz Maatschapij (NV. NIGM), when the Dutch Government took control in 1950. In 1958, when the Government of the Republic of Indonesia took over the entity, the Company's name was changed to Badan Pengambil Alih Perusahaan-Perusahaan Listrik dan Gas (BP3LG) and then later became BPU-PLN in 1961. On May 13, 1965, based on Government Regulation No. 19/1965, the entity was declared as a state-owned company ("Perusahaan Negara") and became known as Perusahaan Negara Gas (PN. Gas). Based on Government Regulation No. 27 year 1984, PN. Gas was converted into a public Service Enterprise ("Perum") under the name Perusahaan Umum Gas Negara. Afterwards, the status of the Company was changed from Perum to a state-owned limited liability company ("Persero") and the name was changed to PT Perusahaan Gas Negara (Persero) based on Government Regulation No. 37 year 1994 and the Deed of Establishment No. 486 dated May 30, 1996 as notarized by Adam Kasdarmaji, S.H. The Deed of Establishment was approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. C2-7729HT.01.01.Th.96. dated May 31, 1996 and was published in the State Gazette of the Republic of Indonesia No. 8508 dated October 4, 1996, Supplement No. 80.

The Company's Articles of Association have been amended several times, most recently by Notarial Deed No. 11 of Notary Fathiah Helmi, S.H., dated April 6, 2011, concerning, among others, the change of the Company's Articles of Association. The amendments were approved by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-47045.AH.01.02 in 2011, dated September 28, 2011.

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1. UMUM (lanjutan)

a. Pendirian Perusahaan (lanjutan)

Berdasarkan Risalah Rapat Umum Pemegang Saham Luar Biasa yang diadakan pada tanggal 13 Juni 2008 dan diaktakan dengan Akta Notaris No. 49 dari Notaris Fathiah Helmi, S.H., tanggal 13 Juni 2008, para pemegang saham menyetujui pemecahan nilai nominal saham Seri A Dwiwarna dan saham Seri B dari Rp500 per saham menjadi Rp100 per saham, sehingga jumlah saham Perusahaan meningkat dari 14 miliar saham menjadi 70 miliar saham dan jumlah saham ditempatkan dan disetor penuh yang semula sebesar 4.593.437.193 saham akan meningkat menjadi 22.967.185.965 saham.

Berdasarkan Risalah Rapat Umum Pemegang Saham Luar Biasa yang diadakan pada tanggal 22 Desember 2008 dan diaktakan oleh Notaris Fathiah Helmi, S.H., dengan Akta No. 29, pemegang saham menyetujui untuk dilakukannya pembelian kembali saham Perusahaan (*buy back shares*) dengan alokasi dana untuk *buy back* maksimal sebesar Rp450.000.000.000 yang diambil dari cadangan lain Perusahaan.

Sesuai dengan Pasal 3 Anggaran Dasar Perusahaan dan Peraturan Pemerintah No. 37 tahun 1994, Perusahaan bertujuan untuk melaksanakan dan menunjang kebijaksanaan dan program Pemerintah di bidang ekonomi dan pembangunan nasional, khususnya di bidang pengembangan pemanfaatan gas bumi untuk kepentingan umum serta penyediaan gas dalam jumlah dan mutu yang memadai untuk melayani kebutuhan masyarakat.

Untuk mencapai tujuan tersebut, Perusahaan dapat melaksanakan perencanaan, pembangunan, pengelolaan dan usaha hilir bidang gas bumi yang meliputi kegiatan pengolahan, pengangkutan, penyimpanan dan niaga, perencanaan, pembangunan, pengembangan produksi, penyediaan, penyaluran dan distribusi gas buatan; atau usaha lain yang menunjang usaha di atas sesuai dengan peraturan perundang-undangan yang berlaku. Pada saat ini, usaha utama Perusahaan adalah distribusi dan transmisi gas bumi ke pelanggan industri, komersial dan rumah tangga.

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1. GENERAL (continued)

a. The Company's Establishment (continued)

Based on the Minutes of the Extraordinary General Shareholders' Meeting held on June 13, 2008 which were notarized in Notarial Deed No. 49 of Notary Fathiah Helmi, S.H., dated June 13, 2008, the shareholders ratified the stock split of the nominal value of Series A Dwiwarna share and Series B shares from Rp500 per share to Rp100 per share resulting in the increase of the number of the Company's shares from 14 billion shares to become 70 billion shares and increase in the issued and paid-up capital from 4,593,437,193 shares to become 22,967,185,965 shares.

Based on the Minutes of the Extraordinary General Shareholders' Meeting held on December 22, 2008 which were notarized by Fathiah Helmi, S.H., with Notarial Deed No. 29, the shareholders approved the Company's shares buy-back with maximum fund allocated amounting to Rp450,000,000,000, which was taken from other reserve of the Company's funds.

As stated in Article 3 of the Company's Articles of Association and in the Government Regulation No. 37 year 1994, the Company's purpose is to implement and support the Government's economic and national development programs, particularly in developing uses of natural gas for the benefit of the public, as well as in the supply of a sufficient volume and quality of gas for public consumption.

To achieve these objectives, the Company is to carry out planning, construction, operating and development of natural gas downstream business which includes processing, transporting, storing and trading, planning, construction, production development, supplying and distribution of processed gas; or other businesses which support the foregoing activities in accordance with prevailing laws and regulations. Currently, the Company's principal business is the distribution and transmission of natural gas to industrial, commercial and household users.

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1. UMUM (lanjutan)

a. Pendirian Perusahaan (lanjutan)

Kantor Pusat Perusahaan berkedudukan di Jl. K.H. Zainul Arifin No. 20, Jakarta. Untuk mencapai sasaran penjualan yang lebih responsif, Perusahaan membagi wilayah usaha menjadi empat *Strategic Business Unit* (SBU), terbagi dalam:

1. SBU Distribusi Wilayah I, mencakup Wilayah Jawa Bagian Barat sampai dengan Sumatera Selatan, yang terdiri dari Penjualan dan Layanan Area Banten, Jakarta-Bogor, Bekasi-Kerawang, Cirebon dan Palembang.
2. SBU Distribusi Wilayah II, mencakup Wilayah Jawa Bagian Timur, yang terdiri dari Penjualan dan Layanan Area Surabaya, Sidoarjo-Mojokerto dan Pasuruan-Probolinggo.
3. SBU Distribusi Wilayah III, mencakup Wilayah Sumatera Utara dan Kepulauan Riau, yang terdiri dari Penjualan dan Layanan Area Medan, Batam dan Pekanbaru.
4. SBU Transmisi Sumatera - Jawa, dibentuk berdasarkan Surat Keputusan Direksi No. 024200.K/12/UT/2006 pada tanggal 18 Oktober 2006 sebagai unit bisnis operasi transmisi gas bumi Perusahaan yang berkedudukan di Jakarta serta meliputi wilayah Sumatera - Jawa.

Perusahaan melakukan pembangunan jaringan pipa transmisi gas Sumatera Selatan - Jawa Barat I dan II dengan kapasitas yang diharapkan pada saat proyek beroperasi secara penuh masing-masing sebesar 460 mmscfd dan 520 mmscfd (tidak diaudit) (Catatan 13).

b. Penawaran Umum Efek Perusahaan

Pada tanggal 5 Desember 2003, Perusahaan memperoleh pernyataan efektif dari Badan Pengawas Pasar Modal untuk melakukan penawaran umum saham kepada masyarakat sebanyak 1.296.296.000 saham, yang terdiri dari 475.309.000 saham dari divestasi saham Pemerintah Republik Indonesia, pemegang saham Perusahaan dan 820.987.000 saham baru. Saham Perusahaan dicatatkan di Bursa Efek Indonesia pada tanggal 15 Desember 2003.

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1. GENERAL (continued)

a. The Company's Establishment (continued)

The Company's Head Office is located at Jl. K.H. Zainul Arifin No. 20, Jakarta. To achieve its responsive sales target, the Company has divided its business areas into four Strategic Business Units (SBU), as follows:

1. *SBU Distribution I, covers Western Java Region until South Sumatera, which consists of Sales and Service Area Banten, Jakarta-Bogor, Bekasi-Kerawang, Cirebon and Palembang.*
2. *SBU Distribution II, covers Eastern Java Region, which consists of Sales and Service Area Surabaya, Sidoarjo-Mojokerto and Pasuruan-Probolinggo.*
3. *SBU Distribution III, covers North Sumatera Region and the Riau Islands, which consists of Sales and Service Area Medan, Batam and Pekanbaru.*
4. *SBU Sumatera - Java Transmission, established based on Decision Letter of Director No. 024200.K/12/UT/2006 dated October 18, 2006, as a Company's business unit for operation of natural gas transmission domiciled in Jakarta and covers Sumatera - Java region.*

The Company commenced the construction of South Sumatera - West Java gas transmission pipeline I and II with maximum expected operating capacity of 460 mmscfd and 520 mmscfd (unaudited), respectively (Note 13).

b. The Company's Public Offering

On December 5, 2003, the Company obtained the effective statement from Capital Market Supervisory Agency to conduct the public offering of its 1,296,296,000 shares which comprised of 475,309,000 shares from divestment of the Government of the Republic of Indonesia's shares, the Company's shareholders and 820,987,000 new shares. The Company's shares were listed at the Indonesia Stock Exchange on December 15, 2003.

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1. UMUM (lanjutan)

c. Penyelesaian Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian ini telah diselesaikan dan disetujui untuk diterbitkan oleh Direksi Perusahaan pada tanggal 6 Maret 2012.

d. Entitas Anak dan Entitas Asosiasi

Pada tanggal 31 Desember 2011 dan 2010, dan 1 Januari 2010/ 31 Desember 2009, persentase kepemilikan Perusahaan, baik secara langsung maupun tidak langsung dan total aset Entitas Anak adalah sebagai berikut:

1. GENERAL (continued)

c. Completion of the Consolidated Financial Statements

The accompanying consolidated financial statements were completed and authorized for issue by the Company's Directors on March 6, 2012.

d. Subsidiaries and Associates

As of December 31, 2011 and 2010, and January 1 2010/December 31 2009, the percentage of ownership of the Company, either directly or indirectly, and total assets of the Subsidiaries are as follows:

Entitas Anak, Kegiatan Usaha, Kedudukan, dan Tanggal Pendirian/ *Subsidiaries, Business Activities, Domiciles and Date of Establishment*	Tahun Usaha Komersial Dimulai/ *Year of Commercial Operations Started*	Persentase Kepemilikan/ *Percentage of Ownership*			Total Aset dalam Milyar Sebelum Eliminasi/ *Total Assets in Billions Before Elimination*		
		2011	2010	2009	2011	2010	2009
PT Transportasi Gas Indonesia (Transgasindo)							
Transmisi gas/ *Gas transmission* Indonesia, 1 Februari 2002/*February 1, 2002*	2002	59,87%	59,87%	59,87%	5.589	6.167	5.924
PGN Euro Finance 2003 Limited (PGNEF) **)							
Bidang keuangan/ *Financing company* Mauritius, 24 Juli 2003/*July 24, 2003*	2003	100,00%	100,00%	100,00%	-	-	-
PT PGAS Telekomunikasi Nusantara (PGASKOM)							
Telekomunikasi/*Telecommunication* Indonesia, 10 Januari 2007/*January 10, 2007*	2009	99,93%	99,93%	99,93%	103	103	79

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1. UMUM (lanjutan) / *1. GENERAL (continued)*

d. Entitas Anak dan Entitas Asosiasi (lanjutan) / *d. Subsidiaries and Associates (continued)*

Entitas Anak, Kegiatan Usaha, Kedudukan, dan Tanggal Pendirian/ *Subsidiaries, Business Activities, Domiciles and Date of Establishment*	Tahun Usaha Komersial Dimulai/ *Year of Commercial Operations Started*	Persentase Kepemilikan/ *Percentage of Ownership* 2011	2010	2009	Total Aset dalam Milyar Sebelum Eliminasi/ *Total Assets in Billions Before Elimination* 2011	2010	2009
PT PGAS Solution (PGASSOL)							
Konstruksi / *Construction* Indonesia, 6 Agustus 2009/*August 6, 2009*	2010	99,91%	99,91%	99,91%	49	37	35
PT Saka Energi Indonesia (SEI)							
Eksplorasi minyak dan gas bumi/ *Exploration of oil and gas* Indonesia, 27 Juni 2011/*June 27, 2011*	- *)	99,00%	-	-	39	-	-
PT Gagas Energi Indonesia (GEI)							
Pengolahan minyak dan gas bumi/ *Processing of oil and gas* Indonesia, 27 Juni 2011/*June 27, 2011*	- *)	99,00%	-	-	33	-	-
Total/*Total*					**5.813**	**6.307**	**6.038**

*) Belum beroperasi komersial/*Not yet started commercial operation*
**) Dalam proses likuidasi/ *In the liquidation process*

Informasi mengenai Entitas Asosiasi yang dimiliki oleh Kelompok Usaha pada tanggal-tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009 adalah sebagai berikut:

Information about Associates owned by the Group as of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 are as follows:

Entitas Asosiasi/ *Associates*	Kedudukan dan Tahun Usaha Komersial Dimulai/ *Domicile and Year of Commercial Operations Started*	Kegiatan Usaha/ *Business Activities*	Persentase Kepemilikan/ *Percentage of Ownership* 2011	2010	2009
PT Nusantara Regas (“PT Regas”)	*Jakarta*, -*)	Pengelolaan dan pengembangan fasilitas FSRT termasuk pembelian LNG dan pemasaran atas hasil pengelolaan fasilitas FSRT/ *The management and development of FSRT facilities including purchase of LNG and marketing of products arising from the operations of FSRT facilities*	40,00%	40,00%	-
PT Gas Energi Jambi	Jambi, 2005	Transportasi dan distribusi gas bumi/ *Transportation and distribution of natural gas*	40,00%	40,00%	40,00%

*) Belum beroperasi komersial/*Not yet started commercial operation*

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1. UMUM (lanjutan)

1. GENERAL (continued)

e. Dewan Komisaris, Direksi dan Karyawan

e. Boards of Commissioners, Directors and Employees

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa yang dilaksanakan pada tanggal 6 April 2011, para pemegang saham menyetujui susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2011 sebagai berikut:

Based on the Extraordinary General Meeting of Shareholders on April 6, 2011, the shareholders approved the members of the Company's Boards of Commissioners and Directors as of December 31, 2011:

Dewan Komisaris		***Board of Commissioners***
Komisaris Utama merangkap Komisaris Independen	DR. Tengku Nathan Machmud	*President Commissioner and also as Independent Commissioner*
Komisaris	Pudja Sunasa	*Commissioner*
Komisaris	Megananda Daryono	*Commissioner*
Komisaris	Drs. Kiagus Ahmad Badaruddin	*Commissioner*
Komisaris Independen	Widya Purnama	*Independent Commissioner*
Dewan Direksi		***Board of Directors***
Direktur Utama	Hendi Prio Santoso	*President Director*
Direktur Keuangan	M. Riza Pahlevi Tabrani	*Director of Finance*
Direktur Pengusahaan	Ir. Michael Baskoro Palwo Nugroho, M.M. *)	*Director of Operations*
Direktur Teknologi dan Pengembangan	Jobi Triananda Hasjim	*Director of Technology and Development*
Direktur Perencanaan Investasi dan Manajemen Risiko	Muhammad Wahid Sutopo	*Director of Investment Planning and Risk Management*
Direktur Sumber Daya Manusia dan Umum	Eko Soesamto Tjiptadi	*Director of Human Resources and General Affairs*

*) Diberhentikan sebagai Direksi (Catatan 42)

**) Discharge as a Director (Note 42)*

Berdasarkan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 17 Juni 2010, para pemegang saham menyetujui susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2010 sebagai berikut:

Based on the Annual General Meeting of the Shareholders on June 17, 2010, the shareholders approved the members of the Company's Boards of Commissioners and Directors as of December 31, 2010:

Dewan Komisaris		***Board of Commissioners***
Komisaris Utama merangkap Komisaris Independen	DR. Tengku Nathan Machmud	*President Commissioner and also as Independent Commissioner*
Komisaris	DR. Ir. Kardaya Warnika	*Commissioner*
Komisaris	DR. Ilyas Saad	*Commissioner*
Komisaris	Drs. Kiagus Ahmad Badaruddin	*Commissioner*
Komisaris Independen	DR. Ir. Nenny Miryani Saptadji	*Independent Commissioner*
Dewan Direksi		***Board of Directors***
Direktur Utama	Hendi Prio Santoso	*President Director*
Direktur Keuangan dan Umum	M. Riza Pahlevi Tabrani	*Director of Finance and General Affairs*
Direktur Pengusahaan	Ir. Michael Baskoro Palwo Nugroho, M.M	*Director of Operations*
Direktur Pengembangan	Ir. Bambang Banyudoyo, M.Sc.	*Director of Development*

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1. UMUM (lanjutan)

e. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Berdasarkan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 13 Juni 2008, para pemegang saham menyetujui susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 1 Januari 2010/31 Desember 2009, sebagai berikut:

1. GENERAL (continued)

e. Boards of Commissioners, Directors and Employees (continued)

In the Annual General Meeting of the Shareholders on June 13, 2008, the shareholders approved the members of the Company's Boards of Commissioners and Directors as of January 1, 2010/December 31, 2009 are as follows:

Dewan Komisaris		***Board of Commissioners***
Komisaris Utama merangkap Komisaris Independen	DR. Tengku Nathan Machmud	*President Commissioner and also as Independent Commissioner*
Komisaris	DR. Ir. Kardaya Warnika	*Commissioner*
Komisaris	DR. Ilyas Saad	*Commissioner*
Komisaris	Drs. Kiagus Ahmad Badaruddin	*Commissioner*
Komisaris Independen	DR. Ir. Nenny Miryani Saptadji	*Independent Commissioner*
Dewan Direksi		***Board of Directors***
Direktur Utama	Hendi Prio Santoso	*President Director*
Direktur Umum	Drs. Djoko Pramono, MBA.	*Director of General Affairs*
Direktur Keuangan	M. Riza Pahlevi Tabrani	*Director of Finance*
Direktur Pengusahaan	Ir. Michael Baskoro Palwo Nugroho, M.M.	*Director of Operations*
Direktur Pengembangan	Ir. Bambang Banyudoyo, M.Sc.	*Director of Development*
Direktur Non Eksekutif	Drs. Sutikno, MSi.	*Non Executive Director*

Pada tanggal 31 Desember 2011, susunan komite audit Perusahaan adalah sebagai berikut:

As of December 31, 2011, the members of the Company's audit committee are as follows:

Ketua	DR. Tengku Nathan Machmud	*Chairman*
Anggota	Tjahjanto Budisatrio, S.E., M.Ec.	*Member*
Anggota	Mohamad Slamet Wibowo, S.E., MBA.	*Member*
Anggota	Imbuh Sulistyarini, S.E., M.Ak.	*Member*
Anggota	Shalahuddin Haikal, MM, LL.M	*Member*

Pada tanggal 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, susunan komite audit Perusahaan adalah sebagai berikut:

As of December 31, 2010 and January 1, 2010/December 31, 2009, the members of the Company's audit committee are as follows:

Ketua	DR. Ir. Nenny Miryani Saptadji	*Chairman*
Anggota	Tjahjanto Budisatrio, S.E., M.Ec.	*Member*
Anggota	Mohamad Slamet Wibowo, S.E., MBA.	*Member*
Anggota	Imbuh Sulistyarini, S.E., M.Ak.	*Member*
Anggota	Shalahuddin Haikal, MM, LL.M	*Member*

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009, jumlah karyawan tetap Perusahaan dan Entitas Anak masing-masing adalah 1.805 orang, 1.837 orang dan 1.622 orang (tidak diaudit).

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the Company and Subsidiaries have a total of 1,805, 1,837 and 1,622 employees (unaudited), respectively.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

a. Dasar Penyajian Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian telah disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia (“SAK”), yang mencakup Pernyataan dan Interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia (“DSAK”) dan Peraturan-peraturan serta Pedoman Penyajian dan Pengungkapan Laporan Keuangan yang diterbitkan oleh BAPEPAM-LK. Seperti diungkapkan dalam Catatan-catatan terkait di bawah ini, beberapa standar akuntansi yang telah direvisi dan diterbitkan, diterapkan efektif tanggal 1 Januari 2011, baik secara prospektif maupun retrospektif.

Laporan keuangan konsolidasian disusun sesuai dengan Pernyataan Standar Akuntansi Keuangan (“PSAK”) No. 1 (Revisi 2009), “Penyajian Laporan Keuangan” yang diterapkan pada tanggal 1 Januari 2011.

PSAK No. 1 (Revisi 2009) mengatur penyajian laporan keuangan, yaitu antara lain, pemisahan antara ekuitas yang dapat diatribusikan kepada pemilik entitas induk dan kepentingan non-pengendali pada bagian ekuitas. PSAK revisi ini juga memperkenalkan pengungkapan baru, antara lain, laporan laba rugi komprehensif, sumber estimasi ketidakpastian dan pertimbangan, pengelolaan permodalan, penyimpangan dari standar akuntansi keuangan dan pernyataan kepatuhan.

Kelompok Usaha memilih menyajikan laporan laba rugi komprehensif dalam satu laporan dan menyajikan tambahan pengungkapan sumber estimasi ketidakpastian dan pertimbangan pada Catatan 3 serta pengelolaan permodalan pada Catatan 38. Lebih lanjut, Perusahaan menyajikan “Kepentingan Nonpengendali” (dahulu “Hak Minoritas Atas Aset Neto Entitas Anak") yang sebelumnya disajikan di antara liabilitas dan ekuitas sekarang disajikan sebagai bagian dari ekuitas dalam laporan posisi keuangan konsolidasian. Sehubungan dengan reklasifikasi tersebut dan reklasifikasi lain yang diungkapkan pada Catatan ini, Perusahaan menyajikan laporan posisi keuangan konsolidasian periode awal komparatif yaitu 1 Januari 2010/ 31 Desember 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with Indonesian Financial Accounting Standards (“SAK”), which comprise the Statements and Interpretations issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants (“DSAK”) and the Regulations and the Guidelines on Financial Statement Presentation and Disclosures issued by BAPEPAM-LK. As disclosed further in the relevant succeeding Notes, several amended and published accounting standards were adopted effective January 1, 2011, prospectively and retrospectively.

The consolidated financial statements are prepared in accordance with the Statement of Financial Accounting Standards (“PSAK”) No. 1 (Revised 2009), “Presentation of Financial Statements” adopted on January 1, 2011.

PSAK No. 1 (Revised 2009) regulates the presentation of financial statements as to, among others, separation of owner and non-owner changes in equity. The revision also introduces new disclosures such as, among others, statement of comprehensive income, key estimations and judgments, capital management, departures from accounting standards and statement of compliance.

The Group elected to present one single statement of comprehensive income and disclosed additional disclosures on key estimations and judgments in Note 3 and capital management in Note 38. Further, the Company presents “Non-controlling Interests” (previously known as “Minority Interests in Net Assets of Subsidiaries”) which was previously presented in between liability and equity now presented as part of equity in the consolidated statement of financial position. In relation to such reclassification and other reclassification disclosed in this Note, the Company presented the consolidated statement of financial position at the beginning of the earliest comparative period, which is January 1, 2010/December 31, 2009.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar Penyajian Laporan Keuangan Konsolidasian (lanjutan)

Laporan keuangan konsolidasian disusun berdasarkan konsep akrual dengan menggunakan konsep biaya historis, kecuali untuk beberapa akun tertentu yang diukur berdasarkan pengukuran sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Laporan arus kas konsolidasian yang disusun dengan menggunakan metode langsung, menyajikan penerimaan dan pengeluaran kas yang diklasifikasikan dalam aktivitas operasi, investasi dan pendanaan.

Mata uang pelaporan yang digunakan dalam laporan keuangan konsolidasian adalah Rupiah. Efektif 1 Januari 2003, Transgasindo, Entitas Anak, mengubah mata uang pelaporannya dari Rupiah menjadi mata uang fungsional yaitu Dolar Amerika Serikat (Catatan 2.c). Perubahan ini disetujui oleh Direktorat Jenderal Pajak Departemen Keuangan Republik Indonesia dalam Surat Keputusan No. KEP-401/PJ.42/2002 tanggal 16 September 2002.

b. Perubahan kebijakan akuntansi dan pengungkapan

Kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian konsisten dengan kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2010, kecuali bagi penerapan beberapa SAK yang telah direvisi dan berlaku efektif sejak tanggal 1 Januari 2011 seperti yang diungkapkan pada Catatan ini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of Preparation of the Consolidated Financial Statements (continued)

The consolidated financial statements have been prepared on the accrual basis using the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies of each account.

The consolidated statements of cash flows, which have been prepared using the direct method, present cash receipts and payments classified into operating, investing and financing activities.

The reporting currency used in the preparation of the consolidated financial statements is Indonesian Rupiah. Effective January 1, 2003, Transgasindo, a Subsidiary, changed its reporting currency from the Rupiah to US Dollar, its functional currency (Note 2.c). The change was approved by the Directorate General of Taxation, Ministry of Finance of the Republic of Indonesia in its Decision Letter No. KEP-401/PJ.42/2002 dated September 16, 2002.

b. Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those made in the preparation of the consolidated financial statements for the year ended December 31, 2010, except for the adoption of several amended SAKs which were effective starting January 1, 2011 as disclosed in this Note.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

c. Prinsip-prinsip Konsolidasian

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan secara retrospektif PSAK No. 4 (Revisi 2009), "Laporan Keuangan Konsolidasian dan Laporan Keuangan Tersendiri", kecuali beberapa hal berikut yang diterapkan secara prospektif sesuai dengan ketentuan transisi atas PSAK yang direvisi tersebut: (i) rugi entitas anak yang menyebabkan saldo defisit bagi kepentingan nonpengendali ("KNP"); (ii) kehilangan pengendalian pada entitas anak; (iii) perubahan kepemilikan pada entitas anak yang tidak mengakibatkan hilangnya pengendalian; (iv) hak suara potensial dalam menentukan keberadaan pengendalian; dan (v) konsolidasi atas entitas anak yang memiliki pembatasan jangka panjang.

PSAK No. 4 (Revisi 2009) mengatur penyusunan dan penyajian laporan keuangan konsolidasian untuk sekelompok entitas yang berada dalam pengendalian suatu entitas induk, dan akuntansi untuk investasi pada entitas anak, pengendalian bersama entitas dan entitas asosiasi ketika laporan keuangan tersendiri disajikan sebagai informasi tambahan. Penerapan PSAK No. 4 (Revisi 2009) tersebut memberikan pengaruh yang tidak signifikan terhadap posisi keuangan dan hasil usaha dari Kelompok Usaha dan hanya berdampak pada penyesuaian atas kebijakan akuntansi dan perubahan penyajian kepentingan nonpengendali dalam laporan posisi keuangan konsolidasian.

Perusahaan menyajikan laporan keuangan tersendiri sebagai informasi tambahan.

Sejak Tanggal 1 Januari 2011

Laporan keuangan konsolidasian meliputi akun-akun Kelompok Usaha yang dimiliki secara langsung dengan persentase kepemilikan lebih dari 50% seperti disebutkan pada Catatan 1.d.

Seluruh saldo akun dan transaksi yang signifikan antara Perusahaan dengan Entitas Anak telah dieliminasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Principles of Consolidation

Effective January 1, 2011, the Group retrospectively adopted PSAK No. 4 (Revised 2009), "Consolidated and Separate Financial Statements", except for the following items that were applied prospectively in accordance with the transitional provision of the said revised PSAK: (i) losses of a subsidiary that result in a deficit balance to non-controlling interests ("NCI"); (ii) loss of control over a subsidiary; (iii) change in the ownership interest in a subsidiary that does not result in a loss of control; (iv) potential voting rights in determining the existence of control; and (v) consolidation of a subsidiary that is subject to long-term restriction.

PSAK No. 4 (Revised 2009) provides for the preparation and presentation of consolidated financial statements for a group of entities under the control of a parent, and the accounting for investments in subsidiaries, jointly controlled entities and associated entities when separate financial statements are presented as additional information. The adoption of the PSAK No. 4 (Revised 2009) did not have any significant impact on the financial position or performance of the Group and only resulting to alignment of accounting policy and changes in the presentation of non-controlling interest in the consolidated statements of financial position.

The Company presents separate financial statements as supplementary information.

Since January 1, 2011

The consolidated financial statements include the accounts of the Group which are directly-owned with ownership percentage of more than 50%, as described in Note 1.d.

All significant intercompany accounts and transactions have been eliminated.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

c. Prinsip-prinsip Konsolidasi (lanjutan)

Sejak Tanggal 1 Januari 2011 (lanjutan)

Entitas-entitas Anak dikonsolidasi secara penuh sejak tanggal akuisisi, yaitu tanggal Perusahaan memperoleh pengendalian, sampai dengan tanggal entitas induk kehilangan pengendalian. Pengendalian dianggap ada ketika Perusahaan memiliki secara langsung atau tidak langsung melalui Entitas-entitas Anak, lebih dari setengah kekuasaan suara entitas.

Pengendalian juga ada ketika entitas induk memiliki setengah atau kurang kekuasaan suara suatu entitas jika terdapat:

(a) kekuasaan yang melebihi setengah hak suara sesuai perjanjian dengan investor lain;

(b) kekuasaan yang mengatur kebijakan keuangan dan operasional entitas berdasarkan anggaran dasar atau perjanjian;

(c) kekuasaan untuk menunjuk atau mengganti sebagian besar direksi atau organ pengatur setara dan mengendalikan entitas melalui direksi atau organ tersebut; atau

(d) kekuasaan untuk memberikan suara mayoritas pada rapat dewan direksi atau organ pengatur setara dan mengendalikan entitas melalui direksi atau organ tersebut.

Rugi entitas anak yang tidak dimiliki secara penuh diatribusikan pada KNP bahkan jika hal ini mengakibatkan KNP mempunyai saldo defisit.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Principles of Consolidation (continued)

Since January 1, 2011 (continued)

Subsidiaries are fully consolidated from the date of acquisitions, being the date on which the Company obtained control, and continue to be consolidated until the date such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through Subsidiaries, more than a half of the voting power of an entity.

Control also exists when the parent owns half or less of the voting power of an entity when there is:

a) power over more than half of the voting rights by virtue of an agreement with other investors;

b) power to govern the financial and operating policies of the entity under a statute or an agreement;

c) power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity by that board or body; or

d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity by that board or body.

Losses of a non-wholly owned subsidiary are attributed to the NCI even if that NCI results in a deficit balance.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

c. Prinsip-prinsip Konsolidasi (lanjutan)

Sejak Tanggal 1 Januari 2011 (lanjutan)

Jika kehilangan pengendalian atas suatu entitas anak, maka Kelompok Usaha:

- menghentikan pengakuan aset (termasuk setiap *goodwill*) dan liabilitas entitas anak;
- menghentikan pengakuan jumlah tercatat setiap KNP;
- menghentikan pengakuan akumulasi selisih penjabaran, yang dicatat di ekuitas, bila ada;
- mengakui nilai wajar pembayaran yang diterima;
- mengakui setiap sisa investasi pada nilai wajarnya;
- mengakui setiap perbedaan yang dihasilkan sebagai keuntungan atau kerugian dalam laporan laba rugi; dan
- mereklasifikasi bagian induk atas komponen yang sebelumnya diakui sebagai pendapatan komprehensif ke laporan laba rugi, atau mengalihkan secara langsung ke saldo laba.

KNP mencerminkan bagian atas laba atau rugi dan aset neto dari Entitas Anak yang tidak dapat diatribusikan secara langsung maupun tidak langsung kepada Perusahaan, yang masing-masing disajikan dalam laporan laba rugi komprehensif konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik entitas induk.

Bagian kepemilikan pemegang saham minoritas atas aset neto Entitas Anak disajikan sebagai ”Kepentingan Nonpengendali” (dahulu adalah ”Hak Minoritas atas Aset Neto Entitas Anak”) pada Laporan Posisi Keuangan Konsolidasian. Hak minoritas atas laba (rugi) neto Entitas Anak pada Laporan Laba Rugi Komprehensif Konsolidasian disajikan sebagai ”Laba tahun Berjalan yang Diatribusikan kepada Kepentingan Nonpengendali”.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Principles of Consolidation (continued)

Since January 1, 2011 (continued)

In case of loss of control over a subsidiary, the Group:

- *derecognizes the assets (including goodwill) and liabilities of the subsidiary;*
- *derecognizes the carrying amount of any NCI;*
- *derecognizes the cummulative translation differences, recorded in equity, if any;*
- *recognizes the fair value of the consideration received;*
- *recognizes the fair value of any investment retained;*
- *recognizes any surplus or deficit in profit or loss; and*
- *reclassifies the parent’s share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.*

NCI represents the portion of the profit or loss and net assets of the Subsidiaries not attributable, directly or indirectly, to the Company, which are presented in the consolidated statements of comprehensive income and under the equity section of the consolidated statements of financial position, respectively, separately from the corresponding portion attributable to the owners of the parent entity.

Minority interest in net assets of Subsidiaries are presented as “Non-controlling Interests” (prior is known as “Minority Interest in Net Assets of Subsidiaries”) in the Consolidated Statements of Financial Position. Minority interest in net earnings (loss) of Subsidiaries are presented in the Consolidated Statements of Comprehensive Income as “Profit for the Year Attributable to Non-Controlling Interests”.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

c. Prinsip-prinsip Konsolidasi (lanjutan)

Sebelum tanggal 1 Januari 2011

Kerugian yang menjadi bagian dari KNP pada entitas-entitas anak tertentu yang tidak dimiliki secara penuh yang sudah melebihi bagiannya dalam modal disetor entitas-entitas anak tersebut dibebankan sementara kepada pemegang saham pengendali, kecuali terdapat kewajiban yang mengikat KNP untuk menutupi kerugian tersebut. Laba entitas-entitas anak tersebut pada periode berikutnya terlebih dahulu akan dialokasikan kepada pemegang saham pengendali sampai seluruh bagian kerugian KNP yang sebelumnya dibebankan kepada pemegang saham pengendali dapat ditutup secara penuh.

Untuk tujuan konsolidasi, laporan keuangan Transgasindo dan PGNEF dijabarkan ke dalam Rupiah dengan menggunakan:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Principles of Consolidation (continued)

Prior to January 1, 2011

Losses attributable to the NCI in certain non-wholly owned subsidiaries that have exceeded the NCI's portion in the equity of the said subsidiaries were temporarily charged against the controlling shareholder unless the NCI has a binding obligation to cover such losses. Subsequent profits of the said subsidiaries shall be allocated to the controlling shareholder until the NCI's share of losses previously absorbed by the controlling shareholder are fully recovered.

For consolidation purposes, the financial statements of Transgasindo and PGNEF are translated into Rupiah using the following:

Akun/*Accounts*	**Kurs/*Exchange Rates***
Aset dan liabilitas/ *Assets and liabilities*	Kurs rata-rata pembelian dan penjualan Bank Indonesia pada akhir periode pelaporan/ *Average buying and selling exchange rate of Bank Indonesia at end of reporting period*
Ekuitas/ *Equity*	Kurs historis Bank Indonesia/ *Historical rates of Bank Indonesia*
Pendapatan dan beban/ *Revenues and expenses*	Rata-rata tertimbang dari kurs tengah Bank Indonesia selama setahun dalam laporan laba rugi komprehensif/ *Weighted-average middle rate of Bank Indonesia during the year of statements of comprehensive income*

Selisih yang timbul dari penjabaran laporan keuangan Transgasindo ke dalam Rupiah disajikan dalam akun "Selisih Kurs karena Penjabaran Laporan Keuangan Entitas Anak" sebagai bagian dari Total Komponen Ekuitas lainnya pada total ekuitas dalam laporan posisi keuangan konsolidasian; sedangkan selisih yang timbul dari penjabaran laporan keuangan PGNEF ke dalam Rupiah disajikan dalam akun "Laba (Rugi) Kurs - Neto" dan dibebankan pada tahun berjalan.

The difference arising from the translation of Transgasindo's financial statements into Rupiah is presented as "Difference in Foreign Currency Translation of the Financial Statements of a Subsidiary" account as part of Total Other Components of Equity in the total equity section of the consolidated statements of financial position; while the difference arising from the translation of PGNEF's financial statements into Rupiah is presented as "Gain (Loss) on Foreign Exchange - Net" account and charged in the current year.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan Liabilitas Keuangan

Efektif tanggal 1 Januari 2010, Kelompok Usaha telah menerapkan PSAK No. 50 (Revisi 2006), “Instrumen Keuangan: Penyajian dan Pengungkapan”, dan PSAK No. 55 (Revisi 2006), “Instrumen Keuangan: Pengakuan dan Pengukuran”, yang menggantikan PSAK No. 50, "Akuntansi Investasi Efek Tertentu" dan PSAK No. 55 (Revisi 1999), "Akuntansi Instrumen Derivatif dan Aktivitas Lindung Nilai".

Efek kumulatif bersih dari penerapan secara prospektif PSAK No. 55 (Revisi 2006) tersebut sebesar Rp51.387.767.052 dicatat pada saldo laba pada tanggal 1 Januari 2010.

(i) Aset Keuangan

Pengakuan awal

Aset keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2006) diklasifikasikan sebagai aset keuangan yang dinilai pada nilai wajar melalui laba atau rugi, pinjaman yang diberikan dan piutang, investasi yang dimiliki hingga tanggal jatuh tempo dan aset keuangan tersedia untuk dijual. Aset keuangan pada awalnya diukur pada nilai wajar, dan dalam hal aset keuangan yang tidak diukur pada nilai wajar melalui laporan laba rugi, ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung.

Pembelian atau penjualan aset keuangan yang mensyaratkan penyerahan aset dalam kurun waktu yang ditetapkan oleh peraturan atau kebiasaan yang berlaku di pasar (pembelian yang lazim/*regular*) diakui pada tanggal perdagangan, yaitu tanggal Perusahaan atau Entitas Anak berkomitmen untuk membeli atau menjual aset tersebut.

Kelompok Usaha mengklasifikasikan aset keuangannya menjadi pinjaman yang diberikan dan piutang dan aset keuangan tersedia untuk dijual. Klasifikasi ini tergantung dari tujuan perolehan aset keuangan tersebut. Manajemen menentukan klasifikasi aset keuangan tersebut pada saat awal pengakuannya dan jika diperbolehkan dan sesuai, akan dievaluasi kembali setiap akhir periode keuangan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities

Effective January 1, 2010, the Group has applied PSAK No. 50 (Revised 2006), “Financial Instruments: Presentation and Disclosures”, and PSAK No. 55 (Revised 2006), “Financial Instruments: Recognition and Measurement”, which supersede PSAK No. 50, “Accounting for Investments in Certain Securities” and PSAK No. 55 (Revised 1999), “Accounting for Derivative Instruments and Hedging Activities”.

The net cumulative effect of the prospective adoption of PSAK No. 55 (Revised 2006) amounting to Rp51,387,767,052 was reflected in the balance of retained earnings as of January 1, 2010.

(i) Financial Assets

Initial recognition

Financial assets within the scope of the PSAK No. 55 (Revised 2006) are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are recognized initially at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company or its Subsidiaries commit to purchase or sell the assets.

The Group classifies its financial assets as loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financials assets were acquired. Management determines the classification of its financial assets at initial recognition and where allowed and appropriate, re-evaluates this designation at each financial period end.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

(i) Aset Keuangan (lanjutan)

Pengukuran setelah pengakuan awal

Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya sebagai berikut:

- Pinjaman yang diberikan dan piutang

  Pinjaman yang diberikan dan piutang adalah aset keuangan non derivatif dengan pembayaran tetap atau telah ditentukan dan tidak mempunyai kuotasi di pasar aktif.

  Pada saat pengakuan awal, aset keuangan ini diakui pada nilai wajarnya ditambah biaya transaksi dan selanjutnya dinyatakan sebesar biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif. Pendapatan dari aset keuangan dalam kelompok ini disajikan sebagai pendapatan keuangan dalam laporan laba rugi komprehensif konsolidasian.

  Dalam hal terjadi penurunan nilai, kerugian penurunan nilai dilaporkan sebagai pengurang dari nilai tercatat dari aset keuangan dalam kelompok pinjaman yang diberikan dan piutang dan diakui di dalam laporan laba rugi komprehensif konsolidasian.

- Aset keuangan yang tersedia untuk dijual

  Aset keuangan tersedia untuk dijual adalah aset keuangan non derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan ke dalam tiga kategori sebelumnya. Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur pada nilai wajar dengan laba atau rugi yang belum direalisasi diakui dalam ekuitas sampai investasi tersebut dihentikan pengakuannya. Pada saat itu, laba atau rugi kumulatif yang sebelumnya diakui dalam ekuitas sampai investasi tersebut dihentikan pengakuannya. Pada saat itu, laba atau rugi kumulatif yang sebelumnya diakui dalam ekuitas harus direklasifikasi ke dalam laba atau rugi sebagai penyesuaian reklasifikasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities (continued)

(i) Financial Assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

- *Loans and receivables*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

  These financial assets are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method. Interest income on this financial assets classification is presented as finance income in the consolidated statements of comprehensive income.

  In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the financial assets classified as loan and receivables and recognized in the consolidated statements of comprehensive income.

- *Available-for-sale (AFS) financial assets*

  AFS financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of three preceding categories. After initial measurement, AFS financial assets are measured at fair value with unrealized gains or losses recognized in the equity until the investment is derecognized. At that time, the cumulative gain or loss previously recognized in the equity shall be reclassified to profit or loss as a reclassification adjustment.

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d. Aset dan Liabilitas Keuangan (lanjutan)

(i) Aset Keuangan (lanjutan)

Pengukuran setelah pengakuan awal (lanjutan)

- Aset keuangan yang tersedia untuk dijual (lanjutan)

  Investasi yang diklasifikasi sebagai aset keuangan tersedia untuk dijual adalah sebagai berikut:

  - Investasi pada saham yang tidak tersedia nilai wajarnya dengan kepemilikan kurang dari 20% dan investasi jangka panjang lainnya dicatat pada biaya perolehannya.
  - Investasi pada instrumen utang yang tidak ditujukan untuk dimiliki sampai jatuh tempo diklasifikasikan sebagai aset keuangan tersedia untuk dijual, dan dicatat pada nilai wajar.

(ii) Penurunan Nilai dari Aset Keuangan

Kelompok Usaha melakukan penilaian pada setiap tanggal laporan posisi keuangan apakah terdapat bukti obyektif bahwa aset keuangan mengalami penurunan nilai.

Aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi, jika dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan) dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan yang dapat diestimasi secara handal.

Untuk menentukan adanya bukti obyektif bahwa rugi penurunan nilai telah terjadi atas aset keuangan, Kelompok Usaha mempertimbangkan faktor-faktor seperti kemungkinan adanya insolvabilitas atau kesulitan keuangan signifikan yang dialami debitur dan kelalaian atau penundaan signifikan pembayaran.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities (continued)

(i) Financial Assets (continued)

Subsequent measurement (continued)

- *Available-for-sale (AFS) financial assets (continued)*

  The investments classified as AFS are as follows:

  - *Investments in shares of stock that do not have readily determinable fair value in which the equity interest is less than 20% and other long-term investments are carried at cost.*
  - *Investments in debt instruments which are not intended to be held to maturity that have readily determinable are classified as AFS and recorded at fair value.*

(ii) Impairment of Financial Assets

The Group assesses at each statement of financial position date whether there is any objective evidence that a financial asset is impaired.

A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

To determine whether there is objective evidence that an impairment loss on financial assets have been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

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d. Aset dan Liabilitas Keuangan (lanjutan)

(ii) Penurunan Nilai dari Aset Keuangan (lanjutan)

Kelompok Usaha pertama kali menentukan apakah terdapat bukti obyektif penurunan nilai secara individual atas aset keuangan yang secara individual signifikan atau secara kolektif untuk aset keuangan yang jumlahnya tidak signifikan secara individual.

Jika Kelompok Usaha menentukan tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Perusahaan memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang serupa dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual dan untuk itu kerugian penurunan nilai diakui atau terus diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Jumlah kerugian penurunan nilai diukur berdasarkan selisih antara nilai tercatat aset keuangan dengan nilai kini dari estimasi arus kas masa datang (tidak termasuk kerugian kredit di masa depan yang belum terjadi) yang didiskontokan menggunakan tingkat suku bunga efektif awal dari aset keuangan tersebut.

Nilai tercatat aset tersebut dikurangi melalui akun cadangan penurunan nilai dan jumlah kerugian diakui pada laporan laba rugi komprehensif konsolidasian. Jika pinjaman yang diberikan memiliki suku bunga variabel, maka tingkat diskonto yang digunakan adalah suku bunga efektif yang berlaku yang ditetapkan dalam kontrak.

Perhitungan nilai kini dari estimasi arus kas masa datang atas aset keuangan dengan agunan (*collateralised financial asset*) mencerminkan arus kas yang dapat dihasilkan dari utilisasi dari jaminan deposit yang diberikan oleh pelanggan kepada Kelompok Usaha.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities (continued)

(ii) Impairment of Financial Assets (continued)

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial assets, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance for impairment and the amount of the loss is recognized in the consolidated statements of comprehensive income. If a receivable has a variable interest rate, the discount rate used is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from the utilization of deposit placed by customer to the Group.

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d. Aset dan Liabilitas Keuangan (lanjutan)

(ii) Penurunan Nilai dari Aset Keuangan (lanjutan)

Estimasi periode antara terjadinya peristiwa dan teridentifikasinya kerugian ditentukan oleh manajemen untuk setiap portofolio yang diidentifikasi.

Untuk tujuan evaluasi penurunan nilai secara kolektif, aset keuangan dikelompokkan berdasarkan kesamaan karakteristik risiko kredit yaitu berdasarkan jenis pelanggan.

Arus kas masa datang dari aset keuangan Kelompok Usaha yang penurunan nilainya dievaluasi secara kolektif, diestimasi berdasarkan arus kas kontraktual atas aset-aset di dalam kelompok tersebut dan kerugian historis yang pernah dialami atas aset-aset yang memiliki karakteristik risiko kredit yang serupa dengan karakteristik risiko kredit kelompok tersebut. Kerugian historis yang pernah dialami kemudian disesuaikan berdasarkan data terkini yang dapat diobservasi untuk mencerminkan kondisi saat ini yang tidak berpengaruh pada periode terjadinya kerugian historis tersebut, dan untuk menghilangkan pengaruh kondisi yang ada pada periode historis namun sudah tidak ada lagi saat ini.

Ketika piutang tidak tertagih, piutang tersebut dihapusbukukan dengan menjurnal balik cadangan kerugian penurunan nilai. Piutang tersebut dapat dihapus buku setelah semua prosedur yang diperlukan telah dilakukan dan jumlah kerugian telah ditentukan. Beban penurunan nilai yang terkait dengan piutang diklasifikasikan ke dalam “Cadangan Kerugian Penurunan Nilai”.

Jika, pada periode berikutnya, jumlah kerugian penurunan nilai berkurang dan pengurangan tersebut dapat dikaitkan secara obyektif pada peristiwa yang terjadi setelah penurunan nilai diakui maka kerugian penurunan nilai yang sebelumnya diakui dipulihkan, dengan menyesuaikan cadangan kerugian penurunan nilai. Jumlah pemulihan aset keuangan diakui pada laporan laba rugi komprehensif konsolidasian.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities (continued)

(ii) Impairment of Financial Assets (continued)

The estimated period between a loss occurring and its identification is determined by the management for each identified portfolio.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics by customer type.

Future cash flows in the Group of financial assets that are collectively evaluated for impairment, and are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the current conditions which did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

When a receivable is uncollectible, it is written off against the related allowance for impairment losses. Such receivable are written-off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to receivable, is classified in “Allowance for Impairment Losses”.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized the previously recognized impairment loss is reversed by adjusting the allowance for impairment losses. The amount of the reversal is recognized in the consolidated statements of comprehensive income.

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d. Aset dan Liabilitas Keuangan (lanjutan)

(ii) Penurunan Nilai dari Aset Keuangan (lanjutan)

Penerimaan kemudian atas piutang yang telah dihapusbukukan sebelumnya, jika pada periode berjalan, dikreditkan pada cadangan kerugian penurunan nilai, sedangkan jika setelah tanggal laporan posisi keuangan konsolidasian, dikreditkan sebagai pendapatan operasional lainnya.

(iii) Liabilitas Keuangan

Pengakuan awal

Liabilitas keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2006) diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi komprehensif konsolidasian, utang dan pinjaman. Pada tanggal laporan posisi keuangan konsolidasian, Kelompok Usaha memiliki ke dua jenis liabilitas keuangan. Kelompok Usaha menetapkan klasifikasi atas liabilitas keuangan pada saat pengakuan awal.

Liabilitas keuangan pada awalnya diukur pada nilai wajar dan, dalam hal pinjaman dan utang, ditambah biaya transaksi yang dapat diatribusikan secara langsung.

Kelompok Usaha mengklasifikasikan liabilitas keuangan dalam kategori (a) liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi dan (b) liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi. Liabilitas keuangan dihentikan pengakuannya ketika kewajiban yang telah ditetapkan dalam kontrak dihentikan atau dibatalkan atau kadaluwarsa.

a. Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi

Kategori ini terdiri dari liabilitas keuangan diklasifikasikan sebagai diperdagangkan.

Liabilitas keuangan diklasifikasikan sebagai diperdagangkan jika diperoleh terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Derivatif diklasifikasikan sebagai kewajiban diperdagangkan kecuali ditetapkan dan efektif sebagai instrumen lindung nilai.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Assets and Liabilities (continued)

(ii) Impairment of Financial Assets (continued)

Subsequent recoveries of previously written off receivables, if in the current period, are credited to the allowance for impairment losses, but if after the consolidated statement of financial position date, are credited to other operating income.

(iii) Financial Liabilities

Initial recognition

Financial liabilities within the scope of PSAK No. 55 (Revised 2006) are classified as financial liabilities at fair value through consolidated statements of comprehensive income, loans and borrowings. As at the consolidated statement of financial position date, the Group has both type of financial liabilities. The Group determines the classification of its financial liabilities at intial recognition.

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, inclusive of directly attributable transaction costs.

The Group classifies its financial liabilities in the category of (a) financial liabilities at fair value through profit or loss and (b) financial liabilities measured at amortized cost. Financial liabilities are derecognized when the obligations under the contract is discharged or cancelled or expired.

a. Financial liabilities at fair value through profit or loss

This category comprises of financial liabilities classified as held for trading.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments.

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d. Aset dan Liabilitas Keuangan (lanjutan)

(iii) Liabilitas Keuangan (lanjutan)

Pengakuan awal (lanjutan)

a. Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi (lanjutan)

Keuntungan dan kerugian yang timbul dari perubahan nilai wajar liabilitas keuangan yang diklasifikasikan sebagai diperdagangkan disajikan dalam laporan laba rugi komprehensif konsolidasian sebagai "Laba (Rugi) Perubahan Nilai Wajar Derivatif - Neto".

b. Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi

Liabilitas keuangan yang tidak diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi dikategorikan dan diukur dengan biaya perolehan diamortisasi.

Setelah pengakuan awal, Kelompok Usaha mengukur seluruh liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

(iv) Penentuan Nilai Wajar

Nilai wajar untuk instrumen keuangan yang diperdagangkan di pasar aktif ditentukan berdasarkan nilai pasar yang berlaku pada tanggal laporan posisi keuangan. Termasuk didalamnya adalah nilai pasar dari IDMA (*Interdealer Market Association*) atau harga yang diberikan oleh broker (*quoted price*) dari Bloomberg dan Reuters pada tanggal laporan posisi keuangan.

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d. Financial Assets and Liabilities (continued)

(iii) Financial Liabilities (continued)

Initial recognition (continued)

a. Financial liabilities at fair value through profit or loss (continued)

Gains and losses arising from changes in fair value of financial liabilities classified held for trading are included in the consolidated statements of comprehensive income and are presented as "Gain (Loss) on Change in Fair Value of Derivative - Net".

b. Financial liabilities at amortized cost

Financial liabilities that are not classified as at fair value through profit and loss fall into this category and are measured at amortized cost.

After initial recognition, the Group measures all financial liabilities at amortized cost using effective interest rate method.

(iv) Determination of Fair Value

The fair value of financial instruments traded in active markets is determined based on quoted market prices at the statement of financial position date. The fair value includes IDMA's (Interdealer Market Association) quoted market prices or broker's quoted price from Bloomberg and Reuters at statement of financial position date.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

(iv) Penentuan Nilai Wajar (lanjutan)

Instrumen keuangan dianggap memiliki kuotasi di pasar aktif, jika harga kuotasi tersedia sewaktu-waktu dan dapat diperoleh secara rutin dari bursa, pedagang efek (*dealer*), perantara efek (*broker*), kelompok industri, badan pengawas (*pricing service or regulatory agency*) dan harga tersebut mencerminkan transaksi pasar yang aktual dan rutin dalam suatu transaksi yang wajar. Jika kriteria di atas tidak terpenuhi, maka pasar aktif dinyatakan tidak tersedia. Indikasi-indikasi dari pasar tidak aktif adalah terdapat selisih yang besar antara harga penawaran dan permintaan atau kenaikan signifikan dalam selisih harga penawaran dan permintaan dan hanya terdapat beberapa transaksi terkini.

Nilai wajar untuk semua instrumen keuangan lainnya yang tidak memiliki kuotasi di pasar aktif ditentukan dengan menggunakan teknik penilaian. Dengan teknik ini, nilai wajar merupakan suatu estimasi yang dihasilkan dari data yang dapat diobservasi dari instrumen keuangan yang sejenis, menggunakan model-model untuk mendapatkan estimasi nilai kini dari arus kas masa depan yang diharapkan atau teknik penilaian lainnya menggunakan input (sebagai contoh LIBOR *yield curve*, nilai tukar mata uang asing, volatilitas, *counterparty spreads*) yang tersedia pada tanggal laporan posisi keuangan konsolidasian.

Kelompok Usaha menggunakan beberapa teknik penilaian yang digunakan secara umum untuk menentukan nilai wajar dari instrumen keuangan, seperti opsi suku bunga dan swap mata uang asing. Input yang digunakan dalam teknik penilaian untuk instrumen keuangan di atas adalah data pasar yang dapat diobservasi.

Untuk instrumen yang lebih kompleks, Kelompok Usaha menggunakan model penilaian internal, yang pada umumnya berdasarkan teknik dan metode penilaian yang umumnya diakui sebagai standar industri.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iv) Determination of Fair Value (continued)

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments which not provided quoted in an active market, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, foreign currency rates, volatilities and counterparty spreads) existing at the dates of the consolidated statements of financial position.

The Group uses widely recognized valuation models for determining fair values of financial instruments, such as options of interest rate and foreign currency swaps. For these financial instruments, inputs into models are generally market-observable.

For more complex instruments, the Group uses internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

(iv) Penentuan Nilai Wajar (lanjutan)

Beberapa input dari model ini tidak berasal dari data yang dapat diobservasi di pasar dan demikian merupakan hasil estimasi berdasarkan asumsi tertentu.

Structured interest rate derivatives ditentukan menggunakan *option pricing models* (sebagai contoh, *the Black-Scholes model*) atau prosedur lainnya seperti *Monte Carlo Simulation*.

(v) Penghentian Pengakuan

Penghentian pengakuan aset keuangan dilakukan ketika hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan tersebut berakhir, atau ketika aset keuangan tersebut telah dialihkan dan secara substansial seluruh risiko dan manfaat atas kepemilikan aset telah ditransfer (jika, secara substansial seluruh risiko dan manfaat tidak ditransfer, maka Kelompok Usaha melakukan evaluasi untuk memastikan keterlibatan berkelanjutan atas kontrol yang masih dimiliki tidak mencegah penghentian pengakuan). Liabilitas keuangan dihentikan pengakuannya ketika liabilitas yang telah ditetapkan dalam kontrak dihentikan atau dibatalkan atau kadaluwarsa.

(vi) Reklasifikasi Instrumen Keuangan

Kelompok Usaha tidak mereklasifikasi instrumen keuangan dari atau ke kategori instrumen keuangan yang diukur pada nilai wajar melalui laporan laba rugi selama instrumen keuangan tersebut dimiliki atau diterbitkan.

Kelompok Usaha tidak mengklasifikasikan aset keuangan sebagai investasi dimiliki hingga jatuh tempo, jika dalam tahun berjalan atau dalam kurun waktu dua tahun sebelumnya, telah menjual atau mereklasifikasi investasi dimiliki hingga jatuh tempo melebihi jumlah yang tidak signifikan sebelum jatuh tempo (lebih dari jumlah yang tidak signifikan dibandingkan dengan jumlah nilai investasi dimiliki hingga jatuh tempo), kecuali penjualan atau reklasifikasi tersebut:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iv) Determination of Fair Value (continued)

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Structured interest rate derivatives are measured using appropriate option pricing models (for example, the Black-Scholes model) or other procedures such as Monte Carlo Simulation.

(v) Derecognition

Financial assets are derecognized when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the Group tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition). Financial liabilities are derecognized when the obligations under the contract is discharged or cancelled or expired.

(vi) Reclassification of Financial Instruments

The Group does not reclassify any financial instruments out of or into the fair value through profit or loss category while it is held or issued.

The Group does not classify any financial assets as held-to-maturity if the entity has, during the current financial year or during the two preceding financial years, sold or reclassified more than an insignificant amount of held-to-maturity investments before maturity (more than insignificant in relation to the total amount of held-to-maturity investments) other than sales or reclassifications that:

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

(vi) Reklasifikasi Instrumen Keuangan (lanjutan)

- dilakukan ketika aset keuangan sudah mendekati jatuh tempo atau tanggal pembelian kembali di mana perubahan suku bunga pasar tidak akan berpengaruh secara signifikan terhadap nilai wajar aset keuangan tersebut;
- terjadi setelah Kelompok Usaha telah memperoleh secara substansial seluruh jumlah pokok awal aset keuangan tersebut sesuai jadwal pembayaran atau pelunasan dipercepat; atau
- terkait dengan kejadian tertentu yang berada di luar kendali Kelompok Usaha, tidak berulang dan tidak dapat diantisipasi secara wajar oleh Kelompok Usaha.

Reklasifikasi aset keuangan dari kelompok dimiliki hingga jatuh tempo ke kelompok tersedia untuk dijual dicatat sebesar nilai wajarnya. Keuntungan atau kerugian yang belum direalisasi tetap diakui dalam komponen ekuitas sampai aset keuangan tersebut dihentikan pengakuannya, dimana pada saat itu keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui pada laporan laba rugi komprehensif konsolidasian.

(vii) Klasifikasi atas Instrumen Keuangan

Kelompok Usaha mengklasifikasikan instrumen keuangan ke dalam klasifikasi tertentu yang mencerminkan sifat dari informasi dan mempertimbangkan karakteristik dari instrumen keuangan tersebut. Klasifikasi ini dapat dilihat pada tabel di bawah ini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(vi) Reclassification of Financial Instruments (continued)

- *are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;*
- *occur after the Group has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or*
- *are attributable to an isolated event that is beyond the Group's control, is non-recurring and could not have been reasonably anticipated by the Group.*

Reclassification of financial assets from held to maturity classification to available for sale are recorded at fair value. Unrealized gains or losses are recognized in the equity section until the financial assets is derecognized, at which time the cummulative gain or loss previously recognized in equity is recognized in the consolidated statements of comprehensive income.

(vii) Classes of Financial Instruments

The Group classifies the financial instruments into classes that reflects the nature of information and take into account the characteristic of those financial instruments. The classification can be seen in the table below.

Instrumen Keuangan/ ***Financial Instruments***	**Kategori yang didefinisikan oleh PSAK No. 55 (Revisi 2006)/** ***Category as defined by PSAK No. 55 (Revised 2006)***	**Golongan/** ***Class***	**Subgolongan/** ***Subclass***
Aset keuangan/ *Financial assets*	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	Kas dan setara kas/*Cash and cash equivalents*	
		Kas yang dibatasi penggunaannya/*Restricted cash*	
		Piutang usaha/*Trade receivables*	
		Piutang lain-lain/ *Other receivables*	Piutang dari PT Kustodian Sentral Efek Indonesia/ *Receivable from PT Kustodian Sentral Efek Indonesia*
			Piutang dana talangan/*Bridging receivables*
			Piutang dari Pemerintah Republik Indonesia/ *Receivables from the Government of the Republic of Indonesia*
			Piutang dari PT Tugu Pratama Indonesia/ *Receivable from PT Tugu Pratama Indonesia*
			Piutang bunga/*Interest receivables*
			Piutang lain-lain - lainnya/*Other receivables - others*
	Aset keuangan tersedia dijual/ *Available-for-sale financial assets*	Investasi jangka pendek/ *Short-term investments*	
		Penyertaan saham dengan kepemilikan dibawah 20% dan yang tidak tersedia nilai wajarnya/*Investment in shares of stock with percentage of ownership below 20% and do not have readily determinable fair value*	

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Aset dan Liabilitas Keuangan (lanjutan)

d. Financial Assets and Liabilities (continued)

(vii) Klasifikasi atas Instrumen Keuangan (lanjutan)

(vii) Classes of Financial Instruments (continued)

Instrumen Keuangan/ *Financial Instruments*	Kategori yang didefinisikan oleh PSAK No. 55 (Revisi 2006)/ *Category as defined by PSAK No. 55 (Revised 2006)*	Golongan/ *Class*	Subgolongan/ *Subclass*
Liabilitas keuangan/ *Financial liabilities*	Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi/ *Financial liabilities at amortized cost*	Pinjaman bank jangka pendek/*Short-term bank loan*	
		Utang usaha/*Trade payables*	
		Utang lain-lain/ *Other payables*	Jaminan gas/*Gas guarantee deposits*
			Liabilitas kepada kontraktor / *Liabilities to contractors*
			Utang kepada PT Riau Andalan Pulp and Paper/ *Payable to PT Riau Andalan Pulp and Paper*
			Jaminan masa konstruksi proyek/*Project performance bonds*
			Pembelian barang dan jasa/*Purchase of goods and services*
			Utang kepada Transasia Pipeline Company, Pvt., Ltd. dan ConocoPhillips (Grissik) Ltd./ *Payables to Transasia Pipeline Company, Pvt., Ltd. and ConocoPhillips (Grissik) Ltd.*
			Dana program tanggung jawab sosial dan lingkungan/ *Corporate Social and Environmental Responsibility (CSR) funds*
			Utang lain-lain - lainnya/*Other payables - others*
		Liabilitas yang masih harus dibayar/ *Accrued liabilities*	Gaji dan bonus karyawan/*Employees' salaries and bonus*
			Liabilitas kepada kontraktor dan pemasok/ *Liabilities to contractors and suppliers*
			Bunga yang masih harus dibayar/*Accrued interest*
			Proyek perbaikan pipa bawah laut/*Offshore pipeline repair project*
			Pembelian aset tetap/*Purchase of fixed assets*
			Iuran ke BPH Migas/*BPH Migas levy*
			Beban pemeliharaan/*Maintenance expenses*
			Proyek stasiun Jabung gas booster/ *Jabung gas booster station project*
			Jasa konsultan/*Consultant fees*
			Liabilitas yang masih harus dibayar lain-lain/ *Other accrued liabilities*
		Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun/*Current maturities of long-term loans*	
		Utang kepada pemegang saham Entitas Anak jatuh tempo dalam waktu satu tahun/*Current maturities of due to a shareholder of a Subsidiary*	
		Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun/*Long-term loans - net of current maturities*	
		Utang kepada pemegang saham Entitas Anak - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun/*Due to a shareholder of a Subsidiary - net of current maturities*	
	Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi/*Financial liabilities at fair value through profit or loss*	Utang derivatif/*Derivative payable*	

(viii) Saling Hapus Instrumen Keuangan

Aset keuangan dan liabilitas keuangan saling hapus buku dan nilai netonya disajikan dalam laporan posisi keuangan konsolidasian jika memiliki hak yang berkekuatan hukum untuk melakukan saling hapus buku atas jumlah yang telah diakui tersebut dan berniat untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan.

(viii) Offsetting financial instrument

Financial assets and liabilities are offset and the net amount presented in the consolidated statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Setara Kas dan Kas yang Dibatasi Penggunaannya

e. Cash Equivalents and Restricted Cash

Deposito berjangka dengan jangka waktu tiga bulan atau kurang sejak tanggal penempatan diklasifikasikan sebagai “Setara Kas”.

Time deposits with maturity periods of three months or less at the time of placement are considered as “Cash Equivalents”.

Rekening bank yang dibatasi penggunaannya sehubungan dengan persyaratan perjanjian pinjaman disajikan sebagai “Kas yang Dibatasi Penggunaannya” (Catatan 5).

Cash in banks which is restricted for use as stipulated under the terms of the loan agreement is presented as “Restricted Cash” (Note 5).

f. Transaksi Dengan Pihak Berelasi

f. Transactions with Related Parties

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan PSAK No. 7 (Revisi 2010), “Pengungkapan Pihak-pihak Berelasi”. PSAK revisi ini mengubah definisi pihak berelasi. Perubahan ini juga memperkenalkan pengecualian dari persyaratan umum pengungkapan pihak berelasi atas transaksi dengan pemerintah dan entitas yang dikendalikan, dikendalikan bersama, atau dipengaruhi secara signifikan oleh Pemerintah (entitas berelasi dengan Pemerintah).

Effective January 1, 2011, the Group applied PSAK No. 7 (Revised 2010), “Related Party Disclosures”. The revised PSAK change the definitions of a related party. The amendment also introduces an exemption from the general related party disclosure requirements for transactions with government and entities that are controlled, jointly controlled or significantly influenced by the same Government as the reporting entity (Government related-entities).

Penerapan PSAK No. 7 (Revisi 2010) memberikan pengaruh signifikan terhadap pengungkapan pihak berelasi, terutama yang berkaitan dengan pengungkapan entitas berelasi dengan pemerintah. Kelompok Usaha memilih untuk mengungkapkan transaksi dengan entitas berelasi dengan pemerintah dengan menggunakan pengecualian dari persyaratan pengungkapan pihak berelasi.

The adoption of PSAK No. 7 (Revised 2010) significant impact on the disclosures of related parties, in particular those related to the disclosures of government related entities. The Group elected to disclose the transactions with government related entitites using the exemption from general related party disclosure requirements.

Perusahaan dan Entitas Anak mempunyai transaksi dengan pihak berelasi, dengan definisi yang diuraikan pada revisi PSAK No. 7.

The Company and Subsidiaries have transactions with related parties, as defined in the revised PSAK No. 7.

Saldo dan transaksi yang material antara Kelompok Usaha dengan Pemerintah Negara Republik Indonesia dan entitas berelasi dengan Pemerintah diungkapkan pada catatan atas akun-akun terkait.

Significant transactions and balances of the Group with the Government of the Republic of Indonesia and Government-related entities are disclosed in the relevant notes of the respective account.

g. Persediaan

g. Inventories

Persediaan dinyatakan sebesar nilai yang lebih rendah antara biaya perolehan dan nilai realisasi neto. Biaya perolehan ditentukan dengan metode rata-rata bergerak (*moving-average method*). Penyisihan persediaan usang dilakukan atas dasar hasil penelaahan secara periodik terhadap kondisi persediaan.

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the moving average method. Allowance for inventories obsolescence is provided based on the periodic review of the condition of the inventories.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

h. Penyertaan Saham

Penyertaan saham pada entitas dimana Kelompok Usaha tidak memiliki pengaruh yang signifikan dicatat sesuai dengan PSAK No. 55 (Revisi 2006).

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan PSAK No. 15 (Revisi 2009), "Investasi pada Entitas Asosiasi". PSAK revisi ini diterapkan secara retrospektif dan mengatur akuntansi investasi dalam entitas asosiasi dalam hal penentuan pengaruh signifikan, metode akuntansi yang harus diterapkan, penurunan nilai investasi dan laporan keuangan tersendiri. Penerapan PSAK ini tidak memberikan pengaruh yang berarti terhadap laporan keuangan konsolidasian.

Investasi Kelompok Usaha pada entitas asosiasi diukur dengan menggunakan metode ekuitas. Entitas asosiasi adalah suatu entitas di mana Kelompok Usaha mempunyai pengaruh signifikan. Sesuai dengan metode ekuitas, investasi pada entitas asosiasi diakui sebesar biaya perolehan pada laporan posisi keuangan konsolidasian dan yang selanjutnya disesuaikan dengan perubahan pasca perolehan dalam bagian Kelompok Usaha atas aset neto dari entitas asosiasi tersebut.

Laporan laba rugi komprehensif konsolidasian mencerminkan bagian atas hasil operasi dari entitas asosiasi. Bila terdapat perubahan yang diakui langsung pada ekuitas dari entitas asosiasi, Kelompok Usaha mengakui bagiannya atas perubahan tersebut dan mengungkapkan hal ini, jika dapat dipakai, dalam laporan perubahan ekuitas konsolidasian. Laba atau rugi yang belum direalisasi sebagai hasil dari transaksi-transaksi antara Kelompok Usaha dengan entitas asosiasi dieliminasi pada jumlah sesuai dengan kepentingan Kelompok Usaha dalam entitas asosiasi.

Laporan keuangan entitas asosiasi disusun atas periode pelaporan yang sama dengan Kelompok Usaha.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Investment in Shares of Stock

Investments in shares of stock of entities wherein the Group does not have significant influence are accounted for in accordance with PSAK No. 55 (Revised 2006).

Effective January 1, 2011, the Group applied PSAK No. 15 (Revised 2009), "Investments in Associated Companies". PSAK No. 15 (Revised 2009) is applied retrospectively and prescribes the accounting for investments in associated companies as to the determination of significant influence, accounting method to be applied, impairment in values of investments and separate financial statements. The adoption of this PSAK has no significant impact on the consolidated financial statements.

The Group's investment in its associated is accounted for using the equity method. An associated is an entity in which the Group has significant influence. Under the equity method, the investment in the associate is carried in the consolidated statements of financial position at cost and adjusted thereafter for the post acquisition changes in the Group's share of net assets of the associate.

The consolidated statements of comprehensive income reflect the share of the results of operations of the associate. Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any such changes and discloses this, when applicable, in the consolidated statements of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

The financial statements of the associate are prepared for the same reporting period of the Group.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Penyertaan Saham (lanjutan)

h. Investment in Shares of Stock (continued)

Kelompok Usaha menentukan apakah diperlukan untuk mengakui tambahan rugi penurunan nilai atas investasi Kelompok Usaha dalam entitas asosiasi. Kelompok Usaha menentukan pada setiap tanggal pelaporan apakah terdapat bukti yang obyektif yang mengindikasikan bahwa investasi dalam entitas asosiasi mengalami penurunan nilai. Dalam hal ini, Kelompok Usaha menghitung jumlah penurunan nilai berdasarkan selisih antara jumlah terpulihkan atas investasi dalam entitas asosiasi dan nilai tercatatnya dan mengakuinya dalam laporan laba rugi komprehensif konsolidasian.

The Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in associate and its carrying value, and recognizes the amount in the consolidated statements of comprehensive income.

i. Aset Tetap

i. Fixed Assets

Aset tetap dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria pengakuan. Selanjutnya, pada saat inspeksi yang signifikan dilakukan, biaya inspeksi itu diakui ke dalam jumlah nilai tercatat (*"carrying amount"*) aset tetap sebagai suatu penggantian jika memenuhi kriteria pengakuan. Semua biaya pemeliharaan dan perbaikan yang tidak memenuhi kriteria pengakuan diakui dalam laporan laba rugi komprehensif konsolidasian pada saat terjadinya.

Fixed assets are stated at cost less accumulated depreciation and impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in the consolidated statements of comprehensive income as incurred.

Aset tetap, kecuali tanah, disusutkan dengan menggunakan metode garis lurus untuk bangunan dan prasarana dan metode saldo menurun ganda untuk seluruh aset tetap lainnya selama umur manfaat aset tetap yang diestimasi sebagai berikut:

Depreciation of fixed assets, except for land, is computed using the straight-line method for buildings and improvements, and the double-declining balance method for other fixed assets over the estimated useful lives of the assets, as follows:

	Tahun/*Years*	Tarif/*Rates*	
Bangunan dan prasarana	20	5,00%	*Buildings and improvements*
Mesin dan peralatan	16 - 20	10,00% - 12,50%	*Machineries and equipment*
Kendaraan bermotor	4 - 8	25,00% - 50,00%	*Vehicles*
Peralatan kantor	4 - 8	25,00% - 50,00%	*Office equipment*
Peralatan dan perabot	4 - 8	25,00% - 50,00%	*Furnitures and fixtures*
Aset belum terpasang	16	12,50%	*Uninstalled assets*

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

i. Aset Tetap (lanjutan)

Tanah dinyatakan sebesar biaya perolehan dan tidak diamortisasi. Beban-beban tertentu sehubungan dengan perolehan atau perpanjangan hak kepemilikan tanah ditangguhkan dan diamortisasi sepanjang umur hukum hak atas tanah atau umur ekonomis tanah, mana yang lebih pendek. Beban-beban ini disajikan sebagai bagian dari “Beban Ditangguhkan” pada laporan posisi keuangan konsolidasian.

Jumlah tercatat aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset (dihitung sebagai perbedaan antara jumlah neto hasil pelepasan dan nilai tercatat dari aset) dimasukkan dalam laporan laba rugi komprehensif konsolidasian pada periode aset tersebut dihentikan pengakuannya.

Pada setiap akhir tahun buku, nilai residu, umur manfaat dan metode penyusutan ditelaah dan jika sesuai dengan keadaan, disesuaikan secara prospektif.

Aset dalam penyelesaian disajikan dalam “Aset Tetap” dan dinyatakan sebesar biaya perolehan. Akumulasi biaya perolehan untuk aset dalam penyelesaian akan dipindahkan ke masing-masing aset tetap yang bersangkutan pada saat aset tersebut selesai dikerjakan dan siap digunakan sesuai dengan tujuannya (Catatan 2.m).

Aset kerjasama operasi adalah tanah Perusahaan yang digunakan untuk menyelenggarakan kegiatan kerjasama operasi. Bangunan kantor yang diperoleh sebagai kompensasi dalam kerjasama operasi dan pendapatan diterima di muka terkait diakui pada saat aset tersebut selesai dibangun dan siap digunakan sesuai dengan tujuannya. Pendapatan diterima di muka diakui selama periode kerjasama operasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Fixed Assets (continued)

Land is stated at cost and not amortized. Specific costs associated with the acquisition or renewal of land titles are deferred and amortized over the legal term or the economic life of the land, whichever is shorter. These costs are presented as part of “Deferred Charges” in the consolidated statements of financial position.

An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statements of comprehensive income in the period the asset is derecognized.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed and adjusted prospectively if appropriate, at each financial year end.

Construction in progress is presented as part of “Fixed Assets” and is stated at cost. The accumulated cost of the asset constructed is transferred to the appropriate fixed assets account when the construction is completed and the asset is ready for its intended use (Note 2.m).

Joint venture assets are the Company’s land titles used to carry out the joint venture activities. Office building obtained as compensation in the joint operation and the respective unearned income are recognized when the construction is completed and the asset is ready for its intended use. Unearned income is recognized over the period of the joint operation.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

i. Aset Tetap (lanjutan)

Aset kerjasama operasi dinyatakan pada nilai dapat diperoleh kembali pada saat kejadian-kejadian atau perubahan-perubahan keadaan mengindikasikan bahwa nilai tercatatnya mungkin tidak dapat diperoleh kembali. Penurunan nilai aset, jika ada, diakui sebagai rugi pada laporan laba rugi komprehensif konsolidasian.

j. Penurunan nilai aset non-keuangan

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan secara prospektif PSAK No. 48 (Revisi 2009), "Penurunan Nilai Aset". Penerapan PSAK yang direvisi tersebut tidak memberikan pengaruh yang signifikan terhadap laporan keuangan konsolidasian.

Pada setiap akhir periode pelaporan, Kelompok Usaha menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian secara tahunan penurunan nilai aset (yaitu aset tidak berwujud dengan umur manfaat tidak terbatas, aset tidak berwujud yang belum dapat digunakan, atau goodwill yang diperoleh dalam suatu kombinasi bisnis) diperlukan, maka Kelompok Usaha membuat estimasi jumlah terpulihkan aset tersebut.

Kerugian penurunan nilai, jika ada, diakui sebagai laba rugi sesuai dengan kategori biaya yang konsisten dengan fungsi dari aset yang diturunkan nilainya.

Kerugian penurunan nilai yang telah diakui dalam periode sebelumnya untuk aset selain goodwill dibalik hanya jika terdapat perubahan asumsi-asumsi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui. Dalam hal ini, jumlah tercatat aset dinaikkan ke jumlah terpulihkannya. Pembalikan tersebut dibatasi sehingga jumlah tercatat aset tidak melebihi jumlah terpulihkannya maupun jumlah tercatat, neto setelah penyusutan, seandainya tidak ada rugi penurunan nilai yang telah diakui untuk aset tersebut pada tahun sebelumnya. Pembalikan rugi penurunan nilai diakui sebagai laba rugi.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Fixed Assets (continued)

Joint venture assets are stated at the estimated recoverable amount whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. Impairment in asset values, if any, is recognized as a loss in the consolidated statements of comprehensive income.

j. Impairment of non-financial assets

Effective January 1, 2011, the Group prospectively adopted PSAK No. 48 (Revised 2009), "Impairment of Assets". The adoption of this revised PSAK has no significant impact on the consolidated financial statements.

The Group assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset (i.e. an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, the Group makes an estimate of the asset's recoverable amount.

Impairment losses, if any, are recognized as profit or loss under expense categories that are consistent with the functions of the impaired assets.

A previously recognized impairment loss for an asset other than goodwill is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized as profit or loss.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

k. Beban Ditangguhkan

Beban ditangguhkan terutama terdiri dari biaya tertentu untuk hak atas tanah, yang diamortisasi selama 20 sampai 32 tahun.

l. Pinjaman yang Diperoleh Pemerintah dari Pemberi Pinjaman (Penerusan Pinjaman)

Pengakuan penerusan pinjaman dilakukan berdasarkan otorisasi penarikan atau dokumen lainnya yang sejenis, yang diterbitkan oleh pemberi pinjaman. Pinjaman terutang dalam mata uang pinjaman yang diberikan atau nilai setara Rupiah apabila dana ditarik dalam mata uang Rupiah.

m. Kapitalisasi Biaya Pinjaman

Kelompok Usaha menerapkan PSAK No. 26 (Revisi 2008), "Biaya Pinjaman", yang mengharuskan biaya pinjaman yang dapat diatribusikan secara langsung dengan perolehan, pembangunan, atau pembuatan aset kualifikasian pembangunan dikapitalisasi sebagai bagian biaya perolehan aset tersebut dan persyaratan untuk mulai mengkapitalisasi biaya pinjaman, penghentian sementara dan penghentiannya.

Bunga, biaya komitmen dan biaya pinjaman lainnya yang dapat diatribusikan langsung dengan perolehan, pengembangan dan konstruksi proyek-proyek dikapitalisasi sebagai bagian dari biaya perolehan aset dalam penyelesaian. Kapitalisasi biaya pinjaman akan dihentikan apabila konstruksi sudah selesai dan aset siap untuk digunakan sesuai dengan tujuannya (Catatan 2.i).

n. Biaya Penerbitan Emisi Efek Ekuitas

Biaya emisi efek ekuitas disajikan sebagai pengurang "Modal Disetor Lainnya" sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Deferred Charges

Deferred charges mainly represent certain land titles costs, which are being amortized over 20 to 32 years.

l. Loans Obtained by the Government from Lenders (Two-step Loans)

The recognition of two-step loans is based on the withdrawal authorization or other similar documents issued by the lenders. The loans are payable in their original currencies or Rupiah equivalent if drawn in Rupiah.

m. Capitalization of Borrowing Costs

The Group adopted PSAK No. 26 (Revised 2008), "Borrowing Costs", which requires capitalization of directly attributable borrowing costs to the acquisition, construction or production of a qualifying asset and the requirements for commencement, suspension and cessation of the said capitalization.

Interests, commitment fees and other borrowing costs which directly attributable to the acquisition, development and construction of projects are capitalized as part of the cost of the asset under construction. Capitalization of borrowing costs ceases when the construction is completed and the asset is ready for its intended use (Note 2.i).

n. Stock Issuance Costs

Stock issuance costs are presented as deduction from "Other Paid-in Capital" in the equity section in the consolidated statements of financial position.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

o. Selisih Transaksi Perubahan Ekuitas Entitas Anak/Perusahaan Asosiasi

Efektif 1 Januari 2003, Transgasindo, Entitas Anak, mengubah mata uang pelaporannya dari Rupiah menjadi mata uang fungsionalnya yaitu Dolar Amerika Serikat. Sebagai akibat dari pengukuran kembali saldo awal akun-akun pada laporan keuangan, Transgasindo membukukan selisih pengukuran kembali pada saldo awal laba ditahan. Perusahaan mencatat bagian atas perubahan ekuitas Entitas Anak tersebut pada akun "Selisih Transaksi Perubahan Ekuitas Entitas Anak" pada laporan posisi keuangan konsolidasian.

Sebelum 1 Januari 2011, sesuai dengan PSAK No. 40, "Akuntansi Perubahan Ekuitas Entitas Anak/Perusahaan Asosiasi", yang telah dicabut dengan PSAK No.15 (Revisi 2009), apabila nilai ekuitas Entitas Anak yang menjadi bagian Perusahaan sesudah transaksi perubahan ekuitas Entitas Anak berbeda dengan nilai ekuitas Entitas Anak yang menjadi bagian Perusahaan sebelum transaksi perubahan ekuitas Entitas Anak (transaksi yang bukan berasal dari transaksi antara Kelompok Usaha yang terkait tetapi mengakibatkan perubahan ekuitas Entitas Anak) maka perbedaan tersebut oleh Perusahaan diakui sebagai akun "Selisih Transaksi Perubahan Ekuitas Entitas Anak" yang disajikan sebagai bagian dari Ekuitas pada Laporan Posisi Keuangan Konsolidasian. Efektif 1 Januari 2011, Kelompok Usaha menerapkan ketentuan PSAK No.4 (Revisi 2009) yang mengatur akuntansi atas perubahan dalam bagian kepemilikan entitas induk pada entitas anak yang tidak mengakibatkan hilangnya pengendalian dicatat sebagai transaksi ekuitas yang diterapkan secara prospektif. Karenanya, saldo yang berasal dari transaksi sebelum pencabutan PSAK No. 40 tetap dicatat dalam ekuitas Kelompok Usaha.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Difference Arising from Transactions Resulting in Changes in the Equity of a Subsidiary/Associates

Effective January 1, 2003, Transgasindo, a Subsidiary, changed its reporting currency from Rupiah to US Dollar, its functional currency. As a result of the remeasurement of the beginning balance of accounts, Transgasindo charged the remeasurement difference to the beginning balance of retained earnings. The Company recorded its portion of the changes in the equity of the Subsidiary as "Difference Arising from Transactions Resulting in Changes in the Equity of a Subsidiary" in the consolidated statements of financial position.

Prior to January 1, 2011, under PSAK No. 40, "Accounting for a Change in the Value of Equity of a Subsidiary/Associated Company", which was superseded by PSAK No.15 (Revised 2009), if the Company's share of the equity of a Subsidiary changed subsequent to a transaction (wherein such transaction was defined to be other transaction not conducted between the Group but resulting in a change of the equity of the subsidiary), the difference or the change was recognized as "Difference Arising from Changes of the Equity of Subsidiaries" presented in the Stockholders' Equity section of the Consolidated Statements of Financial Position. Effective January 1, 2011, the Group adopted PSAK No.4 (Revised 2009) which stipulated accounting for the changes in the parent's ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transaction and is applied prospectively. Therefore, the balance resulting from transaction prior to the revocation of PSAK No. 40 remains in the equity of the Group.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

p. Pengakuan Pendapatan dan Beban

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan PSAK No. 23 (Revisi 2010), "Pendapatan". PSAK revisi ini mengidentifikasi terpenuhinya kriteria pengakuan pendapatan, sehingga pendapatan dapat diakui, dan mengatur perlakuan akuntansi atas pendapatan yang timbul dari transaksi dan kejadian tertentu, serta memberikan panduan praktis dalam penerapan kriteria mengenai pengakuan pendapatan. Penerapan PSAK yang direvisi tersebut tidak memberikan pengaruh yang signifikan terhadap laporan keuangan konsolidasian Kelompok Usaha.

Pendapatan dari distribusi gas bumi dan jasa transmisi gas bumi diakui pada saat gas telah didistribusikan atau dikirim kepada pelanggan berdasarkan pencatatan pada alat meter gas. Pendapatan jasa transmisi gas bumi diterima di muka disajikan sebagai bagian dari "Utang Lain-lain" pada laporan posisi keuangan konsolidasian dan diakui sebagai pendapatan pada saat gas telah dikirim kepada pelanggan. Pendapatan dari jasa lainnya diakui pada saat jasa diserahkan atau secara signifikan diberikan dan manfaat jasa tersebut telah dinikmati oleh pelanggan.

<u>Pendapatan/Beban Keuangan</u>

Untuk semua instrumen keuangan yang diukur pada biaya perolehan diamortisasi, pendapatan atau biaya bunga dicatat dengan menggunakan metode Suku Bunga Efektif ("SBE"), yaitu suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa yang akan datang selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, selama periode yang lebih singkat, untuk nilai tercatat bersih dari aset keuangan atau liabilitas keuangan.

<u>Pengakuan Beban</u>

Beban diakui pada saat terjadinya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Revenue and Expense Recognition

Effective on January 1, 2011, the Group adopted PSAK No. 23 (Revised 2010), "Revenue". This revised PSAK identifies the circumstances in which the criteria on revenue recognition will be met and, therefore revenue may be recognized, and prescribes the accounting treatment of revenue arising from certain types of transactions and events, and also provides practical guidance on the application of the criteria on revenue recognition. The adoption of this revised PSAK has no significant impact on the Group's consolidated financial statements.

Revenues from gas distribution and toll fees from gas transmission are recognized when the gas is distributed or transmitted to the customers based on the gas meter readings. Toll fees from gas transmission received in advance are presented as part of "Other Payables" in the consolidated statements of financial position and recognized as revenue when the gas is transmitted to the customers. Revenues from other services are recognized when the services are rendered or significantly provided and the benefits have been received by the customers.

<u>Finance Income/Cost</u>

For all financial instruments measured at amortized cost, interest income or expense is recorded using the Effective Interest Rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

<u>Expense Recognition</u>

Expenses are recognized when incurred.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

q. Provisi

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan PSAK No. 57 (Revisi 2009), "Provisi, Liabilitas Kontijensi dan Aset Kontijensi". PSAK revisi ini diterapkan secara prospektif dan menetapkan pengakuan dan pengukuran liabilitas diestimasi, liabilitas kontijensi dan aset kontijensi serta untuk memastikan informasi memadai telah diungkapkan dalam catatan atas laporan keuangan untuk memungkinkan para pengguna memahami sifat, waktu, dan jumlah yang terkait dengan informasi tersebut. Penerapan PSAK revisi ini tidak memberikan pengaruh yang signifikan atas laporan keuangan konsolidasian.

Provisi diakui jika Kelompok Usaha memiliki kewajiban kini (baik bersifat hukum maupun bersifat konstruktif) yang akibat peristiwa masa lalu, besar kemungkinannya penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi dan estimasi yang andal mengenai jumlah kewajiban tersebut dapat dibuat.

Provisi ditelaah pada setiap tanggal pelaporan dan disesuaikan untuk mencerminkan estimasi terbaik yang paling kini. Jika arus keluar sumber daya untuk menyelesaikan kewajiban kemungkinan besar tidak terjadi, maka provisi dibatalkan.

r. Imbalan Kerja

Untuk program iuran pasti, kontribusi yang terutang diakui sebagai beban pada tahun berjalan.

Berdasarkan PSAK No. 24 (Revisi 2004), beban imbalan pasca kerja manfaat pasti ditentukan dengan metode penilaian aktuaris *Projected Unit Credit*. Keuntungan dan kerugian aktuarial diakui sebagai penghasilan atau beban apabila akumulasi keuntungan dan kerugian aktuarial neto yang belum diakui pada akhir periode pelaporan sebelumnya melebihi jumlah yang lebih besar di antara 10% dari nilai kini kewajiban imbalan pasti pada tanggal tersebut dan 10% dari nilai wajar aset program pada tanggal tersebut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q. Provisions

Effective January 1, 2011, the Group adopted PSAK No. 57 (Revised 2009), "Provisions, Contingent Liabilities and Contingent Assets". The revised PSAK is to be applied propectively and provides that appropriate recognition criteria and measurement bases are applied to provisions, contingent liabilities and contingent assets, and to ensure that sufficient information is disclosed in the notes of the financial statements to enable users to understand the nature, timing and amount related to the information. The adoption of this revised PSAK has no significant impact on the consolidated financial statements.

Provisions are recognized when the Group has a present obligation (legal and constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

r. Employee Benefits

For defined contribution pension plan, contribution payables are charged to current year operations.

Under PSAK No. 24 (Revised 2004), the cost of providing defined benefit post-retirement employee benefits is determined using the Projected Unit Credit actuarial valuation method. Actuarial gains and losses are recognized as income or expense when the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous reporting year exceed the greater of 10% of the present value of the defined benefit obligation at that date and 10% of the fair value of any plan assets at that date.

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r. Imbalan Kerja (lanjutan)

Keuntungan atau kerugian ini diakui dengan metode garis lurus sepanjang rata-rata sisa masa kerja dari karyawan. Lebih lanjut, biaya jasa lalu atas pengenalan program manfaat pasti atau perubahan utang imbalan dari program yang ada diamortisasi sepanjang periode sampai imbalan tersebut menjadi hak atau *vested*.

Beban imbalan jangka panjang lainnya ditentukan dengan metode penilaian aktuaris Projected Unit Credit di mana keuntungan dan kerugian actuarial dan biaya jasa lalu langsung diakui dalam tahun berjalan.

Perusahaan

Perusahaan mempunyai program asuransi pensiun untuk seluruh karyawan tetap yang memenuhi syarat, dengan PT Asuransi Jiwasraya (Persero) (AJ). Pembayaran premi awal sekaligus dan premi periodik ditentukan berdasarkan perhitungan secara periodik yang disetujui oleh Perusahaan dan AJ. Iuran dari karyawan adalah sebesar 2% dari gaji pokoknya ditambah sejumlah tunjangan tertentu. Selisih antara premi pertanggungan dengan kontribusi karyawan ditanggung oleh Perusahaan.

Perusahaan juga menyediakan tambahan tunjangan kesehatan bagi para pensiunan karyawan berdasarkan perhitungan tertentu yang disetujui oleh Perusahaan dan Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara sebagai pengelola dana.

Sejak Februari 2009, Perusahaan menyelenggarakan program iuran pasti untuk semua karyawan tetap yang memenuhi syarat.

Perusahaan memberikan imbalan pasca kerja sesuai dengan Perjanjian Kerja Bersama yang dibandingkan dengan imbalan berdasarkan dan Undang-Undang Ketenagakerjaan No. 13/2003 (UU No. 13/2003), mana yang lebih tinggi. Perusahaan juga memberikan imbalan jangka panjang lainnya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r. Employee Benefits (continued)

These gains or losses are recognized on a straight-line method over the expected average remaining service years of the employees. Further, past service costs arising from the introduction of a defined benefit plan or changes in the benefits payable of an existing plan are required to be amortized over the period until the benefits concerned become vested.

The cost of providing other long-term employee benefits is determined using the Projected Unit Credit actuarial valuation method wherein actuarial gains and losses and past service costs shall be recognized immediately in the current year.

The Company

The Company has a retirement insurance plan covering all of its qualified permanent employees, with PT Asuransi Jiwasraya (Persero) (AJ). One-time initial retirement premium and periodic premium payments are based on periodic calculations agreed between the Company and AJ. The employees contribute 2% of their basic salaries plus certain allowances. The remaining balance of the premium is borne by the Company.

The Company provides additional post-retirement health care benefits to its retired employees based on certain computations agreed between the Company and Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara as the fund manager.

Since February 2009, the Company has a defined contribution plan for all of its eligible permanent employees.

The Company provides post-employment benefits in accordance with the Collective Labor Agreement which was compared with benefits under Labor Law No. 13/2003 (Law No. 13/2003), whichever is higher. The Company also provides other long-term employees' benefits.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

r. Imbalan Kerja (lanjutan)

Entitas Anak - Transgasindo

Transgasindo memberikan imbalan pasca kerja sesuai dengan Perjanjian Kerja Bersama yang dibandingkan dengan imbalan berdasarkan Undang-Undang Ketenagakerjaan No. 13 Tahun 2003 (“UU No.13/2003”), mana yang lebih tinggi.

Mulai tahun 2009, Transgasindo menyelenggarakan program pensiun iuran pasti untuk semua karyawan tetap yang memenuhi syarat, yang didanai melalui iuran tetap bulanan kepada Dana Pensiun Lembaga Keuangan Bank Rakyat Indonesia dan Bank Negara Indonesia, yang didirikan berdasarkan persetujuan dari Menteri Keuangan Republik Indonesia masing-masing dalam Surat Keputusannya No. KEP.197/KM.6/2004 dan No. KEP.1100/KM.17/1998.

Sumber dana program pensiun berasal dari kontribusi karyawan dan Transgasindo masing-masing sebesar 2% dan 6% dari gaji bulanan karyawan.

Mulai Maret 2011, Transgasindo memberikan beberapa imbalan jangka panjang lainnya.

s. Transaksi dan Saldo dalam Mata Uang Asing

Transaksi Perusahaan dalam mata uang asing, termasuk transaksi Entitas Anak di luar Indonesia yang merupakan bagian integral dari Perusahaan, dicatat dalam Rupiah berdasarkan kurs yang berlaku pada saat transaksi dilakukan. Pada tanggal laporan posisi keuangan konsolidasian, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam Rupiah berdasarkan kurs rata-rata pembelian dan penjualan yang dipublikasikan oleh Bank Indonesia pada tanggal transaksi perbankan terakhir untuk periode tersebut. Laba atau rugi kurs yang terjadi dikreditkan atau dibebankan pada operasi tahun berjalan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r. Employee Benefits (continued)

The Subsidiary - Transgasindo

Transgasindo provides post-retirement benefits under Collective Labor Agreement Regulation which was compared with benefits under Labor Law No. 13 Year 2003 (“Law No.13/2003”), whichever is higher.

Starting 2009, Transgasindo has defined contribution pension plan for all of its eligible permanent employees, which is funded through monthly fixed contributions to Dana Pensiun Lembaga Keuangan (DPLK) Bank Rakyat Indonesia and Bank Negara Indonesia, the establishment of which were approved by the Ministry of Finance of the Republic of Indonesia in its Decision Letter No. KEP.197/KM.6/2004 and No. KEP.1100/ KM.17/1998, respectively.

This fund is contributed by both employees and Transgasindo with contribution of 2% and 6% of the employees’ monthly salaries, respectively.

Starting March 2011, Transgasindo also provides for other long-term employees’ benefits..

s. Foreign Currency Transactions and Balances

Transactions of the Company in foreign currencies, including the transactions of the Subsidiary outside Indonesia which is an integral part of the Company, are recorded in Rupiah amounts at the rates of exchange prevailing at the time the transactions are made. At the consolidated statements of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to Rupiah using the average of the buying and selling rates of bank notes on the last banking transaction date for the period published by Bank Indonesia. The resulting gains or losses are credited or charged to current year operations.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

s. Transaksi dan Saldo dalam Mata Uang Asing (lanjutan)

s. Foreign Currency Transactions and Balances (continued)

Nilai tukar yang digunakan adalah sebagai berikut:

The rates of exchange used were as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010 31 Des. 2009/ *Jan. 1, 2010 Dec. 31, 2009*	
1 Dolar Amerika (USD)/Rupiah	9.068,00	8.991,00	9.400,00	*US Dollar 1 (USD)/Rupiah*
1 Dolar Singapura (SGD)/Rupiah	6.974,43	6.981,00	6.698,68	*Singapore Dollar 1 (SGD)/Rupiah*
1 Yen Jepang (JPY)/Rupiah	116,81	110,29	101,71	*Japanese Yen 1 (JPY)/Rupiah*

t. Pajak Penghasilan

Beban pajak kini untuk tahun berjalan dihitung berdasarkan taksiran penghasilan kena pajak dalam periode yang bersangkutan. Penangguhan pajak penghasilan dilakukan untuk mencerminkan pengaruh pajak atas beda temporer antara dasar pelaporan komersial dan pajak atas aset dan liabilitas dan akumulasi rugi fiskal. Penyisihan aset pajak tangguhan dicatat untuk mengurangi aset pajak tangguhan ke jumlah yang diharapkan dapat direalisasi.

Pajak tangguhan dihitung dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal laporan posisi keuangan konsolidasian. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

t. Income Tax

Current tax expense is determined based on the estimated taxable income for the period. Deferred taxes are recognized to reflect the tax effects of the temporary differences between financial and tax reporting bases of assets and liabilities and accumulated tax losses carry forwards. A valuation allowance is recorded to reduce deferred tax assets to the portion that is expected to be realized.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the consolidated statements of financial position date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current year operations, except to the extent that they relate to items previously charged or credited directly to equity.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

t. Pajak Penghasilan (lanjutan)

Pajak kini dan pajak tangguhan langsung dibebankan atau dikreditkan ke ekuitas apabila pajak tersebut berhubungan dengan transaksi yang langsung dikreditkan atau dibebankan ke ekuitas.

Koreksi terhadap kewajiban perpajakan diakui saat surat ketetapan pajak diterima atau jika mengajukan banding, pada saat keputusan atas banding tersebut telah ditetapkan.

u. Informasi Segmen

Efektif tanggal 1 Januari 2011, Kelompok Usaha menerapkan PSAK No. 5 (Revisi 2009), “Segmen Operasi”. PSAK revisi ini memungkinkan pengguna laporan keuangan untuk mengevaluasi sifat dan dampak keuangan dari aktivitas bisnis yang mana entitas terlibat dan lingkungan ekonomi dimana entitas beroperasi. Penerapan PSAK yang direvisi ini tidak memberikan pengaruh yang signifikan terhadap laporan keuangan konsolidasian. Kelompok Usaha menentukan bahwa segmen operasi tidak mengalami perubahan dari segmen usaha yang telah ditentukan sebelumnya.

Untuk tujuan manajemen, Kelompok Usaha dibagi menjadi tiga segmen operasi berdasarkan produk dan jasa yang dikelola secara independen oleh masing-masing pengelola segmen yang bertanggung jawab atas kinerja dari masing-masing segmen. Para pengelola segmen melaporkan secara langsung kepada manajemen Perusahaan yang secara teratur mengkaji hasil operasi sebagai dasar untuk mengalokasikan sumber daya ke masing-masing segmen dan untuk menilai kinerja segmen. Pengungkapan tambahan pada masing-masing segmen terdapat dalam Catatan 41, termasuk faktor yang digunakan untuk mengidentifikasi segmen yang dilaporkan dan dasar pengukuran informasi segmen.

Segmen ditentukan sebelum saldo dan transaksi antar Kelompok Usaha dieliminasi sebagai bagian dari proses konsolidasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

t. Income Tax (continued)

Current tax and deferred tax are charged or credited directly to equity if the taxes relate to items that are credited directly or charged directly to equity.

Amendments to taxation obligations are recorded when a tax assessment letter is received or, if appealed against, when the results of the appeal are determined.

u. Segment Information

Effective January 1, 2011, the Group applied PSAK No. 5 (Revised 2009), “Operating Segments”. The revised PSAK requires disclosures that will enable users of financial statements to evaluate the nature and financial effects of the business activities in which the entity engages and economic environments in which it operates. The adoption of the revised PSAK has no significant impact on the consolidated financial statements. The Group concluded that the operating segments remain the same as the business segments previously identified.

For management purposes, the Group is organized into three operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 41, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segments are determined before intra-group balances and intra-group transactions are eliminated as part of consolidation process.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

v. Laba per Saham Dasar

Laba per saham dasar dihitung dengan membagi total laba tahun berjalan yang dapat diatribusikan kepada pemilik entitas induk dengan jumlah rata-rata tertimbang saham biasa yang beredar pada tahun yang bersangkutan.

Perusahaan tidak mempunyai efek berpotensi saham biasa yang bersifat dilutif pada tanggal-tanggal 31 Desember 2011 dan 2010, dan oleh karenanya, laba per saham dilusian tidak dihitung dan disajikan pada laporan laba rugi komprehensif konsolidasian.

w. Instrumen Keuangan Derivatif

Perusahaan melakukan transaksi *swap* valuta asing untuk tujuan mengelola risiko perubahan nilai tukar mata uang asing yang berasal dari pinjaman jangka panjang Perusahaan dalam mata uang asing.

Efektif tanggal 1 Januari 2010, Perusahaan menerapkan PSAK No. 55 (Revisi 2006), “Instrumen Keuangan: Pengakuan dan Pengukuran”, yang menggantikan PSAK No. 55 (Revisi 1999), “Akuntansi Instrumen Derivatif dan Aktivitas Lindung Nilai”.

PSAK No. 55 (Revisi 2006) mengatur standar akuntansi dan pelaporan untuk transaksi derivatif dan aktivitas lindung nilai, yang mengharuskan setiap instrumen derivatif (termasuk instrumen derivatif melekat) diakui sebagai aset atau liabilitas berdasarkan nilai wajar setiap kontrak. Nilai wajar merupakan perhitungan nilai kini (*present value*) dengan menggunakan data dan asumsi yang berlaku umum.

Berdasarkan kriteria khusus untuk akuntansi lindung nilai pada PSAK No. 55 (Revisi 2006), semua instrumen derivatif yang ada pada Perusahaan tidak memenuhi persyaratan tersebut dan oleh karena itu tidak dikategorikan sebagai lindung nilai yang efektif untuk tujuan akuntansi. Perubahan atas nilai wajar instrumen derivatif dibebankan atau dikreditkan pada usaha tahun berjalan.

Perubahan neto nilai wajar instrumen derivatif dan laba (rugi) dari penyelesaian kontrak derivatif dibebankan atau dikreditkan pada akun “Laba (Rugi) Perubahan Nilai Wajar Derivatif - Neto”, dalam laporan laba rugi komprehensif konsolidasian.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

v. Basic Earnings per Share

Basic earnings per share amounts are computed by dividing the total profit for the year attributable to owners of the parent entity by the weighted average number of ordinary shares outstanding during the year.

The Company has no outstanding dilutive potential ordinary shares as of December 31, 2011 and 2010, and accordingly, no diluted earnings per share is calculated and presented in the consolidated statements of comprehensive income.

w. Derivative Financial Instruments

The Company enters into and engages in cross currency swap for the purpose of managing its foreign exchange exposures emanating from the Company’s long-term loans in foreign currencies.

Effective on January 1, 2010, the Company applied PSAK No. 55 (Revised 2006), “Financial Instruments: Recognition and Measurement”, which supersedes PSAK No. 55 (Revised 1999), “Accounting for Derivative Instruments and Hedging Activities”.

PSAK No. 55 (Revised 2006) sets forth the accounting and reporting standards for derivative transactions and hedging activities, which require that every derivative instrument (including embedded derivatives) be recognized as either asset or liability based on the fair value of each contract. Fair value is a computation of present value by using data and assumption which are commonly used.

Based on the specific requirements for hedge accounting under PSAK No. 55 (Revised 2006), the Company’s derivative instrument does not qualify and are not designated as hedge activity for accounting purposes. The changes in fair value of such derivative instrument is charged or credited to current year operations.

The net changes in fair value of derivative instrument and gain (loss) from the settlement of derivative contract is charged or credited to “Gain (Loss) on Change in Fair Value of Derivative - Net” account in the consolidated statements of comprehensive income.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

x. Penerapan standar akuntansi revisi lain

Selain standar akuntansi revisi yang telah disebutkan sebelumnya, Kelompok Usaha juga telah menerapkan standar akuntansi berikut pada tanggal 1 Januari 2011 yang dianggap relevan terhadap laporan keuangan konsolidasian namun tidak menimbulkan dampak terhadap laporan keuangan konsolidasian:

i. PSAK No. 2 (Revisi 2009), “Laporan Arus Kas”.
ii. PSAK No. 8 (Revisi 2009), “Peristiwa Setelah Periode Pelaporan”.
iii. PSAK No. 25 (Revisi 2009), “Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan”.

Berikut ini adalah standar akuntansi yang direvisi dan diterbitkan namun belum berlaku efektif untuk laporan keuangan 2011 yang dipandang relevan terhadap pelaporan keuangan Kelompok Usaha:

Efektif berlaku pada atau setelah tanggal 1 Januari 2012:

1. PSAK 10 (Revisi 2010) “Pengaruh Perubahan Kurs Valuta Asing”, menjelaskan bagaimana memasukkan transaksi-transaksi dalam mata uang asing dan kegiatan usaha luar negeri ke dalam laporan keuangan suatu entitas dan menjabarkan laporan keuangan ke dalam suatu mata uang pelaporan.
2. PSAK 16 (Revisi 2011) “Aset Tetap”, mengatur perlakuan akuntansi aset tetap, sehingga pengguna laporan keuangan dapat memahami informasi mengenai investasi entitas dalam aset tetap dan perubahan dalam investasi tersebut. Masalah utama dalam akuntansi aset tetap adalah pengakuan aset, penentuan jumlah tercatat, pembebanan penyusutan, dan rugi penurunan nilainya.
3. PSAK No. 18 (Revisi 2010), “Akuntansi dan Pelaporan Program Manfaat Purnakarya”, mengatur akuntansi dan pelaporan program manfaat purnakarya untuk semua peserta sebagai suatu kelompok. Pernyataan ini melengkapi PSAK No. 24 (Revisi 2010), “Imbalan Kerja”.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x. Adoption of other revised accounting standards

Other than the revised accounting standards previously mentioned, the Group also adopted the following revised accounting standards on January 1, 2011, which are considered relevant to the consolidated financial statements but did not have impact except to the consolidated financial statements:

i. PSAK No. 2 (Revised 2009), “Statements of Cash Flows”.
ii. PSAK No. 8 (Revised 2009), “Events After The Reporting Period”.
iii. PSAK No. 25 (Revisi 2009), “Accounting Policies, Changes in Accounting Estimates and Errors”.

The amended and published accounting standards that are considered relevant to the financial reporting of the Group but not yet effective for 2011 financial statements, are as follows:

Effective on or after January 1, 2012:

1. *PSAK 10 (Revised 2010) “The Effects of Changes in Foreign Exchange Rates”, prescribes how to include foreign currency transactions and foreign operations in the financial statements of an entity and translate financial statements into a presentation currency.*
2. *PSAK 16 (Revised 2011) “Property, Plant and Equipment”, prescribes the accounting treatment for property, plant and equipment so that users of the financial statements can discern information about an entity's investment in its property, plant and equipment and the changes in such investment. The principal issues in accounting for property, plant and equipment are the recognition of the assets, the determination of their carrying amounts and the depreciation charges and impairment losses to be recognized in relation to them.*
3. *PSAK No. 18 (Revised 2010), “Accounting and Reporting by Retirement Benefit Plans”, prescribes the accounting and reporting by the plan to all participants as a group. This Standard complements PSAK No. 24 (Revised 2010), “Employee Benefits”.*

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

x. Penerapan standard akuntansi revisi lain (lanjutan)

<u>Efektif berlaku pada atau setelah tanggal 1 Januari 2012 (lanjutan):</u>

4. PSAK No. 24 (Revisi 2010), “Imbalan Kerja”, mengatur akuntansi dan pengungkapan imbalan kerja dan mensyaratkan pengakuan liabilitas dan beban jika pekerja telah memberikan jasanya dan entitas menikmati manfaat ekonomis yang dihasilkan dari jasa tersebut.

5. PSAK No. 30 (Revisi 2011), “Sewa”, mengatur kebijakan akuntansi dan pengungkapan yang sesuai, baik bagi *lessee* maupun *lessor* terkait dengan sewa, yang berlaku untuk perjanjian yang mengalihkan hak untuk menggunakan aset meskipun penyediaan jasa substansial oleh *lessor* tetap diperlukan dalam mengoperasikan atau memelihara aset tersebut.

6. PSAK No. 34 (Revisi 2010), “Akuntansi Kontrak Konstruksi”, mengatur perlakuan akuntansi pendapatan dan biaya yang berhubungan dengan kontrak konstruksi.

7. PSAK No. 46 (Revisi 2010), “Akuntansi Pajak Penghasilan”, mengatur perlakuan akuntansi untuk pajak penghasilan dalam menghitung konsekuensi pajak kini dan masa depan untuk pemulihan (penyelesaian) jumlah tercatat aset (liabilitas) di masa depan yang diakui pada laporan posisi keuangan; serta transaksi-transaksi dan kejadian-kejadian lain pada periode kini yang diakui pada laporan keuangan.

8. PSAK No. 50 (Revisi 2010), “Instrumen Keuangan: Penyajian”, menetapkan prinsip penyajian instrumen keuangan sebagai liabilitas atau ekuitas dan saling hapus aset keuangan dan liabilitas keuangan.

9. PSAK No. 53 (Revisi 2010), “Pembayaran Berbasis Saham”, mengatur pelaporan keuangan entitas yang melakukan transaksi pembayaran berbasis saham.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x. Adoption of other revised accounting standards (continued)

<u>Effective on or after January 1, 2012 (continued):</u>

4. PSAK No. 24 (Revised 2010), “Employee Benefits”, prescribes the accounting and disclosures for employee benefits and requires the recognition of liability and expense when an employee has provided service and the entity consumes economic benefit arising from the service.

5. PSAK No. 30 (Revised 2011), “Leases”, prescribes the appropriate accounting policies and disclosures, for lessees and lessors, to apply in relation to leases which applies to agreements that transfer the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets.

6. PSAK No. 34 (Revised 2010), “Accounting for Construction Contracts”, prescribes the accounting treatment of revenue and costs associated with construction contracts.

7. PSAK No. 46 (Revised 2010), “Accounting for Income Taxes”, prescribes the accounting treatment for income taxes to account for the current and future tax consequences of the future recovery (settlement) of the carrying amount of assets (liabilities) that are recognized in the statement of financial position; and transactions and other events of the current period that are recognized in the financial statements.

8. PSAK No. 50 (Revised 2010), “Financial Instruments: Presentation”, prescribes the principles for presenting financial instruments as liabilities or equities and for offsetting financial assets and financial liabilities.

9. PSAK No. 53 (Revised 2010), “Share-based Payment”, specifies the financial reporting by an entity when it undertakes a share-based payment transaction.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

x. Penerapan standard akuntansi revisi lain (lanjutan)

Efektif berlaku pada atau setelah tanggal 1 Januari 2012 (lanjutan) :

10. PSAK No. 56 (Revisi 2011), "Laba per Saham", menetapkan prinsip penentuan dan penyajian laba per saham, sehingga meningkatkan daya banding kinerja antar entitas berbeda pada periode pelaporan sama dan antar periode pelaporan berbeda untuk entitas yang sama.

11. PSAK No. 60, "Instrumen Keuangan: Pengungkapan", mensyaratkan pengungkapan dalam laporan keuangan yang memungkinkan para pengguna untuk mengevaluasi signifikansi instrumen keuangan atas posisi dan kinerja keuangan; dan jenis dan besarnya risiko yang timbul dari instrumen keuangan yang mana entitas terekspos selama periode dan pada akhir periode pelaporan dan bagaimana entitas mengelola risiko-risiko tersebut.

12. PSAK No. 61, "Akuntansi Hibah Pemerintah dan Pengungkapan Bantuan Pemerintah", diterapkan untuk akuntansi, dan pengungkapan, atas hibah pemerintah dan pengungkapan atas bentuk lain bantuan pemerintah.

13. ISAK No. 13 "Lindung Nilai Investasi Neto Dalam Kegiatan Usaha Luar Negeri", diterapkan terhadap entitas yang melakukan lindung nilai atas risiko mata uang asing yang timbul dari investasi netonya di dalam kegiatan usaha luar negeri dan berharap dapat memenuhi persyaratan akuntasi lindung nilai sesuai PSAK No. 55 (Revisi 2006), mengacu pada suatu entitas sebagai entitas induk dan laporan keuangan dimana aset neto dari kegiatan usaha luar negeri dimasukkan sebagai laporan keuangan konsolidasian.

14. ISAK No. 15, "PSAK No. 24 - Batas Aset Imbalan Pasti, Persyaratan Pendanaan Minimum dan Interaksinya", memberikan pedoman bagaimana menilai pembatasan jumlah surplus dalam program imbalan pasti yang dapat diakui sebagai aset dalam PSAK No. 24 (Revisi 2010), "Imbalan Kerja".

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x. Adoption of other revised accounting standards (continued)

Effective on or after January 1, 2012 (continued):

10. PSAK No. 56 (Revised 2011), "Earnings per Share", prescribes principles for the determination and presentation of earnings per share, so as to improve performance comparisons between different entities in the same period and between different reporting periods for the same entity.

11. PSAK No. 60, "Financial Instruments: Disclosures", requires disclosures in financial statements that enable users to evaluate the significance of financial instruments for financial position and performance; and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period and how the entity manages those risks.

12. PSAK No. 61, "Accounting for Government Grants and Disclosures of Government Assistance", applies in the accounting for, and in the disclosures of, government grants and in the disclosures of other forms of government assistance.

13. ISAK No. 13 "Hedges of Net Investment in Foreign Operation", applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and wishes to qualify for hedge accounting in accordance with PSAK No. 55 (Revised 2006), refers to such an entity as a parent entity and to the financial statements in which the net assets of foreign operations are included as consolidated financial statements.

14. ISAK No. 15, "PSAK No. 24 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction", provides guidance on how to assess the limit on the amount of surplus in a defined scheme that can be recognized as an asset under PSAK No. 24 (Revised 2010), "Employee Benefits".

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

x. Penerapan standard akuntansi revisi lain (lanjutan)

<u>Efektif berlaku pada atau setelah tanggal 1 Januari 2012 (lanjutan) :</u>

15. ISAK No. 18, "Bantuan Pemerintah-Tidak Ada Relasi Spesifik dengan Aktivitas Operasi", menetapkan bantuan Pemerintah kepada entitas yang memenuhi definisi hibah Pemerintah dalam PSAK No. 61, "Akuntansi Hibah Pemerintah dan Pengungkapan Bantuan Pemerintah", bahkan jika tidak ada persyaratan yang secara spesifik terkait dengan aktivitas operasi entitas selain persyaratan untuk beroperasi pada daerah atau sektor industri tertentu.

16. ISAK No. 20, "Pajak Penghasilan-Perubahan Dalam Status Pajak Entitas atau Para Pemegang Saham", membahas bagaimana suatu entitas memperhitungkan konsekuensi pajak kini dan pajak tangguhan karena perubahan dalam status pajaknya atau pemegang sahamnya.

Kelompok Usaha sedang mengevaluasi dan belum menentukan dampak dari standar dan interpretasi yang direvisi dan yang baru tersebut terhadap laporan keuangan konsolidasian.

3. SUMBER ESTIMASI KETIDAKPASTIAN

Pertimbangan

Penyusunan laporan keuangan konsolidasian Kelompok Usaha mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontijensi, pada akhir periode pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat pada aset dan liabilitas dalam tahun pelaporan berikutnya.

Pertimbangan berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Kelompok Usaha yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan konsolidasian:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x. Adoption of other revised accounting standards (continued)

<u>Effective on or after January 1, 2012 (continued):</u>

15. ISAK No. 18, "Government Assistance-No Specific Relation to Operating Activities", prescribes Government grants to entities that meet the definition of Government grants in PSAK No. 61, "Accounting for Government Grants and Disclosures of Government Assistance", even if there are no conditions specifically relating to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors.

16. ISAK No. 20, "Income Taxes-Changes in the Tax Status of an Entity or its Shareholders", prescribes how an entity should account for the current and deferred tax consequences of a change in tax status of entities or its shareholders.

The Group is presently evaluating and has not yet determined the effects of these revised and new standards and interpretations on its consolidated financial statements.

3. SOURCE OF ESTIMATION UNCERTAINTY

Judgments

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future years.

The following judgments are made by management in the process of applying the Group's accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements:

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3. SUMBER ESTIMASI KETIDAKPASTIAN (lanjutan)

Pertimbangan (lanjutan)

Klasifikasi Aset dan Liabilitas Keuangan

Kelompok Usaha menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan bila definisi yang ditetapkan PSAK No. 55 (Revisi 2006) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Kelompok Usaha seperti diungkapkan pada Catatan 2.d.

Cadangan atas Kerugian Penurunan Nilai Piutang Usaha

Kelompok Usaha mengevaluasi akun tertentu jika terdapat informasi bahwa pelanggan yang bersangkutan tidak dapat memenuhi kewajiban keuangannya. Dalam hal tersebut, Kelompok Usaha mempertimbangkan, berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas pada, jangka waktu hubungan dengan pelanggan dan status kredit dari pelanggan, untuk mencatat provisi yang spesifik atas jumlah piutang pelanggan guna mengurangi jumlah piutang yang diharapkan dapat diterima oleh Kelompok Usaha. Provisi yang spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah cadangan kerugian penurunan nilai atas piutang usaha. Nilai tercatat dari piutang usaha Kelompok Usaha sebelum penyisihan kerugian penurunan nilai pada tanggal 31 Desember 2011 adalah sebesar Rp2.102.347.672.428 (31 Desember 2010: Rp1.990.196.874.682; 1 Januari 2010/ 31 Desember 2009: Rp1.680.940.458.706). Penjelasan lebih lanjut diungkapkan dalam Catatan 7.

Estimasi dan Asumsi

Asumsi utama masa depan dan sumber utama estimasi ketidakpastian lain pada tanggal pelaporan yang memiliki risiko signifikan bagi penyesuaian yang material terhadap nilai tercatat aset dan liabilitas untuk tahun berikutnya diungkapkan di bawah ini. Kelompok Usaha mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan konsolidasian disusun. Asumsi dan situasi mengenai perkembangan masa depan mungkin berubah akibat perubahan pasar atau situasi di luar kendali Kelompok Usaha. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

3. SOURCE OF ESTIMATION UNCERTAINTY (continued)

Judgments (continued)

Classification of Financial Assets and Liabilities

The Group determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No. 55 (Revised 2006). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2.d.

Allowance for Impairment Losses on Trade Receivables

The Group evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations. In these cases, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Group expects to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment losses on trade receivables. The carrying amount of the Group's trade receivables before allowance for impairment losses as of December 31, 2011 was Rp2,102,347,672,428 (December 31, 2010: Rp1,990,196,874,682; January 1, 2010/December 31, 2009: Rp1,680,940,458,706). Further details are disclosed in Note 7.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

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3. SUMBER ESTIMASI KETIDAKPASTIAN (lanjutan)

Estimasi dan Asumsi (lanjutan)

Estimasi Masa Manfaat Aset Tetap

Kelompok Usaha mengestimasi masa manfaat ekonomis aset tetap berdasarkan utilisasi dari aset yang diharapkan dan didukung dengan rencana dan strategi usaha dan perilaku pasar. Estimasi dari masa manfaat aset tetap adalah berdasarkan penelaahan Kelompok Usaha terhadap praktek industri, evaluasi teknis internal dan pengalaman untuk aset yang setara. Estimasi masa manfaat ditelaah minimal setiap akhir tahun pelaporan dan diperbarui jika ekspektasi berbeda dari estimasi sebelumnya dikarenakan pemakaian dan kerusakan fisik, keusangan secara teknis atau komersial dan hukum atau pembatasan lain atas penggunaan dari aset. Tetapi, adalah mungkin, hasil di masa depan dari operasi dapat dipengaruhi secara material oleh perubahan-perubahan dalam estimasi yang diakibatkan oleh perubahan faktor-faktor yang disebutkan di atas.

Kelompok Usaha mengestimasi masa manfaat ekonomis aset tetap antara 4 sampai dengan 20 tahun. Ini adalah umur yang secara umum diharapkan dalam industri dimana Kelompok Usaha menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi. Nilai tercatat neto atas aset tetap Kelompok Usaha pada tanggal 31 Desember 2011 adalah sebesar Rp15.866.649.691.328 (31 Desember 2010: Rp16.781.896.739.636; 1 Januari 2010/31 Desember 2009: Rp17.329.189.330.120). Penjelasan lebih rinci diungkapkan dalam Catatan 13.

Pensiun dan Imbalan Kerja

Biaya program pensiun manfaat pasti dan imbalan jangka panjang lainnya serta nilai kini kewajiban imbalan kerja ditentukan dengan menggunakan penilaian aktuarial. Penilaian aktuarial melibatkan penentuan berbagai asumsi, termasuk penentuan tingkat diskonto, tingkat kenaikan gaji masa depan, tingkat mortalitas, tingkat pengunduran diri karyawan, tingkat kecacatan dan tingkat hasil yang diharapkan dari aset program. Karena kerumitan penilaian, asumsi yang mendasari dan sifat jangka panjangnya, kewajiban manfaat pasti sangat sensitif terhadap perubahan asumsi-asumsi tersebut. Seluruh asumsi ditelaah setiap akhir tahun pelaporan.

3. SOURCE OF ESTIMATION UNCERTAINTY (continued)

Estimates and Assumptions (continued)

Estimating Useful Lives of Fixed Assets

The Group estimates the useful lives of its fixed assets based on expected asset utilization as anchored on business plans and strategies that also consider expected market behavior. The estimation of the useful lives of fixed assets is based on the Group's assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives are reviewed at least each financial year-end and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above.

The Group estimates the useful lives of these fixed assets to be within 4 to 20 years. These are common life expectancies applied in the industries where the Group conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. The net carrying amount of the Group's fixed assets as of December 31, 2011 was Rp15,866,649,691,328 (December 31, 2010: Rp16,781,896,739,636; January 1, 2010/December 31, 2009: Rp17,329,189,330,120). Further details are disclosed in Note 13.

Pension and Employees' Benefits

The cost of defined benefit pension plans and other long-term employee benefits and the present value of the defined benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions, which includes the determination of the discount rate, future salary increases, mortality rates, employee turn-over rate, disability rate, and the expected rate of return on plan assets. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at financial year-end.

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3. SUMBER ESTIMASI KETIDAKPASTIAN (lanjutan)

Estimasi dan Asumsi (lanjutan)

Pensiun dan Imbalan Kerja (lanjutan)

Dalam menentukan tingkat diskonto yang sesuai, manajemen memperhitungkan tingkat bunga (pada akhir tahun pelaporan) dari obligasi Pemerintah dalam Rupiah. Kelompok Usaha menggunakan tingkat diskonto tunggal untuk masing-masing entitas dalam Kelompok Usaha yang mencerminkan rata-rata perkiraan jadwal pembayaran imbalan dan mata uang yang digunakan dalam membayar imbalan. Tingkat mortalitas adalah berdasarkan tabel mortalita yang tersedia pada publikasi. Tingkat kenaikan gaji masa depan didasarkan pada rencana kerja jangka panjang Kelompok Usaha yang juga dipengaruhi oleh tingkat inflasi masa depan yang diharapkan dalam suatu negara.

Walaupun Kelompok Usaha berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Kelompok Usaha dapat mempengaruhi secara material liabilitas diestimasi atas pensiun dan imbalan kerja dan beban imbalan kerja neto. Nilai tercatat atas liabilitas diestimasi atas imbalan kerja Kelompok Usaha pada tanggal 31 Desember 2011 adalah sebesar Rp621.929.890.350 (31 Desember 2010: Rp429.377.437.671; 1 Januari 2010/31 Desember 2009: Rp289.382.249.286).

Penjelasan lebih rinci mengenai asumsi-asumsi yang digunakan diungkapkan pada Catatan 31.

Instrumen Keuangan

Ketika nilai wajar dari aset keuangan dan liabilitas keuangan dicatat dalam laporan posisi keuangan konsolidasian tidak dapat diambil dari pasar yang aktif, maka nilai wajarnya ditentukan dengan menggunakan teknik penilaian termasuk *option pricing model*. Masukan untuk model tersebut dapat diambil dari pasar yang dapat diobservasi, tetapi apabila hal ini tidak dimungkinkan, sebuah tingkat pertimbangan disyaratkan dalam menetapkan nilai wajar. Pertimbangan tersebut mencakup penggunaan masukan seperti risiko likuiditas, risiko kredit dan volatilitas. Perubahan dalam asumsi mengenai faktor-faktor tersebut dapat mempengaruhi nilai wajar dari instrumen keuangan yang dilaporkan.

3. SOURCE OF ESTIMATION UNCERTAINTY (continued)

Estimates and Assumptions (continued)

Pension and Employees' Benefits (continued)

In determining the appropriate discount rate, management considers the market yields (at year end) on Indonesian Rupiah Government bonds. The Group uses a single discount rate for each entity within the Group that reflects the estimated average timing of benefit payments and the currency in which the benefits are to be paid. The mortality rate is based on publicly available mortality tables. Future salary increases is based on the Group long-term business plan which is also influenced by expected future inflation rates for the country.

While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employees' benefits and net employee benefits expense. The carrying amount of the Group's estimated liabilities for employee benefits as of December 31, 2011 was Rp621,929,890,350 (December 31, 2010: Rp429,377,437,671; January 1, 2010/December 31, 2009: Rp289,382,249,286).

Further details about the assumptions used are disclosed in Note 31.

Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the option pricing model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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3. SUMBER ESTIMASI KETIDAKPASTIAN (lanjutan)

Estimasi dan Asumsi (lanjutan)

Instrumen Keuangan (lanjutan)

Nilai tercatat dari aset keuangan yang diukur pada nilai wajar dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2011 adalah sebesar Rp247.339.377.520 (31 Desember 2010: nihil; 1 Januari 2010/31 Desember 2009: nihil), sedangkan nilai tercatat liabilitas keuangan yang diukur pada nilai wajar dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2011 adalah sebesar Rp1.616.967.611.921 (31 Desember 2010: Rp1.695.882.571.498; 1 Januari 2010/ 31 Desember 2009: Rp1.174.924.527.400) (Catatan 6 dan 29).

Ketidakpastian Kewajiban Perpajakan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan maupun pajak lainnya atas transaksi tertentu. Ketidakpastian timbul terkait dengan interpretasi dari peraturan perpajakan yang kompleks dan jumlah dan waktu dari penghasilan kena pajak di masa depan. Dalam menentukan jumlah yang harus diakui terkait dengan liabilitas pajak yang tidak pasti, Kelompok Usaha menerapkan pertimbangan yang sama yang akan mereka gunakan dalam menentukan jumlah cadangan yang harus diakui sesuai dengan PSAK No. 57, "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi". Kelompok Usaha membuat analisa untuk semua posisi pajak terkait dengan pajak penghasilan untuk menentukan jika liabilitas pajak untuk manfaat pajak yang belum diakui harus diakui.

Kelompok Usaha mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan. Nilai tercatat bersih utang pajak penghasilan badan pada tanggal 31 Desember 2011 adalah sebesar Rp5.606.691.894 (31 Desember 2010: Rp329.971.775.738; 1 Januari 2010/ 31 Desember 2009: Rp563.053.734.857). Penjelasan lebih rinci diungkapkan dalam Catatan 19.

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3. SOURCE OF ESTIMATION UNCERTAINTY (continued)

Estimates and Assumptions (continued)

Financial Instruments (continued)

The carrying amount of financial asset carried at fair value in the consolidated statements of financial position as of December 31, 2011 was Rp247,339,377,520 (December 31, 2010: nil; January 1, 2010/December 31, 2009: nil), while the carrying amount of financial liability carried at fair value in the consolidated statements of financial position as of December 31, 2011 was Rp1,616,967,611,921 (December 31, 2010: Rp1,695.882.571.498; January 1, 2010/December 31, 2009: Rp1,174,924,527,400) (Notes 6 and 29).

Uncertain Tax Exposure

Significant judgment is involved in determining the provision for corporate income tax and other taxes on certain transactions. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Group applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK No. 57, "Provisions, Contingent Liabilities and Contingent Asset". The Group makes an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized.

The Group recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due. The net carrying amount of corporate income tax payable as of December 31, 2011 was Rp5,606,691,894 (December 31, 2010: Rp329,971,775,738; January 1, 2010/ December 31, 2009: Rp563,053,734,857). Further details are disclosed in Note 19.

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3. SUMBER ESTIMASI KETIDAKPASTIAN (lanjutan)

Estimasi dan Asumsi (lanjutan)

Realisasi dari Aset Pajak Tangguhan

Aset pajak tangguhan diakui atas seluruh rugi fiskal yang belum digunakan sepanjang besar kemungkinannya bahwa penghasilan kena pajak akan tersedia sehingga rugi fiskal tersebut dapat digunakan. Estimasi signifikan oleh manajemen disyaratkan dalam menentukan jumlah aset pajak tangguhan yang dapat diakui, berdasarkan saat penggunaan dan tingkat penghasilan kena pajak dan strategi perencanaan pajak masa depan.

Pada tanggal 31 Desember 2011, Kelompok Usaha memiliki rugi fiskal yang dapat dikompensasi sebesar Rp3.268.095.047 (2010: Rp505.966.836). Rugi fiskal tersebut terkait kepada Entitas-entitas Anak yang masih mengalami kerugian, belum daluwarsa dan tidak dapat digunakan untuk disalinghapuskan dengan penghasilan kena pajak entitas lain dalam Kelompok Usaha.

3. SOURCE OF ESTIMATION UNCERTAINTY (continued)

Estimates and Assumptions (continued)

Realizability of Deferred Income Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As of December 31, 2011, the Group has tax loss carry forward amounted to Rp3,268,095,047 (2010: Rp505,966,836). These tax losses relate to Subsidiaries which still incurred loss, have not yet expired and may not be used to offset taxable profits elsewhere in the Group.

4. PENYESUAIAN LAPORAN KEUANGAN ENTITAS ANAK UNTUK TUJUAN KONSOLIDASI

Pada tahun 2003, Transgasindo, Entitas Anak, mengubah metode penyusutan mesin dan peralatan dari metode saldo menurun berganda menjadi metode garis lurus. Untuk tujuan konsolidasi, dilakukan penyesuaian atas laporan keuangan Transgasindo untuk menyajikan kebijakan penyusutannya yang sama dengan kebijakan penyusutan pada laporan keuangan konsolidasian, sebagai berikut:

4. ADJUSTMENTS TO A SUBSIDIARIES' FINANCIAL STATEMENTS FOR CONSOLIDATION PURPOSES

In 2003, Transgasindo, a Subsidiary, changed its depreciation method for machinery and equipment from double-declining balance method to straight-line method. For consolidation purposes, adjustments were made to Transgasindo's financial statements to present the same depreciation policy as used in the consolidated financial statements, as follows:

The original consolidated financial statements included herein are in the Indonesian language.

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4. PENYESUAIAN LAPORAN KEUANGAN ENTITAS ANAK UNTUK TUJUAN KONSOLIDASI (lanjutan)

4. ADJUSTMENTS TO A SUBSIDIARIES' FINANCIAL STATEMENTS FOR CONSOLIDATION PURPOSES (continued)

	31 Des. 2011/*Dec. 31, 2011*		
	Seperti Dilaporkan Menggunakan Metode Garis Lurus/ *As Reported Using Straight-Line Method*	Setelah Disesuaikan Menggunakan Metode Saldo Menurun Berganda/ *As Adjusted Using Double-Declining Balance Method*	
Laba Operasi	759.385.145.062	643.048.869.880	*Operating Profit*
Laba Tahun Berjalan	494.199.835.176	406.947.628.882	*Profit for the Year*
Total Aset	6.854.188.298.304	5.588.850.832.579	*Total Assets*
Total Liabilitas	3.310.362.029.983	2.939.296.604.416	*Total Liabilities*
Total Ekuitas	3.543.826.268.321	2.649.554.228.163	*Total Equity*

	31 Des. 2010/*Dec. 31, 2010*		
	Seperti Dilaporkan Menggunakan Metode Garis Lurus/ *As Reported Using Straight-Line Method*	Setelah Disesuaikan Menggunakan Metode Saldo Menurun Berganda/ *As Adjusted Using Double-Declining Balance Method*	
Laba Operasi	1.019.648.343.071	961.801.839.159	*Operating Profit*
Laba Tahun Berjalan	538.962.630.949	495.577.758.116	*Profit for the Year*
Total Aset	7.301.981.647.196	6.166.575.020.756	*Total Assets*
Total Liabilitas	4.081.246.968.292	3.743.128.998.732	*Total Liabilities*
Total Ekuitas	3.220.734.678.904	2.423.446.022.024	*Total Equity*

	1 Jan. 2010/31 Des. 2009/ *Jan. 1, 2010/Dec. 31, 2009*		
	Seperti Dilaporkan Menggunakan Metode Garis Lurus/ *As Reported Using Straight-Line Method*	Setelah Disesuaikan Menggunakan Metode Saldo Menurun Berganda/ *As Adjusted Using Double-Declining Balance Method*	
Laba Operasi	1.003.961.571.969	1.024.668.741.278	*Operating Profit*
Laba Tahun Berjalan	412.898.166.003	427.807.328.114	*Profit for the Year*
Total Aset	7.051.403.171.753	5.924.185.988.205	*Total Assets*
Total Liabilitas	4.241.684.581.835	3.903.145.400.274	*Total Liabilities*
Total Ekuitas	2.809.718.589.918	2.021.040.587.931	*Total Equity*

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4. PENYESUAIAN LAPORAN KEUANGAN ENTITAS ANAK UNTUK TUJUAN KONSOLIDASI (lanjutan)

4. ADJUSTMENTS TO A SUBSIDIARIES' FINANCIAL STATEMENTS FOR CONSOLIDATION PURPOSES (continued)

Pada tahun 2011, PGASSOL, Entitas Anak, mengubah metode penyusutan mesin dan peralatan dari metode saldo menurun berganda menjadi metode garis lurus. Untuk tujuan konsolidasi, dilakukan penyesuaian atas laporan keuangan PGASSOL untuk menyajikan kebijakan penyusutannya yang sama dengan kebijakan penyusutan pada laporan keuangan konsolidasian, sebagai berikut:

In 2011, PGASSOL, a Subsidiary, changed its depreciation method for machinery and equipment from double-declining balance method to straight-line method. For consolidation purposes, adjustments were made to PGASSOL's financial statements to present the same depreciation policy as used in the consolidated financial statements, as follows:

	31 Des. 2011/*Dec. 31, 2011*		
	Seperti Dilaporkan Menggunakan Metode Garis Lurus/ *As Reported Using Straight-Line Method*	Setelah Disesuaikan Menggunakan Metode Saldo Menurun Berganda/ *As Adjusted Using Double-Declining Balance Method*	
Laba Operasi	11.846.116.135	10.306.279.891	*Operating Profit*
Laba Tahun Berjalan	10.712.759.658	9.172.923.413	*Profit for the Year*
Total Aset	50.242.296.669	48.702.460.424	*Total Assets*
Total Liabilitas	6.014.110.548	6.014.110.548	*Total Liabilities*
Total Ekuitas	44.228.186.121	42.688.349.876	*Total Equity*

Pada tahun 2011, PGASKOM, Entitas Anak, mengubah metode penyusutan mesin dan peralatan dari metode saldo menurun berganda menjadi metode garis lurus. Untuk tujuan konsolidasi, dilakukan penyesuaian atas laporan keuangan PGASKOM untuk menyajikan kebijakan penyusutannya yang sama dengan kebijakan penyusutan pada laporan keuangan konsolidasian, sebagai berikut:

In 2011, PGASKOM, a Subsidiary, changed its depreciation method for machinery and equipment from double-declining balance method to straight-line method. For consolidation purposes, adjustments were made to PGASKOM's financial statements to present the same depreciation policy as used in the consolidated financial statements, as follows:

	31 Des. 2011/*Dec. 31, 2011*		
	Seperti Dilaporkan Menggunakan Metode Garis Lurus/ *As Reported Using Straight-Line Method*	Setelah Disesuaikan Menggunakan Metode Saldo Menurun Berganda/ *As Adjusted Using Double-Declining Balance Method*	
Laba Operasi	2.997.160.297	(3.673.963.727)	*Operating Profit*
Laba Tahun Berjalan	12.375.045.246	5.703.921.223	*Profit for the Year*
Total Aset	109.539.631.546	102.868.507.522	*Total Assets*
Total Liabilitas	24.480.947.175	24.480.947.175	*Total Liabilities*
Total Ekuitas	85.058.684.371	78.387.560.347	*Total Equity*

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5. KAS DAN SETARA KAS DAN KAS YANG DIBATASI PENGGUNAANNYA

5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Kas	592.931.454	608.762.106	588.860.065	*Cash on hand*
Bank				*Cash in banks*
Rekening Rupiah				*Rupiah accounts*
Entitas berelasi dengan Pemerintah				*Government-related entities*
PT Bank Mandiri (Persero) Tbk	56.237.719.770	160.287.896.209	94.538.360.478	*PT Bank Mandiri (Persero) Tbk*
PT Bank Rakyat Indonesia (Persero) Tbk	47.670.808.809	8.743.800.331	2.610.488.896	*PT Bank Rakyat Indonesia (Persero) Tbk*
PT Bank Negara Indonesia (Persero) Tbk	47.006.072.986	13.677.170.203	15.044.329.849	*PT Bank Negara Indonesia (Persero) Tbk*
Pihak ketiga				*Third parties*
Bank of America N.A., Jakarta	16.449.716.619	5.695.814.600	3.903.802.704	*Bank of America N.A., Jakarta*
PT Bank Central Asia Tbk	1.084.037.934	13.860.744	880.000	*PT Bank Central Asia Tbk*
PT Bank CIMB Niaga Tbk	1.750.852.627	321.214.007	225.844.161	*PT Bank CIMB Niaga Tbk*
Rekening Dolar Amerika Serikat				*United States Dollar (USD) accounts*
Entitas berelasi dengan Pemerintah				*Government-related entities*
PT Bank Mandiri (Persero) Tbk (USD47.094.550 pada tahun 2011, USD59.320.447 pada tahun 2010 dan USD39.362.088 pada tahun 2009)	427.053.379.763	533.350.141.404	370.003.627.012	*PT Bank Mandiri (Persero) Tbk (USD47,094,550 in 2011, USD59,320,447 in 2010 and USD39,362,088 in 2009)*
PT Bank Negara Indonesia (Persero) Tbk (USD5.423.004 pada tahun 2011, USD1.272.815 pada tahun 2010 dan USD19.862.489 pada tahun 2009)	49.175.803.536	11.443.880.294	186.707.400.360	*PT Bank Negara Indonesia (Persero) Tbk (USD5,423,004 in 2011, USD1,272,815 in 2010 and USD19,862,489 in 2009)*
PT Bank Rakyat Indonesia (Persero) Tbk (USD3.980.066 pada tahun 2011, USD4.032.223 pada tahun 2010 dan USD1.900.923 pada tahun 2009)	36.091.233.954	36.253.716.274	17.868.676.012	*PT Bank Rakyat Indonesia (Persero) Tbk (USD3,980,066 in 2011, USD4,032,223 in 2010 and USD1,900,923 in 2009)*
Pihak ketiga				*Third parties*
Bank of America, N.A., Singapura (USD72.476.481 pada tahun 2011, USD82.574.196 pada tahun 2010 dan USD46.175.390 pada tahun 2009)	657.216.726.716	742.424.594.438	434.048.666.658	*Bank of America N.A., Singapore (USD72,476,481 in 2011, USD82,574,196 in 2010 and USD46,175,390 in 2009)*
The Hongkong and Shanghai Banking Corporation Ltd., Jakarta (USD114.055 pada tahun 2011, USD114.117 pada tahun 2010 dan USD131.186 pada tahun 2009)	1.034.254.730	1.026.023.969	1.233.147.930	*The Hongkong and Shanghai Banking Corporation Ltd., Jakarta (USD114,055 in 2011, USD114,117 in 2010 and USD131,186 in 2009)*

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5. KAS DAN SETARA KAS DAN KAS YANG DIBATASI PENGGUNAANNYA (lanjutan)

5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pihak ketiga				*Third parties*
ABN AMRO Bank N.V., Jakarta (USD49.362 pada tahun 2011, USD49.394 pada tahun 2010 dan USD34.663 pada tahun 2009)	447.613.528	444.098.847	325.828.722	*ABN AMRO Bank N.V., Jakarta (USD49,362 in 2011, USD49,394 in 2010 and USD34,663 in 2009)*
Citibank N.A., Jakarta (USD9.993 pada tahun 2011 dan USD10.000 pada tahun 2010)	90.616.524	89.910.000	-	*Citibank N.A., Jakarta (USD9,993 in 2011 and USD 10,000 in 2010)*
Rekening Yen Jepang (JPY)				*Japanese Yen (JPY) account*
Entitas berelasi dengan Pemerintah				*Government-related entity*
PT Bank Mandiri (Persero) Tbk (JPY468.123.972 pada tahun 2011, JPY823.270 pada tahun 2010 dan JPY829.628 pada tahun 2009)	54.681.561.173	90.798.435	84.381.466	*PT Bank Mandiri (Persero) Tbk (JPY468,123,972 in 2011, JPY823,270 in 2010 and JPY829,628 in 2009)*
Pihak ketiga				*Third party*
ABN AMRO Bank N.V., Jakarta (JPY293.327.112 pada tahun 2011, JPY220.196.770 pada tahun 2010 dan JPY73.533.064 pada tahun 2009)	34.263.539.953	24.285.501.763	7.479.047.939	*ABN AMRO Bank N.V., Jakarta (JPY293,327,112 in 2011, JPY220,196,770 in 2010 and JPY73,533,064 in 2009)*
Rekening Dolar Singapura (SGD)				*Singapore Dollar (SGD) account*
Pihak ketiga				*Third party*
Citibank N.A., Jakarta (SGD31.206 pada tahun 2011 dan SGD16.250 pada tahun 2010)	217.633.812	113.434.831	-	*Citibank N.A., Jakarta (SGD31,206 in 2011 and SGD16,250 in 2010)*
Sub-total	1.430.471.572.434	1.538.261.856.349	1.134.074.482.187	*Sub-total*
Setara kas - Deposito berjangka yang tidak dibatasi penggunaannya				*Cash equivalents - Unrestricted time deposits*
Rekening Rupiah				*Rupiah accounts*
Entitas berelasi dengan Pemerintah				*Government-related entities*
PT Bank Mandiri (Persero) Tbk	1.285.102.480.000	2.289.969.480.000	866.000.000.000	*PT Bank Mandiri (Persero) Tbk*
PT Bank Tabungan Negara (Persero) Tbk	768.000.000.000	417.000.000.000	50.000.000.000	*PT Bank Tabungan Negara (Persero) Tbk*
PT Bank Rakyat Indonesia (Persero) Tbk	507.000.000.000	746.800.000.000	379.798.727.086	*PT Bank Rakyat Indonesia (Persero) Tbk*
PT Bank Negara Indonesia (Persero) Tbk	364.000.000.000	356.000.000.000	284.000.000.000	*PT Bank Negara Indonesia (Persero) Tbk*
Pihak ketiga				*Third party*
PT Bank CIMB Niaga Tbk	-	2.275.000.000	1.275.000.000	*PT Bank CIMB Niaga Tbk*
Rekening Dolar Amerika Serikat				*United States Dollar (USD) accounts*
Entitas berelasi dengan Pemerintah				*Government-related entities*
PT Bank Negara Indonesia (Persero) Tbk (USD347.800.000 pada tahun 2011, USD309.100.000 pada tahun 2010 dan USD181.000.000 pada tahun 2009)	3.153.850.400.000	2.779.118.100.000	1.701.400.000.000	*PT Bank Negara Indonesia (Persero) Tbk (USD347,800,000 in 2011, USD309,100,000 in 2010 and USD181,000,000 in 2009)*
PT Bank Rakyat Indonesia (Persero) Tbk (USD314.000.000 pada tahun 2011, USD307.500.000 pada tahun 2010 dan USD231.500.000 pada tahun 2009)	2.847.352.000.000	2.764.732.500.000	2.176.100.000.000	*PT Bank Rakyat Indonesia (Persero)Tbk (USD314,000,000 in 2011, USD307,500,000 in 2010 and USD231,500,000 in 2009)*
PT Bank Mandiri (Persero) Tbk (USD19.000.000)	-	170.829.000.000	-	*PT Bank Mandiri (Persero) Tbk (USD19,000,000)*
Sub-total	8.925.304.880.000	9.526.724.080.000	5.458.573.727.086	*Sub-total*
Total kas dan setara kas	**10.356.369.383.888**	**11.065.594.698.455**	**6.593.237.069.338**	***Total cash and cash equivalents***

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5. KAS DAN SETARA KAS DAN KAS YANG DIBATASI PENGGUNAANNYA (lanjutan)

5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Kas yang dibatasi penggunaanya terdiri dari:				*Restricted cash consists of:*
Rekening Rupiah				*Rupiah account*
Entitas berelasi dengan Pemerintah				*Government-related entity*
PT Bank Mandiri (Persero) Tbk	3.207.597.638	3.209.827.137	3.163.251.095	*PT Bank Mandiri (Persero) Tbk*
Rekening Dolar Amerika Serikat				*United States Dollar (USD) accounts*
Entitas berelasi dengan Pemerintah				*Government-related entity*
PT Bank Mandiri (Persero) Tbk (USD2.212.655)	20.064.352.820	-	-	*PT Bank Mandiri (Persero) Tbk (USD2,212,655)*
Pihak ketiga				*Third parties*
Bank of America, N.A., Singapura (USD339.541 pada tahun 2011, USD349.461 pada tahun 2010 dan USD478.397 pada tahun 2009)	3.078.953.526	3.142.001.244	4.496.929.920	*Bank of America, N.A., Singapore (USD339,541 in 2011, USD349,461 in 2010 and USD478,397 in 2009)*
The Hongkong and Shanghai Banking Corporation Ltd.(HSBC), Jakarta (USD1.522 pada tahun 2011 dan USD724 pada tahun 2010)	13.802.311	6.510.383	-	*The Hongkong and Shanghai Banking Corporation Ltd.(HSBC), Jakarta (USD1,522 in 2011 and USD724 in 2010)*
Bank of Tokyo-Mitsubishi UFJ, Jakarta (USD3.093.179)	-	-	29.075.886.078	*Bank of Tokyo-Mitsubishi UFJ, Jakarta (USD3,093,179)*
Total kas yang dibatasi penggunaannya	**26.364.706.295**	**6.358.338.764**	**36.736.067.093**	***Total restricted cash***

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, kas yang dibatasi penggunaannya di PT Bank Mandiri (Persero) Tbk, pihak berelasi, masing-masing sebesar Rp3.207.597.638, Rp3.209.827.137 dan Rp3.163.251.095, merupakan rekening penampungan *(escrow account)* sehubungan dengan perjanjian ganti rugi tanah dengan PT Perkebunan Nusantara VII (Persero) terkait dengan proyek transmisi Sumatera Selatan - Jawa Barat (SSWJ) (Catatan 35.7).

Pada tanggal 19 Desember 2011, kas yang dibatasi penggunaannya di PT Bank Mandiri (Persero) Tbk sebesar USD2.212.655 merupakan rekening penampungan (*escrow account*) sehubungan dengan perjanjian jual beli gas dengan PT Nugas Energy (NUGAS).

As of December 31, 2011, December 30, 2010 and January 1, 2010/December 31, 2009, the restricted cash in PT Bank Mandiri (Persero) Tbk, a related party, amounting to Rp3,207,597,638, Rp3,209,827,137 and Rp3,163,251,095, respectively, represents escrow account in accordance with the land compensation agreement with PT Perkebunan Nusantara VII (Persero) in relation to transmission network project of South Sumatera - West Java (SSWJ) (Note 35.7).

As of December 19, 2011, the restricted cash in PT Bank Mandiri (Persero) Tbk amounting to USD2,212,655, respectively, represents escrow account in accordance with the gas purchase agreement with PT Nugas Energy (NUGAS).

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5. KAS DAN SETARA KAS DAN KAS YANG DIBATASI PENGGUNAANNYA (lanjutan)

Kas yang dibatasi penggunaannya di Bank of America, N.A. sebesar USD339.541, USD349.461 dan USD478.397 masing-masing pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009, ditujukan untuk pembayaran wesel bayar Transgasindo.

Kas yang dibatasi penggunaannya di The Hongkong and Shanghai Banking Corporation Ltd. (HSBC) sebesar USD1.522 dan USD724 masing-masing pada tanggal 31 Desember 2011 dan 2010, yang ditujukan untuk pembayaran pinjaman jangka panjang Transgasindo yang diperoleh dari HSBC pada tanggal 30 Agustus 2010 (Catatan 18).

Kas yang dibatasi penggunaannya di Bank of Tokyo Mitsubishi - UFJ (BTMU) sebesar USD3.093.179 pada tanggal 1 Januari 2010/31 Desember 2009 ditujukan untuk pembayaran utang jangka pendek Transgasindo kepada BTMU (Catatan 15).

Tingkat bunga tahunan deposito berjangka pada tanggal berikut adalah sebagai berikut:

5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (continued)

The restricted cash in Bank of America, N.A. amounting to USD339,541, USD349,461 and USD478,397 as of December 31, 2011, December 31, 2010 and January 1, 2010/ December 31, 2009, respectively, were established for repayment of Transgasindo's promissory notes.

The restricted cash in The Hongkong and Shanghai Banking Corporation Ltd. (HSBC) amounting to USD1,522 and USD724 as of December 31, 2011 and 2010, respectively, were established for repayment of Transgasindo's long-term loan obtained from HSBC on August 30, 2010 (Note18).

Restricted cash in Bank of Tokyo Mitsubishi - UFJ amounting to USD3,093,179 as of January 1, 2010/December 31, 2009, were established for the repayment of short-term loan of Transgasindo to BTMU (Note 15).

The annual interest rates of time deposits on the following dates are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Rekening Rupiah	6,00% - 7,25%	6,05% - 7,00%	5,00% - 12,00%	*Rupiah account*
Rekening Dolar Amerika Serikat	0,50% - 2,15%	0,12% - 4,00%	1,10% - 5,00%	*US Dollar account*

6. INVESTASI JANGKA PENDEK

Investasi jangka pendek merupakan investasi pada instrumen hutang yang dikategorikan sebagai aset keuangan tersedia untuk dijual yang diterbitkan oleh pihak-pihak berikut:

6. SHORT-TERM INVESTMENTS

Short-term investments represent investment in debt instrument which is categorized as available-for- sale financial assets, issued by the following parties:

	31 Des. 2011/ *Dec 31, 2011*	
Harga Perolehan		***Cost***
Entitas berelasi dengan Pemerintah (Catatan 33)		*Government-related entities (Note 33)*
PT Pertamina (Persero) (USD15.680.250)	142.188.507.000	*PT Pertamina (Persero) (USD15,680,250)*
Lembaga Pembiayaan Ekspor Indonesia (LPEI)	50.000.000.000	*Indonesia Eximbank*
PT Aneka Tambang (Persero) Tbk (ANTAM)	25.000.000.000	*PT Aneka Tambang (Persero) Tbk (ANTAM)*
Perum Pegadaian	20.000.000.000	*Perum Pegadaian*
Ditambah:		
Kenaikan belum direalisasi atas perubahan nilai wajar asset keuangan tersedia untuk dijual	10.150.870.520	*Unrealized gain on increase fair value of available-for-sale financial assets*
Total	**247.339.377.520**	***Total***

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6. INVESTASI JANGKA PENDEK (lanjutan)

Perusahaan melakukan pembelian obligasi PT Pertamina (Persero) (Pertamina) sebagai berikut (1) pada tanggal 22 Juni 2011 dengan biaya perolehan sebesar USD1.000.000, dengan nilai nominalUSD100/lembar dan harga beli sebesar USD100/lembar; (2) pada tanggal 27 Juni 2011 dengan biaya perolehan sebesar USD4.993.750 dengan nilai nominal sebesar USD100/lembar dan harga beli sebesar USD99/lembar; dan (3) pada tanggal 6 Oktober 2011 dengan biaya perolehan sebesar USD9.686.500 dengan nilai nominal sebesar USD100/lembar dan harga beli sebesar USD97/lembar. Tingkat bunga tahunan obligasi tersebut adalah sebesar 5,25% dan berdasarkan PT Pemeringkat Efek Indonesia (Pefindo), peringkat dari obligasi tersebut adalah AAA.

Pada tanggal 7 Desember 2011, Perusahaan melakukan pembelian obligasi Lembaga Pembiayaan Ekspor Indonesia (LPEI) Seri C dengan biaya perolehan sebesar Rp50.000.000.000 yang dibeli pada nilai nominal. Tingkat bunga tahunan obligasi adalah sebesar 8,50% dan berdasarkan PT Pefindo, peringkat dari obligasi tersebut adalah AAA.

Pada tanggal 28 November 2011, Perusahaan melakukan pembelian obligasi PT Aneka Tambang (Persero) Tbk Seri B dengan biaya perolehan sebesar Rp25.000.000.000 yang dibeli pada nilai nominal. Tingkat bunga tahunan obligasi adalah sebesar 9,05% dan berdasarkan PT Pefindo, peringkat dari obligasi tersebut adalah AA.

Pada tanggal 10 Oktober 2011, Perusahaan melakukan pembelian obligasi Perusahaan Umum Pegadaian Seri C dengan biaya perolehan sebesar Rp20.000.000.000 yang dibeli pada nilai nominal. Tingkat bunga tahunan obligasi adalah sebesar 9,00% dan berdasarkan PT Pefindo, peringkat dari obligasi tersebut adalah AA+.

6. SHORT-TERM INVESTMENTS (continued)

The Company purchased PT Pertamina (Persero) (Pertamina)'s bonds as follows : (1) on June 22, 2011 with acquisition cost of USD1,000,000, nominal of USD100/bonds and purchase price of USD100/bonds; (2) on June 27, 2011, with acquisition cost of USD4,993,750, nominal of USD100/bonds and purchase price of USD99/bonds; and (3) on October 6, 2011, with acquisition cost of USD9,686,500, nominal of USD100/bonds and purchase price of USD97/bonds. The bonds earn annual interest rate at 5.25% and based on PT Pemeringkat Efek Indonesia (Pefindo), the bonds is rated at AAA.

On December 7, 2011, the Company purchased Indonesia Eximbank's Series C bonds, with acquisition cost of Rp50,000,000,000 which is purchased at nominal. The bonds earn annual interest rate at 8.50% and based on PT Pefindo, the bonds is rated at AAA.

On November 28, 2011, the Company purchased PT Aneka Tambang (Persero) Tbk's Series B bonds with acquisition cost of Rp25,000,000,000 which is purchased at nominal. The bonds earn annual interest rate at 9.05% and based on PT Pefindo, the bonds is rated at AA.

On October 10, 2011, the Company purchased Perusahaan Umum Pegadaian's Series C bonds with acquisition cost of Rp20,000,000,000 which is purchased at nominal. The bonds earn annual interest rate at 9.00% and based on PT Pefindo, the bonds is rated at AA+.

7. PIUTANG USAHA

Akun ini terdiri dari piutang dari:

7. TRADE RECEIVABLES

This account consists of receivables from:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Entitas berelasi dengan Pemerintah (Catatan 33)				*Government-related entities (Note 33)*
Distribusi gas	482.320.619.866	579.447.978.010	534.641.756.739	*Gas distribution*
Transmisi gas	19.932.554.951	5.317.308.419	1.032.794.262	*Gas transmission*
Sub-total	502.253.174.817	584.765.286.429	535.674.551.001	*Sub-total*

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7. PIUTANG USAHA (lanjutan)

7. TRADE RECEIVABLES (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pihak ketiga				*Third parties*
Distribusi gas	1.309.981.460.230	1.176.815.357.906	960.302.620.142	*Gas distribution*
Transmisi gas	280.109.315.089	217.706.559.384	184.963.287.563	*Gas transmission*
Sewa fiber optik	10.003.722.292	10.909.670.963	-	*Fiber optic rental*
Sub-total	1.600.094.497.611	1.405.431.588.253	1.145.265.907.705	*Sub-total*
Total	2.102.347.672.428	1.990.196.874.682	1.680.940.458.706	*Total*
Cadangan kerugian penurunan nilai	(112.259.376.026)	(98.602.984.407)	(82.462.842.922)	*Allowance for impairment losses*
Neto	**1.990.088.296.402**	**1.891.593.890.275**	**1.598.477.615.784**	***Net***

Piutang usaha dari entitas berelasi dengan pemerintah mayoritas berasal dari piutang PT Perusahaan Listrik Negara (Persero) dan PT PLN Batam masing-masing sebesar Rp267.611.934.957 dan Rp28.652.774.427 pada tanggal 31 Desember 2011, Rp374.481.606.582 dan Rp27.020.916.386 pada tanggal 31 Desember 2010 dan Rp350.298.797.674 dan Rp18.063.390.430 pada tanggal 1 Januari 2010/31 Desember 2009.

A substantial portion of receivables from Government related entities represents receivables from PT Perusahaan Listrik Negara (Persero) and PT PLN Batam amounting to Rp267,611,934,957 and Rp28,652,774,427 as of December 31, 2011, Rp374,481,606,582 and Rp27,020,916,386 as of December 31, 2010 and Rp350,298,797,674 and Rp18,063,390,430 as of January 1, 2010/December 31, 2009, respectively.

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

The details of trade receivables based on currencies are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Rupiah	592.231.222.698	629.925.381.958	479.989.163.597	*Rupiah*
Dolar Amerika Serikat (USD166.532.471 pada tahun 2011, USD151.290.629 pada tahun 2010 dan USD127.760.776 pada tahun 2009)	1.510.116.449.730	1.360.254.041.211	1.200.951.295.109	*United States Dollar (USD) (USD166,532,471 in 2011, USD151,290,629 in 2010 and USD127,760,776 in 2009)*
Dolar Singapura (SGD2.500)	-	17.451.513	-	*Singapore Dollar (SGD) (SGD2,500)*
Total	**2.102.347.672.428**	**1.990.196.874.682**	**1.680.940.458.706**	***Total***

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

The changes in the allowance for impairment losses are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	98.602.984.407	82.462.842.922	91.537.859.137	*Beginning balance*
Penyisihan untuk tahun berjalan (Catatan 26)	12.486.793.959	15.509.749.341	13.336.041.387	*Provisions during the year (Note 26)*
Perubahan kurs	1.169.597.660	630.392.144	(21.242.115.801)	*Foreign exchange rate changes*
Pemulihan penyisihan	-	-	(1.168.941.801)	*Recovery of allowance*
Saldo akhir	**112.259.376.026**	**98.602.984.407**	**82.462.842.922**	***Ending balance***

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7. PIUTANG USAHA (lanjutan)

7. TRADE RECEIVABLES (continued)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, total cadangan kerugian penurunan nilai piutang usaha, Perusahaan adalah sebagai berikut:

As of December 31, 2011, December 31, 2010 and Januari 1, 2010/December 31, 2009, the total allowance for impairment losses of the Company's trade receivables are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Penurunan individual	104.524.575.346	68.111.063.774	44.153.992.897	*Individual impairment*
Penurunan kolektif	7.734.800.680	30.491.920.633	38.308.850.025	*Collective impairment*
Total	**112.259.376.026**	**98.602.984.407**	**82.462.842.922**	***Total***

Analisa umur piutang usaha dihitung sejak tanggal faktur adalah sebagai berikut:

The aging analysis of trade receivables based on invoice dates are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Sampai dengan 1 bulan	1.835.578.203.859	1.766.486.679.445	1.560.081.161.398	*Up to 1 month*
> 1 bulan - 3 bulan	102.882.926.928	65.004.934.440	49.462.220.875	*> 1 month - 3 months*
> 3 bulan - 6 bulan	8.109.584.524	37.321.843.827	22.760.086.133	*> 3 months - 6 months*
> 6 bulan - 1 tahun	16.981.636.520	46.303.802.933	8.185.486.342	*> 6 months - 1 year*
> 1 tahun	138.795.320.597	75.079.614.037	40.451.503.958	*> 1 year*
Total	**2.102.347.672.428**	**1.990.196.874.682**	**1.680.940.458.706**	***Total***

Pada tahun 2009, piutang usaha Perusahaan sebesar Rp240.549.070.660 dijaminkan sebagai jaminan fidusia melalui Akta Jaminan Fidusia Notaris BRAY Mahyastoeti Notonagoro, S.H., No. 105 tanggal 27 Oktober 2000 yang telah diperbaharui dengan Akta No. 36, tanggal 6 September 2002 dalam rangka penerbitan fasilitas-fasilitas *Standby Letter of Credit* (SBLC) yang diperoleh dari PT Bank Mandiri (Persero) Tbk. Berdasarkan amandemen perjanjian fasilitas penerbitan SBLC No. KP-COCD/03/PK-SBLC/2000, tanggal 13 November 2009, fasilitas ini tidak dijamin lagi dengan pendapatan atau aset Perusahaan.

In 2009, the Company's trade receivables pledged as collateral for Rp240,549,070,660 fiduciary through Fiduciary Waranty Deed Notary BRAY Mahyastoeti Notonagoro, S.H., No. 105 dated October 27, 2000 amended with Doed No. 36 dated September 6, 2002 in order of issuance facilities Standby Letter of Credit (SBLC) obtained from PT Bank Mandiri (Persero) Tbk. Under amendment SBLC issuing facility No. KP-COCD/03/PK-SBLC/2000, dated November 13, 2009, the facility is no longer secured by the Company's revenues or assets.

Manajemen Perusahaan dan Entitas Anak berpendapat bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan atas tidak tertagihnya piutang usaha.

The management of the Company and Subsidiaries believes that the allowance for impairment losses is adequate to cover any loss from uncollectible accounts.

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8. PIUTANG LAIN-LAIN

8. OTHER RECEIVABLES

Akun ini terdiri:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Panjar dinas	27.118.732.175	16.583.498.896	13.636.906.426	*Advances to employees*
Piutang dari PT Kustodian Sentral Efek Indonesia (KSEI)	13.945.008.251	18.398.566.909	-	*Receivable from PT Kustodian Sentral Efek Indonesia (KSEI)*
Pemerintah Republik Indonesia (USD1.301.663 pada tahun 2011, 2010 dan 2009)	11.803.477.908	11.703.249.875	12.235.629.944	*The Government of the Republic of Indonesia (USD1,301,663 in 2011, 2010 and 2009)*
Bunga (USD372.294 dan Rp6.447.644.744 pada tahun 2011, USD265.505 dan Rp5.625.038.904 pada tahun 2010 dan USD396.683 dan Rp2.645.346.969 pada tahun 2009)	9.823.609.819	8.012.194.359	6.374.169.801	*Interests (USD372,294 and Rp6,447,644,744 in 2011, USD265,505 and Rp5,625,038,904 in 2010 and USD396,683 and Rp2,645,346,969 in 2009)*
Uang muka proyek	1.156.766.920	1.024.230.053	1.553.573.668	*Advances for project*
Piutang dari PT Tugu Pratama Indonesia (USD925.915)	-	8.324.902.927	-	*PT Tugu Pratama Indonesia (USD925,915)*
Piutang dana talangan (USD721.432 dan Rp30.838.269.169)	-	-	37.619.730.063	*Bridging receivables (USD721,432 and Rp30,838,269,169)*
Lain-lain (USD2.086, SGD23.027 dan Rp1.255.584.759 pada tahun 2011, USD2.086, SGD5.527 dan Rp2.913.656.746 pada tahun 2010 dan USD6.716, SGD5.527 dan Rp1.526.909.963 pada tahun 2009)	1.435.089.773	2.970.995.959	1.627.060.701	*Others (USD2,086, SGD23,027 and Rp1,255,584,759 in 2011, USD2,086, SGD5,527 and Rp2,913,656,746 in 2010 and USD6,716, SGD5,527 and Rp1,526,909,963 in 2009)*
Total	65.282.684.846	67.017.638.978	73.047.070.603	*Total*
Cadangan kerugian penurunan nilai	(11.817.675.707)	(11.717.447.675)	(12.235.629.944)	*Allowance for impairment losses*
Neto	**53.465.009.139**	**55.300.191.303**	**60.811.440.659**	***Net***

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

The changes in the allowance for impairment losses are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	11.717.447.675	12.235.629.944	14.285.432.853	*Beginning balance*
Penyisihan untuk tahun berjalan (Catatan 26)	-	14.197.800	-	*Provisions during the year (Note 26)*
Perubahan kurs	100.228.032	(532.380.069)	(2.049.802.909)	*Foreign exchange rate changes*
Saldo akhir	**11.817.675.707**	**11.717.447.675**	**12.235.629.944**	***Ending balance***

Piutang lain-lain dari PT Kustodian Sentral Efek Indonesia (KSEI) merupakan piutang Pajak Penghasilan Pasal 23 atas dividen interim tahun 2011 dan 2010 yang dibayarkan oleh Perusahaan ke KSEI masing-masing pada tanggal 13 Desember 2011 dan 30 Desember 2010 (Catatan 10). Pada tanggal 3 Januari 2012 dan pada tanggal 6 dan 10 Januari 2011, Perusahaan telah menerima seluruh piutang tersebut.

Receivable from PT Kustodian Sentral Efek Indonesia (KSEI) represents tax receivable of Income Tax Art. 23 of 2011 and 2010 interim dividends which has already paid by the Company to KSEI on December 13, 2011 and December 30, 2010, respectively (Note 10). On January 3, 2012 and on January 6 and 10, 2011, the Company has already received such receivable.

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8. PIUTANG LAIN-LAIN (lanjutan)

Piutang lain-lain dari Pemerintah Republik Indonesia merupakan piutang sehubungan dengan penerusan pinjaman yang dananya telah tersedia di Bank Indonesia pada tahun 2003 untuk ditarik oleh Perusahaan menunggu kelengkapan administratif.

Berdasarkan Surat Menteri Keuangan No. S/219/PB.3/2009, tanggal 6 Maret 2009 bahwa saldo pada rekening khusus telah ditransfer ke rekening Kas Negara dalam mata uang Dolar Amerika Serikat pada tanggal 12 Februari 2009 dan rekening tersebut telah ditutup pada tanggal 13 Februari 2009 sebagaimana dinyatakan dalam Surat Kepala Bagian Jasa Perbankan Bank Indonesia tanggal 19 Februari 2009 No. 11/49/DASP/LIP, mengenai pemindahan saldo rekening khusus dan penutupan rekening khusus yang tidak aktif, maka manajemen memutuskan untuk membentuk penyisihan atas seluruh piutang dari Pemerintah Republik Indonesia.

Uang muka proyek merupakan pembayaran uang muka atas perolehan tanah sehubungan dengan proyek jaringan pipa transmisi Sumatera Selatan - Jawa Barat (SSWJ).

Piutang dari PT Tugu Pratama Indonesia merupakan pengembalian premi asuransi proyek perbaikan pipa bawah laut di Kuala Tungkal.

Piutang dana talangan tersebut merupakan piutang sehubungan dengan penundaan pencairan dana penerusan pinjaman oleh Departemen Keuangan Republik Indonesia kepada Perusahaan berdasarkan Surat Direktorat Jenderal Anggaran No. S-1035/AG/2009, tanggal 1 Mei 2009, sehingga Perusahaan harus membayar terlebih dahulu tagihan kontraktor dengan dana internal Perusahaan. Pada tanggal 4 Desember 2009, Perusahaan menerima Surat dari Direktorat Jenderal Perbendaharaan No. S-3381/PB/2009 yang menyatakan bahwa pencairan dana penerusan pinjaman tahun 2009 dapat diproses kembali. Pada tanggal 3 Februari 2010, seluruh piutang tersebut telah diterima pembayarannya oleh Perusahaan.

Manajemen Perusahaan dan Entitas Anak berpendapat bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan kerugian atas tidak tertagihnya piutang lain-lain.

8. OTHER RECEIVABLES (continued)

Other receivables from the Government of the Republic of Indonesia represent receivables in relation with the two-step loans which funds are available for the Company in Bank Indonesia in 2003 to withdraw pending the completion of certain administrative matters.

Based on the Ministry of Finance Letter No. S/219/PB.3/2009, dated March 6, 2009 which stated that the amount in the special account had been transferred to State Office Funds account in US Dollar currency on February 12, 2009 and such account had been closed on February 13, 2009, as stated in Letter of Head of Banking Services of Bank Indonesia dated February 19, 2009 No. 11/49/DASP/LIP, regarding the transfer of special account amount and closing of inactive special account, the management decided to provide full allowance for these receivables from the Government of the Republic of Indonesia.

Advances for project represent advances for land acquisition related to transmission pipeline project of South Sumatera - West Java (SSWJ).

Receivable from PT Tugu Pratama Indonesia represents insurance premium refunds of offshore pipeline repair project in Kuala Tungkal.

The bridging receivables represent receivables in relation with the postponement of disbursement of two-step loans by Ministry of Finance of the Republic of Indonesia based on the Letter of Directorate General of Budgeting No. S-1035/AG/2009, dated May 1, 2009, therefore the Company has to pay the contractor using its internal funds. On December 4, 2009, the Company received a Letter from Directorate General of Treasury No. S-3381/PB/2009, stating that the funds transfer of two-step loans in 2009 could be processed again. On February 3, 2010, the payments of such receivables have been received by the Company.

The management of the Company and Subsidiaries believes that the allowance for impairment losses adequate to cover any loss from uncollectible accounts.

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9. PERSEDIAAN / *9. INVENTORIES*

Akun ini terdiri:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Suku cadang teknik	15.223.263.423	17.091.951.681	17.116.138.509	*Technical spare parts*
Penyisihan persediaan usang	(3.387.219.434)	(3.045.611.621)	(2.995.659.043)	*Allowance for inventory obsolescence*
Neto	**11.836.043.989**	**14.046.340.060**	**14.120.479.466**	***Net***

Perubahan penyisihan persediaan usang adalah sebagai berikut:

The changes in the allowance for inventory obsolescence are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	3.045.611.621	2.995.659.043	2.571.074.827	*Beginning balance*
Penyisihan untuk tahun berjalan	408.912.945	52.567.233	491.877.318	*Provisions during the year*
Pemulihan penyisihan	(67.305.132)	(2.614.655)	(67.293.102)	*Recovery of allowance*
Saldo akhir	**3.387.219.434**	**3.045.611.621**	**2.995.659.043**	***Ending balance***

Suku cadang teknik terdiri dari persediaan yang berhubungan dengan distribusi dan transmisi gas seperti pipa, meter gas dan suku cadang lainnya.

The technical spare parts represent inventories that are related to gas distribution and transmission such as pipes, gas meters and other spare parts.

Tidak terdapat persediaan yang dijaminkan.

Inventories are not pledged.

Berdasarkan hasil penelaahan kondisi persediaan pada akhir tahun, manajemen berpendapat bahwa persediaan yang pergerakannya lambat tidak memerlukan penyisihan karena persediaan tersebut masih dapat digunakan dalam operasi dan bahwa penyisihan untuk persediaan usang telah cukup memadai untuk menutupi kemungkinan kerugian dari keusangan dan persediaan yang tidak bergerak.

Based on the review of the condition of inventories at the end of the year, the management believes the slow-moving inventories do not require any allowance as these can be used in the operations and that the allowance for inventory obsolescence is adequate to cover any loss from obsolete and non-moving inventories.

10. UANG MUKA / *10. ADVANCES*

Akun ini terdiri dari uang muka untuk:

This account consists of advances for:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pembelian gas bumi (“Take-or-Pay”)				*Purchase of natural gas (“Take-or-Pay”)*
Entitas berelasi dengan Pemerintah (Catatan 33)				*Government-related entity (Note 33)*
PT Pertamina EP (USD76.696.271 pada tahun 2011, 2010 dan 2009)	695.481.785.428	689.576.172.561	720.944.947.400	*PT Pertamina EP (USD76,696,271 in 2011, 2010 and 2009)*
Pihak ketiga				*Third party*
ConocoPhillips (Grissik) Ltd. (USD73.567.693 pada tahun 2011, USD97.746.068 pada tahun 2010 dan USD121.696.800 pada tahun 2009)	667.111.838.770	878.834.895.100	1.143.949.921.598	*ConocoPhillips (Grissik) Ltd. (USD73,567,693 in 2011, USD97,746,068 in 2010 and USD121,696,800 in 2009)*
Sub-total	1.362.593.624.198	1.568.411.067.661	1.864.894.868.998	*Sub-total*

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10. UANG MUKA (lanjutan) / *10. ADVANCES (continued)*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Dikurangi bagian jangka panjang (USD78.805.132 pada tahun 2011, USD119.338.479 pada tahun 2010 dan USD141.334.250 pada tahun 2009)	(714.604.936.976)	(1.072.972.264.689)	(1.328.541.947.368)	*Less non-current portion (USD78,805,132 in 2011, USD119,338,479 in 2010 and USD141,334,250 in 2009)*
Pembelian gas bumi ("Take-or-Pay") bagian jangka pendek	647.988.687.222	495.438.802.972	536.352.921.630	*Current maturities of purchase of natural gas ("Take-or-Pay")*
Dividen interim	263.485.084.590	247.244.488.099	242.396.581.960	*Interim dividends*
Pembelian barang dan jasa	3.487.997.200	10.390.251.761	6.721.505.200	*Purchase of goods and services*
Lain-lain	7.589.559.422	2.560.228.809	1.425.556.514	*Others*
Total	**922.551.328.434**	**755.633.771.641**	**786.896.565.304**	***Total***

Uang muka pembelian gas bumi berdasarkan kesepakatan "*Make-Up Gas*" terdiri dari pembayaran untuk selisih jumlah gas yang dialirkan dengan jumlah kuantitas pembelian gas bumi minimum seperti yang tertera dalam Perjanjian Jual Beli Gas (Catatan 35). Uang muka tersebut akan dikreditkan dengan kelebihan kuantitas gas yang dialirkan dengan jumlah kuantitas pembelian gas bumi minimum yang terjadi setelahnya.

The advances for purchase of natural gas under the Make-Up Gas arrangements pertain to the payments for the difference between the delivered quantity and the minimum purchase quantity of natural gas as stated in the Gas Sale and Purchase Agreements (Note 35). Such advances will be applied against future deliveries of quantities over the minimum specified purchase quantities of natural gas.

Berdasarkan Surat Keputusan Direksi tanggal 8 November 2011, Perusahaan memutuskan untuk membagikan dividen interim sebesar Rp10,87 per saham atau seluruhnya sebesar Rp263.485.084.590. Dividen interim ini akan diperhitungkan dalam penetapan dividen final dalam Rapat Umum Pemegang Saham Tahunan Perseroan tahun 2011. Pada tanggal 13 Desember 2011, dividen interim ini telah didistribusikan ke dalam rekening Perusahaan Efek dan/atau Bank Kustodian.

Based on Directors' Decision Letter dated November 8, 2011, the Company decided to distribute interim dividends amounting to Rp10.87 per share or totaling Rp263,485,084,590. These interim dividends will be considered in the determination of final dividends in the Company's Annual General Shareholders Meeting for year 2011. On December 13, 2011, these interim dividends had been distributed to Securities Company's account and/or Custodian Bank.

Berdasarkan Surat Keputusan Direksi tanggal 6 Desember 2010, Perusahaan memutuskan untuk membagikan dividen interim sebesar Rp10,20 per saham atau seluruhnya sebesar Rp247.244.488.099. Dividen interim ini akan diperhitungkan dalam penetapan dividen final dalam Rapat Umum Pemegang Saham Tahunan Perseroan tahun 2010. Pada tanggal 28 dan 30 Desember 2010, dividen interim ini telah didistribusikan ke dalam rekening Perusahaan Efek dan/atau Bank Kustodian.

Based on Directors' Decision Letter dated December 6, 2010, the Company decided to distribute interim dividends amounting to Rp10.20 per share or totaling Rp247,244,488,099. These interim dividends will be considered in the determination of final dividends in the Company's Annual General Shareholders Meeting for year 2010. On December 28 and 30, 2010, these interim dividends had been distributed to Securities Company's account and/or Custodian Bank.

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10. UANG MUKA (lanjutan)

Berdasarkan Surat Keputusan Direksi tanggal 18 November 2009, Perusahaan memutuskan untuk membagikan dividen interim sebesar Rp10 per saham atau seluruhnya sebesar Rp242.396.581.960. Dividen interim ini akan diperhitungkan dalam penetapan dividen final dalam Rapat Umum Pemegang Saham Tahunan Perseroan tahun 2009. Pada tanggal 23 Desember 2009, dividen interim ini telah didistribusikan ke dalam rekening Perusahaan Efek dan/atau Bank Kustodian.

Uang muka pembelian barang merupakan pembayaran atas pengadaan *Metering Regulating System* (MRS), pipa baja, *pilot* dan *ball valve* kepada pihak ketiga.

Manajemen berpendapat bahwa seluruh uang muka tersebut dapat dipulihkan.

10. ADVANCES (continued)

Based on Directors' Decision Letter dated November 18, 2009, the Company decided to distribute interim dividends amounting Rp10 per share or totaling Rp242,396,581,960. These interim dividends will be considered in the determination of final dividends in the Company's Annual General Shareholders Meeting for year 2009. On December 23, 2009, these interim dividends had been distributed to Securities Company's account and/or Custodian Bank.

Advance for purchase of goods represents payment for Metering Regulation System (MRS) procurement, steel pipe, pilot and ball valve to the third parties.

The management believes that all of such advances can be recovered.

11. BEBAN DIBAYAR DI MUKA

Akun ini terdiri dari:

11. PREPAID EXPENSES

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Asuransi	30.728.804.553	44.533.202.500	35.833.828.593	*Insurance*
Sewa	14.897.478.872	8.023.281.942	6.004.778.299	*Rent*
Komunikasi	837.425.189	843.404.542	143.565.448	*Communication*
Lain-lain	398.628.223	300.431.485	63.150.381	*Others*
Total	**46.862.336.837**	**53.700.320.469**	**42.045.322.721**	***Total***

12. PENYERTAAN SAHAM

Akun ini terdiri dari:

12. INVESTMENT IN SHARES OF STOCK

This account consists of:

	31 Des. 2011/*Dec. 31, 2011*				
	Persentase kepemilikan/ *Percentage of ownership*	Nilai tercatat 1 Jan. 2011/ *Carrying amount Jan. 1, 2011*	Penambahan/ *Additions*	Bagian laba (rugi)/ *Share in profit (loss)*	Nilai tercatat 31 Des. 2011/ *Carrying amount Dec. 31, 2011*
Metode ekuitas/*Equity method*					
PT Nusantara Regas (Catatan 33/*Note 33*)	40,00%	197.826.510.000	220.000.000.000	(6.080.189.200)	411.746.320.800
Metode biaya perolehan/*Cost method*					
Perusahaan/*The Company*					
PT Banten Gas Synergi	1,00%	25.000.000	-	-	25.000.000
Entitas Anak/*Subsidiary*					
Lain-lain/*Others*	1,00%	-	608.571	-	608.571
Sub-total/*Sub-total*		25.000.000	608.571	-	25.608.571
Total/*Total*		**197.851.510.000**	**220.000.608.571**	**(6.080.189.200)**	**411.771.929.371**

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12. PENYERTAAN SAHAM (lanjutan)

12. INVESTMENT IN SHARES OF STOCK (continued)

31 Des. 2010/*Dec. 31, 2010*

	Persentase kepemilikan/ *Percentage of ownership*	Nilai tercatat 1 Jan. 2010/ *Carrying amount Jan. 1, 2010*	Penambahan/ *Additions*	Bagian laba (rugi)/ *Share in profit (loss)*	Nilai tercatat 31 Des. 2010/ *Carrying amount Dec. 31, 2010*
Metode ekuitas/*Equity method*					
PT Nusantara Regas (Catatan 33/*Note 33*)	40,00%	-	200.000.000.000	(2.173.490.000)	197.826.510.000
Metode biaya perolehan/*Cost method*					
Perusahaan/*The Company*					
PT Banten Gas Synergi	1,00%	25.000.000	-	-	25.000.000
Total/*Total*		**25.000.000**	**200.000.000.000**	**(2.173.490.000)**	**197.851.510.000**

31 Des. 2009/*Dec. 31, 2009*

	Persentase kepemilikan/ *Percentage of ownership*	Nilai tercatat 1 Jan. 2009/ *Carrying amount Jan. 1, 2009*	Penambahan/ *Additions*	Bagian laba (rugi)/ *Share in profit (loss)*	Nilai tercatat 31 Des. 2009/ *Carrying amount Dec. 31, 2009*
Metode biaya perolehan/ *Cost method*					
Perusahaan/*The Company*					
PT Banten Gas Synergi (Catatan 33/*Note 33*)	1,00%	25.000.000	-	-	25.000.000

Tabel berikut menyajikan informasi keuangan atas investasi kelompok usaha pada entitas asosiasi:

The following table illustrates summarized financial information of the Group's investments in associates:

31 Des. 2011 (dalam ribuan Rupiah)/*Dec. 31, 2011 (in thousand Rupiah)*

	Bagian atas laporan posisi keuangan Entitas Asosiasi/ *Share of the Associates' statement of financial position*					Bagian atas pendapatan dan laba (rugi) Entitas Asosiasi/ *Share of the Associates' revenues and profit (loss)*	
	Aset lancar/ *Current assets*	Aset tidak lancar/ *Non-current assets*	Liabilitas jangka pendek/ *Current liabilities*	Liabilitas jangka panjang/ *Non-current liabilities*	Ekuitas/ *Equity*	Pendapatan neto/ *Net revenues*	Laba (rugi)/ *Profit (loss)*
PT Nusantara Regas	272.836.832	198.172.506	59.263.017	-	411.746.321	-	(6.080.189)
PT Gas Energi Jambi	11.083	186.920	2.490.345	-	(2.292.342)	-	(347.049)
Total/*Total*	**272.847.915**	**198.359.426**	**61.753.362**	**-**	**409.453.979**	**-**	**(6.427.238)**

31 Des. 2010 (dalam ribuan Rupiah)/*Dec. 31, 2010 (in thousand Rupiah)*

	Bagian atas laporan posisi keuangan Entitas Asosiasi/ *Share of the Associates' statement of financial position*					Bagian atas pendapatan dan laba (rugi) Entitas Asosiasi/ *Share of the Associates' revenues and profit (loss)*	
	Aset lancar/ *Current assets*	Aset tidak lancar/ *Non-current assets*	Liabilitas jangka pendek/ *Current liabilities*	Liabilitas jangka panjang/ *Non-current liabilities*	Ekuitas/ *Equity*	Pendapatan neto/ *Net revenues*	Laba (rugi)/ *Profit (loss)*
PT Nusantara Regas	184.076.759	17.533.359	3.783.608	-	197.826.510	-	(2.173.490)
PT Gas Energi Jambi	11.091	186.920	2.143.305	-	(1.945.293)	-	(347.040)
Total/*Total*	**184.087.850**	**17.720.279**	**5.926.913**	**-**	**195.881.217**	**-**	**(2.520.530)**

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12. PENYERTAAN SAHAM (lanjutan)

Pada tanggal 14 April 2010, Perusahaan dan PT Pertamina (Persero) telah menandatangani Akta Pendirian PT Nusantara Regas, *Joint Venture Company Floating Storage and Regasification Terminal* (FSRT) gas alam cair (LNG) di Jawa Barat. Penandatanganan ini merupakan kelanjutan dari Perjanjian Pemegang Saham Pembentukan Perusahaan *Joint Venture* LNG FSRT yang telah ditandatangani pada tanggal 4 Februari 2010 (Catatan 35.8). Berdasarkan Akta Pendirian Perseroan Terbatas PT Nusantara Regas, maka pada tanggal 6 Mei 2010, Perusahaan melakukan penyetoran investasi sebesar Rp200.000.000.000 yang mencerminkan persentase kepemilikan sebesar 40%. PT Nusantara Regas bergerak dalam bidang pengelolaan dan pengembangan fasilitas FSRT termasuk pembelian LNG dan pemasaran atas hasil pengelolaan fasilitas FSRT. Pada tanggal 27 Desember 2011, Perusahaan melakukan penyetoran investasi tambahan sebesar Rp220.000.000.000, dimana mencerminkan persentase kepemilikan sebesar 40%. Sampai dengan tanggal 6 Maret 2012, PT Nusantara Regas belum beroperasi secara komersial.

Pada tahun 2004, Perusahaan melakukan penyertaan saham pada PT Gas Energi Jambi yang bergerak dalam bidang transportasi dan distribusi gas bumi, dengan investasi sebesar Rp1.000.000.000 yang merupakan persentase kepemilikan sebesar 40%. Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, nilai tercatat dari investasi adalah nihil sejalan dengan defisiensi modal yang dialami PT Gas Energi Jambi.

Perusahaan melakukan penyertaan saham pada PT Banten Gas Synergi yang bergerak dalam bidang transportasi dan distribusi gas bumi, dengan harga perolehan sebesar Rp25.000.000 yang merupakan persentase kepemilikan sebesar 1%.

12. INVESTMENT IN SHARES OF STOCK (continued)

On April 14, 2010, the Company and PT Pertamina (Persero) signed the Deed of Establishment of PT Nusantara Regas, a Joint Venture of Liquified Natural Gas (LNG) Floating Storage and Regasification Terminal (FSRT) in West Java. The signing is a continuation of the Shareholders Agreement Establishment for a Joint Venture of LNG FSRT on February 4, 2010 (Note 35.8). Based on the Deed of Establishment of PT Nusantara Regas on May 6, 2010, the Company paid the investment amounting to Rp200,000,000,000 which reflect the ownership interest of 40%. PT Nusantara Regas is engaged in the management and development of FSRT facilities including purchase of LNG and marketing of products arising from the operations of FSRT facilities. On December 27, 2011, the Company paid the additional investment amounting to Rp220,000,000,000, which reflect ownership interest of 40%. Up to March 6, 2012, PT Nusantara Regas has not yet started its commercial operatios.

In 2004, the Company has invested in shares of stock of PT Gas Energi Jambi, which is engaged in transportation and distribution of natural gas, with investment amounting to Rp1,000,000,000 which represents 40% ownership interest. As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the carrying value of the investment is nil in line with capital deficiency incurred in PT Gas Energi Jambi.

The Company has invested in shares of stock of PT Banten Gas Synergi, which is engaged in transportation and distribution of natural gas, with acquisition cost amounting to Rp25,000,000 which represents 1% ownership interest.

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13. ASET TETAP / *13. FIXED ASSETS*

Akun ini terdiri dari: / *This account consists of:*

31 Des. 2011/*Dec. 31, 2011*

	Saldo Awal/ *Beginning Balances*	Penambahan/ Reklasifikasi/ *Additions / Reclassifications*	Penyesuaian/ Pengurangan/ Reklasifikasi/ *Adjustments/ Deductions/ Reclassifications*	Saldo Akhir/ *Ending Balances*	
Harga perolehan					***At cost***
Kepemilikan langsung					*Direct ownership*
Tanah	430.595.763.345	23.992.190.087	(43.733.352.425)	410.854.601.007	*Land*
Bangunan dan prasarana	1.020.153.610.834	37.176.002.182	(26.413.150.567)	1.030.916.462.449	*Buildings and improvements*
Mesin dan peralatan	21.620.305.879.309	308.222.809.631	74.142.501.900	22.002.671.190.840	*Machineries and equipment*
Kendaraan bermotor	28.313.969.325	852.565.961	(1.843.889.269)	27.322.646.017	*Vehicles*
Peralatan kantor	87.988.779.728	13.837.852.440	(11.778.136.906)	90.048.495.262	*Office equipment*
Peralatan dan perabot	38.773.544.006	21.538.276.218	(3.307.838.292)	57.003.981.932	*Furnitures and fixtures*
Aset dalam penyelesaian	1.255.776.978.911	443.613.011.055	(887.550.243)	1.698.502.439.723	*Construction in progress*
Aset belum terpasang	150.874.561.878	85.210.695.944	(92.969.518.449)	143.115.739.373	*Uninstalled assets*
Aset kerjasama operasi					*Joint venture assets*
Tanah	3.589.590.132	-	-	3.589.590.132	*Land*
Total	24.636.372.677.468	934.443.403.518	(106.790.934.251)	25.464.025.146.735	*Total*
Akumulasi penyusutan					***Accumulated depreciation***
Kepemilikan langsung					*Direct ownership*
Bangunan dan prasarana	169.419.648.058	54.167.854.457	406.549.337	223.994.051.852	*Buildings and improvements*
Mesin dan peralatan	7.543.318.654.777	1.634.471.455.036	43.761.747.034	9.221.551.856.847	*Machineries and equipment*
Kendaraan bermotor	20.916.511.783	2.309.087.205	(1.838.841.513)	21.386.757.475	*Vehicles*
Peralatan kantor	65.304.879.940	15.790.425.543	(14.838.223.325)	66.257.082.158	*Office equipment*
Peralatan dan perabot	23.415.257.647	10.504.603.817	(4.838.922.194)	29.080.939.270	*Furnitures and fixtures*
Aset belum terpasang	32.100.985.627	15.504.168.452	(12.500.386.274)	35.104.767.805	*Uninstalled assets*
Total akumulasi penyusutan	7.854.475.937.832	1.732.747.594.510	10.151.923.065	9.597.375.455.407	*Total accumulated depreciation*
Total nilai tercatat	**16.781.896.739.636**			**15.866.649.691.328**	***Total carrying amount***

31 Des. 2010/*Dec. 31, 2010*

	Saldo Awal/ *Beginning Balances*	Penambahan/ Reklasifikasi/ *Additions / Reclassifications*	Penyesuaian/ Pengurangan/ Reklasifikasi/ *Adjustments/ Deductions/ Reclassifications*	Saldo Akhir/ *Ending Balances*	
Harga perolehan					***At cost***
Kepemilikan langsung					*Direct ownership*
Tanah	417.918.363.257	16.584.508.941	(3.907.108.853)	430.595.763.345	*Land*
Bangunan dan prasarana	833.374.264.321	80.686.759.308	106.092.587.205	1.020.153.610.834	*Buildings and improvements*
Mesin dan peralatan	18.939.241.100.477	793.760.307.817	1.887.304.471.015	21.620.305.879.309	*Machineries and equipment*
Kendaraan bermotor	27.102.737.307	2.296.340.000	(1.085.107.982)	28.313.969.325	*Vehicles*
Peralatan kantor	87.485.268.629	17.980.635.130	(17.477.124.031)	87.988.779.728	*Office equipment*
Peralatan dan perabot	29.057.364.563	11.265.217.311	(1.549.037.868)	38.773.544.006	*Furnitures and fixtures*
Aset dalam penyelesaian	3.160.191.268.242	1.035.994.462.913	(2.940.408.752.244)	1.255.776.978.911	*Construction in progress*
Aset belum terpasang	192.075.054.110	95.710.613.028	(136.911.105.260)	150.874.561.878	*Uninstalled assets*
Aset kerjasama operasi					*Joint venture assets*
Tanah	3.589.590.132	-	-	3.589.590.132	*Land*
Total	23.690.035.011.038	2.054.278.844.448	(1.107.941.178.018)	24.636.372.677.468	*Total*

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13. ASET TETAP (lanjutan)

13. FIXED ASSETS (continued)

31 Des. 2010/*Dec. 31, 2010*

	Saldo Awal/ *Beginning Balances*	Penambahan/ Reklasifikasi/ *Additions / Reclassifications*	Penyesuaian/ Pengurangan/ Reklasifikasi/ *Adjustments/ Deductions/ Reclassifications*	Saldo Akhir/ *Ending Balances*	
Akumulasi penyusutan					***Accumulated depreciation***
Kepemilikan langsung					*Direct ownership*
Bangunan dan prasarana	120.356.057.246	49.585.465.672	(521.874.860)	169.419.648.058	*Buildings and improvements*
Mesin dan peralatan	6.100.129.025.707	1.592.993.921.740	(149.804.292.670)	7.543.318.654.777	*Machineries and equipment*
Kendaraan bermotor	19.025.026.620	2.683.513.719	(792.028.556)	20.916.511.783	*Vehicles*
Peralatan kantor	71.313.106.491	12.096.880.106	(18.105.106.657)	65.304.879.940	*Office equipment*
Peralatan dan perabot	23.326.203.792	5.649.362.083	(5.560.308.228)	23.415.257.647	*Furnitures and fixtures*
Aset belum terpasang	26.696.261.062	16.945.180.992	(11.540.456.427)	32.100.985.627	*Uninstalled assets*
Total akumulasi penyusutan	6.360.845.680.918	1.679.954.324.312	(186.324.067.398)	7.854.475.937.832	*Total accumulated depreciation*
Total nilai tercatat	**17.329.189.330.120**			**16.781.896.739.636**	***Total carrying amount***

1 Jan. 2010/31 Des. 2009/*Jan. 1, 2010/Dec. 31 , 2009*

	Saldo Awal/ *Beginning Balances*	Penambahan/ Reklasifikasi/ *Additions / Reclassifications*	Penyesuaian/ Pengurangan/ Reklasifikasi/ *Adjustments/ Deductions/ Reclassifications*	Saldo Akhir/ *Ending Balances*	
Harga perolehan					***At cost***
Kepemilikan langsung					*Direct ownership*
Tanah	412.735.265.455	1.157.228.825	4.025.868.977	417.918.363.257	*Land*
Bangunan dan prasarana	598.889.129.405	1.309.964.997	233.175.169.919	833.374.264.321	*Buildings and improvements*
Mesin dan peralatan	19.758.564.016.082	72.018.047.901	(891.340.963.506)	18.939.241.100.477	*Machineries and equipment*
Kendaraan bermotor	30.345.651.792	314.836.000	(3.557.750.485)	27.102.737.307	*Vehicles*
Peralatan kantor	79.831.755.587	10.080.054.661	(2.426.541.619)	87.485.268.629	*Office equipment*
Peralatan dan perabot	26.744.058.783	2.632.241.509	(318.935.729)	29.057.364.563	*Furnitures and fixtures*
Aset dalam penyelesaian	2.114.352.386.408	1.621.761.171.489	(575.922.289.655)	3.160.191.268.242	*Construction in progress*
Aset belum terpasang	83.761.651.148	108.313.402.962	-	192.075.054.110	*Uninstalled assets*
Aset kerjasama operasi					*Joint venture assets*
Tanah	3.589.590.132	-	-	3.589.590.132	*Land*
Total	23.108.813.504.792	1.817.586.948.344	(1.236.365.442.098)	23.690.035.011.038	*Total*
Akumulasi penyusutan					***Accumulated depreciation***
Kepemilikan langsung					*Direct ownership*
Bangunan dan prasarana	83.771.182.689	38.161.006.342	(1.576.131.785)	120.356.057.246	*Buildings and improvements*
Mesin dan peralatan	5.291.685.483.602	1.550.148.494.849	(741.704.952.744)	6.100.129.025.707	*Machineries and equipment*
Kendaraan bermotor	18.451.064.937	3.261.036.226	(2.687.074.543)	19.025.026.620	*Vehicles*
Peralatan kantor	64.901.381.735	10.459.105.184	(4.047.380.428)	71.313.106.491	*Office equipment*
Peralatan dan perabot	21.170.352.662	3.125.692.493	(969.841.363)	23.326.203.792	*Furnitures and fixtures*
Aset belum terpasang	15.355.443.426	15.677.484.507	(4.336.666.871)	26.696.261.062	*Uninstalled assets*
Total akumulasi penyusutan	5.495.334.909.051	1.620.832.819.601	(755.322.047.734)	6.360.845.680.918	*Total accumulated depreciation*
Total nilai tercatat	**17.613.478.595.741**			**17.329.189.330.120**	***Total carrying amount***

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13. ASET TETAP (lanjutan)

Penambahan aset dalam penyelesaian termasuk kapitalisasi biaya pinjaman sebesar Rp464.003.486, Rp22.622.120.616 dan Rp25.321.749.365 masing-masing untuk tahun yang berakhir pada tanggal-tanggal31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009.

Pengurangan dalam aset tetap untuk tahun yang berakhir pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009 juga termasuk penyesuaian dari selisih kurs karena penjabaran laporan keuangan Entitas Anak masing-masing sebesar Rp23.301.288.432, Rp219.762.041.884 dan 703.325.341.574. Penyusutan yang dibebankan pada usaha masing-masing sebesar Rp1.732.747.594.510 dan Rp1.679.954.324.312 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 (Catatan 25 dan 26).

Transgasindo melakukan pemotongan dan penggantian atas jaringan pipa sepanjang 23 km di beberapa area Kuala Tungkal-Panaran pada jaringan pipa Grissik-Singapura. Untuk lebih menggambarkan umur ekonomis jaringan pipa yang akan dipotong dan diperbaiki tersebut, Transgasindo telah mengubah taksiran umur ekonomis aset tersebut melalui percepatan penyusutannya sejak Juli 2008 sampai dengan Juni 2009, estimasi penyelesaian proyek *buckle*. Pada tahun 2009, proses pemotongan telah selesai dilakukan. Percepatan penyusutan ini mengakibatkan peningkatan beban penyusutan sebesar Rp74.856.045.696 (setara dengan USD7.723.488), yang menghasilkan penurunan beban pajak tangguhan dan liabilitas pajak tangguhan masing-masing sebesar Rp20.328.223.800 (setara dengan USD2.162.577) pada tahun 2010 dan Rp20.328.223.800 (setara dengan USD2.162.577) pada tahun 2009.

13. FIXED ASSETS (continued)

The additions to construction in progress include capitalized borrowing costs amounting to Rp464,003,485, Rp22,622,120,616 and Rp25,321,749,365 for the years ended December 31, 2011 and December 31, 2010, and January 1, 2010/December 31, 2009, respectively.

The deductions from fixed assets for the years ended of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009 also included adjustments from the difference in foreign currency translation of the financial statements of a Subsidiary, amounting to Rp23,301,288,432, Rp219,762,041,884 and Rp703,325,341,574, respectively. Depreciation charged to operations amounting to Rp1,732,747,594,510 and Rp1,679,954,324,312 for the years ended December 31, 2011 and 2010, respectively (Notes 25 and 26).

Transgasindo execute the pipeline through cut and replace of 23 km along certain area of Kuala Tungkal-Panaran on the Grissik-Singapore pipeline. To better reflect the economic useful life of such pipeline being cut and replaced, Transgasindo changed the estimated economic useful life of such assets by accelerating its depreciation applied from July 2008 up to June 2009, the expected completion date of buckle project. In 2009, the cutting process was already completed. This accelerated depreciation resulted in an increase in depreciation expense of Rp74,856,045,696 (equivalent to USD7,723,488), which also resulted in decrease in deferred tax expense and deferred tax liability of Rp20,328,223,800 (equivalent to USD2,162,577) in 2010 and Rp20,328,223,800 (equivalent to USD2,162,577) in 2009, respectively.

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13. ASET TETAP (lanjutan)

Pada tahun 2010, berdasarkan hasil penelaahan terhadap status penyelesaian, Transgasindo menetapkan bahwa aset yang terkait proyek stasiun Jabung gas *booster* dan proyek perbaikan pipa bawah laut siap untuk digunakan,sehingga Transgasindo memindahkan biaya proyek tersebut masing-masing sebesar USD47.770.573 (setara dengan Rp429.505.221.843) dan USD187.771.814 (setara dengan Rp1.688.256.379.674) dari aset dalam penyelesaian menjadi aset tetap. Jumlah ini meliputi pipa transmisi, kompresor, prasarana tanah, bangunan, mesin dan peralatan instalasi dan peralatan kantor. Penyusutan aset dimulai sejak aset tersebut menunjukan kinerja yang konsisten, yaitu sejak November 2010 untuk pipa dan Februari 2010 untuk kompresor.

Aset kerjasama operasi merupakan tanah milik Perusahaan di Surabaya yang digunakan oleh PT Citraagung Tirta Jatim untuk pembangunan pusat perbelanjaan dan tanah milik Kantor Pusat di Jakarta yang akan digunakan oleh PT Winatek Sinergi Mitra Bersama untuk pembangunan pusat perbelanjaan, fasilitas perparkiran dan fasilitas pendukung lainnya (Catatan 35.6).

Jangka waktu hak atas tanah (Hak Guna Bangunan) yang dimiliki oleh Perusahaan akan berakhir pada berbagai tanggal mulai tahun 2012 sampai tahun 2041 dan dapat diperpanjang.

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009, perincian dari aset dalam penyelesaian terdiri dari:

13. FIXED ASSETS (continued)

In 2010, based on the review on the status of completion, Transgasindo determined that the assets related to the Jabung gas booster station project and offshore pipeline repair project are ready for its intended use, therefore, the Company transferred the each project cost of such projects of USD47,770,573 (equivalent to Rp429,505,221,843) and USD187,771,814 (equivalent to Rp1,688,256,379,674), respectively, from construction in progress to fixed assets. These amounts include transmission pipelines, compressors, land improvement, buildings, machineries and installation equipment and furniture and fixtures. The depreciation of such assets is determined to start upon the consistent performance of such assets which is starting November 2010 for pipelines and February 2010 for compressors.

Joint venture assets represent the Company's land in Surabaya which is used by PT Citraagung Tirta Jatim for shopping centre development and Head Office's land in Jakarta which is used by PT Winatek Sinergi Mitra Bersama for development of shopping center, parking facility and other supporting facilities (Note 35.6).

The terms of the landrights ("Hak Guna Bangunan") owned by the Company will expire in various dates from 2012 to 2041 and can be extended.

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the details of construction in progress consist of:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	**1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009***	
Perusahaan				***The Company***
Proyek jaringan pipa transmisi Sumatera Selatan - Jawa Barat (SSWJ)	729.241.658.174	528.323.257.972	653.525.183.253	*Transmission pipelines South Sumatera - West Java (SSWJ) project*
Proyek Distribusi Jawa Barat (PDJB)	651.838.975.086	548.750.413.479	672.465.488.162	*West Java Distribution Project (PDJB)*
Lain-lain	229.746.623.809	137.099.253.515	163.813.125.501	*Others*
	1.610.827.257.069	1.214.172.924.966	1.489.803.796.916	
Entitas Anak	87.675.182.654	41.604.053.945	1.670.387.471.326	*Subsidiaries*
Total	**1.698.502.439.723**	**1.255.776.978.911**	**3.160.191.268.242**	***Total***

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13. ASET TETAP (lanjutan)

Proyek Jaringan Pipa Transmisi Sumatera Selatan - Jawa Barat (SSWJ)

Proyek SSWJ terdiri dari:

a. SSWJ I terdiri dari pekerjaan pipanisasi gas melalui beberapa jalur yaitu jalur Pagardewa-Labuhan Maringgai (270 km), Labuhan Maringgai - Cilegon (105 km) (lepas pantai) dan jalur Cilegon - Serpong (75 km), pengadaan *Supervisory Control and Data Acquisition* (SCADA), pembangunan stasiun kompresor di Pagardewa, Sumatera Selatan dan pembangunan stasiun dan fasilitas penunjang di Grissik, Pagardewa, Terbanggi Besar dan Labuhan Maringgai di Sumatera Selatan dan Muara Bekasi dan Bojonegara di Jawa Barat.

b. SSWJ II terdiri dan pekerjaan pipanisasi gas yang melalui jalur Grissik - Pagardewa (196 km), Pagardewa - Labuhan Maringgai (272 km), Labuhan Maringgai - Muara Bekasi (161 km) (lepas pantai) dan Muara Bekasi - Rawa Maju (34 km).

Seluruh pekerjaan fisik SSWJ II atas pekerjaan pipanisasi gas telah selesai dibangun pada tahun 2007 dan tanggal untuk jalur waktu *gas-in* sebagai berikut:

- Jalur Pagardewa - Labuhan Maringgai pada tanggal 9 Maret 2007;
- Jalur Labuhan Maringgai - Muara Bekasi - Rawa Maju pada tanggal 30 Juli 2007; dan
- Jalur Grissik - Pagardewa pada tanggal 15 Oktober 2007.

Pada tanggal 31 Desember 2011, manajemen Perusahaan memperkirakan persentase penyelesaian SSWJ I dan SSWJ II dan aspek keuangan adalah masing-masing sebesar 90% dan 99% (tidak diaudit) (Catatan 42.9).

Proyek tersebut diatas diperkirakan akan diselesaikan pada tahun 2013.

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13. FIXED ASSETS (continued)

Transmission Pipelines South Sumatera - West Java (SSWJ) Project

The SSWJ project consists of:

a. SSWJ I comprises of the construction of the gas pipelines pass through Pagardewa-Labuhan Maringgai (270 km), Labuhan Maringgai - Cilegon (105 km) (offshore) and Cilegon - Serpong (75 km), procurement of Supervisory Control and Data Acquisition (SCADA), gas compressor station at Pagardewa, South Sumatera and supporting station and facilities at Grissik, Pagardewa, Terbanggi Besar and Labuhan Maringgai, South Sumatera, and Muara Bekasi and Bojonegara, West Java.

b. SSWJ II comprising of the construction of the gas pipelines through Grissik - Pagardewa (196 km), Pagardewa - Labuhan Maringgai (272 km), Labuhan Maringgai - Muara Bekasi (161 km) (offshore) and Muara Bekasi - Rawa Maju (34 km).

All physical completion of SSWJ II for the constructions of the gas pipelines have been completed in 2007 and the date of officially operated gas-in were as follows:

- *Pagardewa - Labuhan Maringgai pipeline on March 9, 2007;*
- *Labuhan Maringgai - Muara Bekasi - Rawa Maju pipeline on July 30, 2007; and*
- *Grissik - Pagardewa pipeline on October 15, 2007.*

As of December 31, 2011, the Company's management estimated the percentage of completion in financial terms of the SSWJ I and SSWJ II are 90% and 99%, respectively (unaudited) (Note 42.9).

The above projects are expected to be completed in 2013.

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13. ASET TETAP (lanjutan)

Proyek Distribusi Jawa Barat (PDJB)

Aset dalam penyelesaian dari PDJB terdiri dari dua paket:

a. Pembiayaan dari International Bank for Reconstruction and Development (IBRD) yang terdiri dari paket 1 - paket 9B, meliputi:

- Paket untuk pembelian pipa konstruksi untuk jaringan pipa distribusi, *off-take station, Supervisory Control and Data Acquisition* (SCADA).
- Paket untuk pemasangan pipa distribusi, jasa konsultan manajemen proyek dan pengawasan pihak ketiga.

b. Dibiayai oleh dana Perusahaan terdiri dari paket 8B dan paket 10A - paket 21, meliputi:

- Paket untuk pembelian pipa, *valve, fitting* dan *Metering Regulating Station* (MRS).
- Paket untuk pekerjaan konstruksi jaringan pipa distribusi.
- Paket lainnya terkait dengan pekerjaan jasa lainnya.

Pada tanggal 31 Desember 2011, manajemen Perusahaan memperkirakan persentase penyelesaian PDJB untuk paket yang dibiayai oleh IBRD dan dana Perusahaan dalam aspek keuangan masing-masing sebesar 87% dan 89% (tidak diaudit) (Catatan 42.9).

Proyek tersebut di atas diperkirakan akan diselesaikan dalam tahun 2013.

13. FIXED ASSETS (continued)

West Java Distribution Project (PDJB)

Construction in progress of PDJB consists of two packages as follows:

a. International Bank for Reconstruction and Development (IBRD)'s financing consisting of package 1 - package 9B, including:

- *Package for engineering procurement construction of pipeline distribution, off-take station, Supervisory Control and Data Acquisition (SCADA).*
- *Package for pipeline distribution construction, management consultant project and the third parties' inspection services.*

b. The Company's own financing consists of package 8B and package 10A - package 21, including:

- *Package for procurement of pipe, valve, fitting and Metering Regulating Station (MRS).*
- *Package for pipeline construction contractor for pipeline distribution.*
- *Other package related to other services.*

As of December 31, 2011, the Company's management estimated the percentage of completion in the financial terms of PDJB which is financed by IBRD and funds of the Company were 87% and 89% (unaudited), respectively (Note 42.9).

The above projects are expected to be completed in 2013.

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13. ASET TETAP (lanjutan)

Pada tanggal 31 Desember 2011, aset tetap dan persediaan Perusahaan diasuransikan terhadap kerugian akibat kebakaran dan risiko lain berdasarkan suatu paket polis tertentu dengan jumlah nilai pertanggungan untuk pipa *onshore* sebesar USD50.000.000 untuk setiap kejadian kerugian atas nilai pertanggungan sebesar USD781.711.000 dan sebesar USD477.831.500 dan Rp3.861.516.109.393 untuk aset lainnya. Aset tetap Entitas Anak diasuransikan terhadap kerugian akibat kebakaran dan risiko lain berdasarkan suatu paket polis tertentu dengan jumlah nilai pertanggungan untuk pipa *onshore* sebesar USD10.000.000 dan pipa *offshore* sebesar USD20.000.000 untuk setiap kejadian kerugian, sebesar USD4.819.690 dan Rp10.862.617.500 untuk aset lainnya. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

Pada tahun 2009, tanah seluas 79.983 meter persegi, terdiri dari 33.720 meter persegi berlokasi di Jakarta dan 46.263 meter persegi berlokasi di cabang Surabaya serta bangunan diatasnya dengan jumlah nilai tercatat senilai Rp292.404.085.000 dan seluruh aset bergerak yang ada di cabang Surabaya dengan nilai tercatat sebesar Rp170.634.550.238 dijaminkan untuk fasilitas-fasilitas *Standby Letter of Credit* (SBLC) yang diperoleh dari PT Bank Mandiri (Persero) Tbk. Berdasarkan amandemen perjanjian fasilitas penerbitan SBLC No. KP-COCD/03/PK-SBLC/2000, tanggal 13 November 2009, fasilitas ini tidak dijamin lagi dengan pendapatan atau aset Perusahaan.

Pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, manajemen berkeyakinan bahwa nilai aset tetap yang dapat diperoleh kembali masih melebihi nilai tercatat aset tetap.

13. FIXED ASSETS (continued)

As of December 31, 2011, fixed assets and inventories are covered by insurance against losses from fire and other risks under certain blanket policies for with sum insured for onshore pipeline of USD50,000,000 for any one accident or occurrence of sum insured totaling USD781,711,000 and totaling USD477,831,500 and Rp3,861,516,109,393 for other assets. The Subsidiaries' fixed assets are covered by insurance against losses from fire and other risks under certain blanket policies for with sum insured for onshore pipeline of USD10,000,000 and offshore pipeline of USD20,000,000 for any one accident or occurrence, USD4,819,690 and Rp10,862,617,500 for other assets. The management believes that the sum insured are adequate to cover possible losses from such risks.

In 2009, land titles covering 79,983 square meters, comprising of 33,720 square meters located in Jakarta and 46,263 square meters located in Surabaya branch, including buildings thereon with a total carrying amount of Rp292,404,085,000, and all movable assets located in the Surabaya branch with a book value of Rp170,634,550,238 are pledged as collateral to the Standby Letter of Credit (SBLC) facilities from PT Bank Mandiri (Persero) Tbk. Based on the amendment of the SBLC issuance facility Agreement No. KP-COCD/03/PK-SBLC/2000, dated November 13, 2009, this facility is no longer secured by the Company's revenues or assets.

As of December 31, 2011 and 2010, and January 1 2010/December 31, 2009, the management is of the opinion that the carrying values of property and equipment do not exceed their recoverable amounts.

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14. UTANG USAHA

14. TRADE PAYABLES

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Entitas berelasi dengan Pemerintah (Catatan 33)				*Government-related entities (Note 33)*
PT Pertamina EP (USD15.545.068 pada tahun 2011, USD23.429.206 pada tahun 2010 dan USD25.587.691 pada tahun 2009)	140.962.683.191	210.651.989.468	240.524.293.288	*PT Pertamina EP (USD15,545,068 in 2011, USD23,429,206 in 2010 and USD25,587,691 in 2009)*
PT Pertamina Hulu Energi West Java Madura Offshore (USD3.560.046 pada tahun 2011, USD4.833.888 pada tahun 2010 dan USD9.156.925 pada tahun 2009)	32.282.495.574	43.461.487.008	86.075.092.462	*PT Pertamina Hulu Energi West Java Madura Offshore (USD3,560,046 in 2011, USD4,833,888 in 2010 and USD9,156,925 in 2009)*
PT Pertamina Gas (USD3.054.299 pada tahun 2011, dan USD5.626.132 pada tahun 2010)	27.696.386.778	50.584.552.812	-	*PT Pertamina Gas (USD3,054,299 in 2011 and USD5,626,132 in 2010)*
Pihak ketiga				*Third parties*
Santos (Madura Offshore) Pty., Ltd. (USD16.971.554 pada tahun 2011, USD8.838.080 pada tahun 2010 dan USD8.714.116 pada tahun 2009)	153.898.047.954	79.463.175.931	81.912.689.178	*Santos (Madura Offshore) Pty., Ltd. (USD16,971,554 in 2011, USD8,838,080 in 2010 and USD8,714,116 in 2009)*
ConocoPhillips (Grissik) Ltd. (USD9.338.384 pada tahun 2011, USD8.015.705 pada tahun 2010 dan USD31.103.036 pada tahun 2009)	84.680.456.635	72.069.203.615	292.368.535.204	*ConocoPhillips (Grissik) Ltd. (USD9,338,384 in 2011, USD8,015,705 in 2010 and USD31,103,036 in 2009)*
PT Medco E&P Indonesia (USD8.298.605 pada tahun 2011, USD8.636.836 pada tahun 2010 dan USD2.071.151 pada tahun 2009)	75.251.746.694	77.653.789.239	19.468.822.690	*PT Medco E&P Indonesia (USD8,298,605 in 2011 and USD8,636,836 in 2010 and USD2,071,151 in 2009)*
Kangean Energy Indonesia Ltd. (USD1.760.695 pada tahun 2011 dan tahun 2010 dan USD2.160.695 pada tahun 2009)	15.965.980.900	15.830.407.397	20.310.531.590	*Kangean Energy Indonesia Ltd. (USD1,760,695 in 2011 and 2010 and USD2,160,695 in 2009)*
PT Pertiwi Nusantara Resources (USD1.424.882 pada tahun 2011 dan USD1.100.658 pada tahun 2010)	12.920.830.974	9.896.016.438	-	*PT Pertiwi Nusantara Resources (USD1,424,882 in 2011 and USD1,100,658 in 2010)*
PT Gresik Migas (USD928.718 pada tahun 2011 dan USD135.827 tahun 2009)	8.421.611.015	-	1.276.774.552	*PT Gresik Migas (USD928,718 in 2011, and USD135,827 in 2009)*
Lapindo Brantas, Inc. (USD267.362 pada tahun 2011, USD827.941 pada tahun 2010 dan USD1.636.092 pada tahun 2009)	2.424.434.082	7.444.017.621	15.379.264.048	*Lapindo Brantas, Inc. (USD267,362 in 2011, USD827,941 in 2010 and USD1,636,092 in 2009)*
Kodeco Energy Co., Ltd. (USD8.557.029 pada tahun 2010 dan USD7.552.632 pada tahun 2009)	-	76.936.248.459	70.994.744.560	*Kodeco Energy Co., Ltd. (USD8,557,029 in 2010 and USD7,552,632 in 2009)*
Total	**554.504.673.797**	**643.990.887.988**	**828.310.747.572**	***Total***

Analisa umur utang usaha dihitung sejak tanggal faktur adalah sebagai berikut:

The aging analysis of trade payables based on invoice dates are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Sampai dengan 1 bulan	538.511.909.109	488.367.056.119	680.313.054.248	*Up to 1 month*
> 1 bulan - 3 bulan	26.786.691	139.793.424.472	98.189.037.244	*> 1 month - 3 months*
> 3 bulan - 6 bulan	-	-	17.483.672.880	*> 3 months - 6 months*
> 6 bulan - 1 tahun	-	-	12.014.451.610	*> 6 months - 1 year*
> 1 tahun	15.965.977.997	15.830.407.397	20.310.531.590	*> 1 year*
Total	**554.504.673.797**	**643.990.887.988**	**828.310.747.572**	***Total***

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14. UTANG USAHA (lanjutan)

Utang usaha atas pembelian gas bumi ke Pertamina, telah dikurangi piutang usaha atas penjualan gas ke Stasiun Pengisian Bahan Bakar Gas (SPBG) milik Pertamina EP di Jakarta dan piutang atas transportasi gas ke pelanggan tertentu Pertamina masing-masing sebesar Rp160.874.048, Rp7.329.434.038 dan Rp3.563.300.344 pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009 (Catatan 35.1.a).

Berdasarkan *Agreement of Payment Settlement to Gas Delivered from Kangean Energy Indonesia, Ltd. (*KEIL*) to PT Perusahaan Gas Negara (Persero) Tbk,* tanggal 12 Februari 2009, Perusahaan setuju untuk membayar gas yang telah dikirim oleh KEIL untuk periode pada tanggal 1 Januari 2008 sampai dengan 31 Oktober 2008. Kondisi ini terjadi disebabkan keterbatasan kapasitas pipa akibat meledaknya *East Java Gas Pipeline* (EJGP) milik Pertamina di Jawa Timur.

14. TRADE PAYABLES (continued)

The outstanding payable to Pertamina for the gas purchases has been reduced by the trade receivables totaling Rp160,874,048, Rp7,329,434,038 and Rp3,563,300,344 as of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, respectively, relating to the sale of gas to Pertamina EP's fuel gas filling stations (SPBG) in Jakarta and gas transmission to certain Pertamina's customers (Note 35.1.a).

Based on Agreement of Payment Settlement to Gas Delivered from Kangean Energy Indonesia, Ltd. (KEIL) to PT Perusahaan Gas Negara (Persero) Tbk, dated February 12, 2009, the Company agreed to pay the gas delivered by KEIL for the period January 1, 2008 until October 31, 2008. This condition happened due to pipe capacity limitation as a result of Pertamina's East Java Gas Pipeline (EJGP) explosion in East Java.

15. PINJAMAN BANK JANGKA PENDEK

15. SHORT-TERM BANK LOAN

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Bank of Tokyo-Mitsubishi UFJ, Jakarta (USD24.000.000)	-	-	225.600.000.000	*Bank of Tokyo-Mitsubishi UFJ, Jakarta (USD24,000,000)*
Total	**-**	**-**	**225.600.000.000**	***Total***

Pada tanggal 19 Mei 2009, Transgasindo menandatangani *term loan facility agreement* dengan Bank of Tokyo-Mitsubishi UFJ (BTMU), Jakarta, untuk fasilitas pinjaman jangka pendek sebesar USD30.000.000. Pinjaman tanpa jaminan dengan tingkat suku bunga 12 bulan BBA LIBOR + margin 3,40% + premi dalam kisaran 0,05%. Fasilitas pinjaman ini digunakan oleh Transgasindo untuk pembelian barang modal secara umum. Bunga pinjaman terutang setiap akhir kuartal.

Pembayaran kembali pinjaman dilakukan dalam beberapa angsuran:
(i) Kuartal pertama, masa tenggang (tiga bulan sejak tanggal penarikan pertama);
(ii) Kuartal kedua, 20% dari pokok pinjaman;
(iii) Kuartal ketiga, 30% dari pokok pinjaman;
(iv) Kuartal keempat, 50% dari pokok pinjaman.

On May 19, 2009, Transgasindo signed a term loan facility agreement with The Bank of Tokyo-Mitsubishi UFJ (BTMU), Jakarta, for a USD30,000,000 short-term facility. The loan is unsecured and bears annual interest at the rate of 12 months BBA LIBOR + margin of 3.40% + Premium with a rate within 0.05%. The facility will be utilized by Transgasindo for general capital expenditure. Interest is payable at the end of each quarter.

The repayment of the loan is made in installments:
(i) First quarter, grace period (three months from the date of the first drawdown);
(ii) Second quarter, 20% of the principal;
(iii) Third quarter, 30% of the principal;
(iv) Fourth quarter, 50% of the principal.

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15. PINJAMAN BANK JANGKA PENDEK (lanjutan)

Pada tanggal 26 Mei 2009, fasilitas tersebut telah ditarik seluruhnya dan dikenakan tingkat bunga 4,94% per tahun. Pada tanggal 25 November 2009, Transgasindo telah melakukan pembayaran sebesar USD6.000.000, yang merupakan 20% dari pokok pinjaman kepada BTMU. Pada tanggal 31 Desember 2009, saldo terutang pinjaman adalah sebesar USD24.000.000 (setara dengan Rp225.600.000.000). Fasilitas ini akan berakhir pada tanggal 26 Mei 2010.

Perjanjian pinjaman mensyaratkan Transgasindo mentransfer dana secara bulanan ke rekening *Debt Service Accrual Account* yang meliputi 1/3 dari jumlah pokok dan/atau bunga yang akan jatuh tempo. Rekening *Debt Service Accrual Account* merupakan rekening dalam dolar Amerika Serikat milik Transgasindo pada BTMU yang tetap memperoleh penghasilan bunga.

Perjanjian pinjaman mencakup pembatasan berupa *negative covenant*, antara lain, untuk mendapat atau memberi pinjaman dari atau untuk pihak lain, menjual atau memindahkan lisensi bisnisnya, melakukan merger atau akuisisi, membayar dividen, tanpa pemberitahuan terlebih dahulu kepada BTMU mengubah komposisi dewan komisaris, direksi dan pemegang saham dan menjual, mengalihkan atau menyewakan asetnya kecuali untuk kegiatan usaha sehari-hari.

Selama pinjaman belum lunas, Transgasindo diwajibkan mematuhi semua batasan, termasuk sejumlah rasio keuangan sebagai berikut:

(i) jumlah ekuitas tidak lebih kecil dari USD200.000.000;
(ii) rasio *the net debt to shareholders' equity* tidak lebih besar dari 2,0x;
(iii) rasio *the net debt to EBITDA* tidak lebih besar dari 3,0x.

Pada tanggal 26 Mei 2010, Transgasindo telah melunasi pinjaman ini.

15. SHORT-TERM BANK LOAN (continued)

On May 26, 2009, the facility had been fully drawn down and bears interest rate at 4.94% per annum. On November 25, 2009, Transgasindo has made a payment amounting to USD6,000,000 to BTMU which represent 20% of the principal. As of December 31, 2009, the outstanding balance amounting to USD24,000,000 (equivalent to Rp225,600,000,000). This facility expired on May 26, 2010.

The loan agreement requires Transgasindo to transfer funds to the Debt Service Accrual Account on a monthly basis consisting of 1/3 of the next scheduled quarter payment of principal and/or interest due. Debt Service Accrual Account is an interest bearing USD account in the name of Transgasindo at BTMU.

The loan agreement includes negative covenants, relating to, among others, obtaining or giving new loans from or to other parties, sell or transfer the business license, conducting merger or acquisition, paying dividends, without prior notification to BTMU in changing the composition of the boards of commissioners, directors and the shareholders and sale, transfer or renting its assets unless for normal business transactions.

During the period of the outstanding loan, Transgasindo is required to comply with all covenants or restrictions including certain financial ratios as follows:

(i) total shareholders' equity to be not less than USD200,000,000;
(ii) the net debt to shareholders' equity ratio to be not greater than 2.0x;
(iii) the net debt to EBITDA ratio to be not greater than 3.0x.

On May 26, 2010, Transgasindo has fully paid this loan.

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16. UTANG LAIN-LAIN

16. OTHER PAYABLES

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Jaminan gas	75.150.224.565	64.620.979.414	6.072.747.736	*Gas guarantee deposits*
Liabilitas kepada kontraktor (USD5.148.724 dan Rp9.740.548.894 pada tahun 2011, USD3.195.012, JPY9.453.731 dan Rp20.294.812.557 pada tahun 2010 dan USD12.541.715, JPY47.721.273 dan Rp68.820.316.034 pada tahun 2009)	56.429.177.944	50.063.817.171	191.566.164.515	*Liabilities to contractors (USD5,148,724 and Rp9,740,548,894 in 2011, USD3,195,012, JPY9,453,731 and Rp20,294,812,557 in 2010 and USD12,541,715, JPY47,721,273 and Rp68,820,316,034 in 2009)*
PT Riau Andalan Pulp and Paper (USD1.886.987 pada tahun 2011, USD1.538.850 pada tahun 2010 dan USD1.523.799 pada tahun 2009)	17.111.194.150	13.835.800.732	14.323.712.876	*PT Riau Andalan Pulp and Paper (USD1,886,987 in 2011, USD1,538,850 in 2010 and USD1,523,799 in 2009)*
Jaminan masa konstruksi proyek (USD1.112.956 pada tahun 2011, USD2.696.340 pada tahun 2010 dan USD2.018.728 pada tahun 2009)	10.092.303.257	24.242.791.771	18.976.045.935	*Project performance bonds (USD1,112,956 in 2011, USD2,696,340 in 2010 and USD2,018,728 in 2009)*
Pembelian barang dan jasa (USD379.349 dan Rp8.415.809.128 pada tahun 2011, USD4.501.929 dan Rp10.989.983.865 pada tahun 2010 dan USD478.530 dan Rp3.505.342.591 pada tahun 2009)	11.855.744.862	51.466.827.504	8.003.527.411	*Purchase of goods and services (USD379,349 and Rp8,415,809,128 in 2011, USD4,501,929 and Rp10,989,983,865 in 2010 and and USD478,530 and Rp3,505,342,591 in 2009)*
ConocoPhillips (Grissik) Ltd. (USD744.970 pada tahun 2011, USD148.458 pada tahun 2010 dan USD201.415 pada tahun 2009)	6.755.388.844	1.334.791.812	1.893.305.127	*ConocoPhillips (Grissik) Ltd. (USD744,970 in 2011, USD148,458 in 2010 and USD201,415 in 2009)*
Pendapatan diterima di muka serat optik	974.991.360	9.581.028.740	1.200.000.000	*Unearned revenues from fiber optic*
Dana program tanggung jawab sosial dan lingkungan (CSR)	-	279.852.611	1.429.160.834	*Corporate Social and Environmental Responsibility (CSR) funds*
Transasia Pipeline Company Pvt.Ltd. (USD632.283)	-	-	5.943.459.542	*Transasia Pipeline Company Pvt.Ltd. (USD632,283)*
Lain-lain	10.188.453.983	9.463.364.258	10.002.456.534	*Others*
Total	**188.557.478.965**	**224.889.254.013**	**259.410.580.510**	***Total***

Utang jaminan gas merupakan uang jaminan gas yang diterima oleh Perusahaan dari pelanggan dalam rangka transaksi penjualan gas.

Gas guarantee deposits payable represents gas deposits received by the Company from the customers in relation to the gas sales transactions.

Liabilitas kepada kontraktor merupakan liabilitas sehubungan dengan pembangunan gedung, Proyek Transmisi Sumatera Selatan - Jawa Barat (SSWJ) dan Proyek Distribusi Jawa Barat (PDJB) (Catatan 13 dan 17).

Liabilities to contractors represent mainly liabilities related to the construction of building, Transmission Pipeline of South Sumatera - West Java Project (SSWJ) and West Java Distribution Project (PDJB) (Notes 13 and 17).

Utang lancar lainnya kepada PT Riau Andalan Pulp and Paper (RAPP) terkait dengan Perjanjian Jual Beli Gas (PJBG). Berdasarkan perjanjian ini, RAPP bersedia menyediakan fasilitas-fasilitas seperti jaringan pipa gas, *metering station* dan fasilitas lainnya yang kemudian akan dikompensasi dengan pemakaian gas RAPP.

Other payables to PT Riau Andalan Pulp and Paper (RAPP) is related to Gas Sales and Purchase Agreement (GSPA). Based on this agreement, RAPP agreed to build facilities such as gas pipelines, metering station and other facilities and those will be compensated by RAPP's usage of gas.

Utang lain-lain pembelian barang dan jasa terkait utang kepada pemasok terkait dengan pembelian barang dan jasa.

Other payables purchase of goods and services related to payables to suppliers for purchase of goods and services.

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16. UTANG LAIN-LAIN (lanjutan)

16. OTHER PAYABLES (continued)

Liabilitas kepada ConocoPhillips (Grissik) Ltd. Merupakan hutang atas pemakaian gas untuk pengoperasian kompresor Transgasindo.

Liability to ConocoPhillips (Grissik) Ltd. Represent liability for the usage of gas in order to operate the Transgasindo's compressor.

Pendapatan diterima di muka serat optik merupakan utang lain-lain atas jasa sewa serat optik PGASKOM.

Unearned revenues from fiber optic represent other payables for fiber optic rental services of PGASKOM.

Utang dana program tanggung jawab sosial dan lingkungan (CSR) adalah dana yang dicadangkan untuk memenuhi kewajiban tanggung jawab sosial sebagaimana diatur dalam Pasal 74 dari Undang-undang No. 40 tahun 2007 tentang Perseroan Terbatas.

Corporate Social and Environmental Responsibility (CSR) payables represents funds incurred to fulfill corporate social and environmental responsibility as governed under Article 74 of Law No. 40 year 2007 regarding Limited Liability Corporation.

17. LIABILITAS YANG MASIH HARUS DIBAYAR

17. ACCRUED LIABILITIES

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	**1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009***	
Gaji dan bonus karyawan	308.662.176.592	260.643.583.041	237.665.700.668	*Employees' salaries and bonus*
Liabilitas kepada kontraktor dan pemasok (USD7.023.264, JPY201.612.780 dan Rp97.937.619.787 pada tahun 2011, USD10.466.714, JPY746.133.791 dan Rp60.712.615.353 pada tahun 2010 dan USD9.530.963, JPY2.578.562.089 dan Rp94.223.007.442 pada tahun 2009)	185.174.967.425	237.109.936.736	446.079.613.556	*Liabilities to contractors and suppliers (USD7,023,264, JPY201,612,780 and Rp97,937,619,787 in 2011, USD10,466,714, JPY746,133,791 and Rp60,712,615,353 in 2010 and USD9,530,963, JPY2,578,562,089 and Rp94,223,007,442 in 2009)*
Pembelian aset tetap (USD5.207.518 pada tahun 2011, USD3.614.485 pada tahun 2010 dan USD2.183.214 pada tahun 2009)	47.221.770.352	32.497.838.867	20.522.209.950	*Purchase of fixed assets (USD5,207,518 in 2011, USD3,614,485 in 2010 and USD2,183,214 in 2009)*
Bunga (USD2.102.748 dan JPY138.431.974 pada tahun 2011, USD3.277.150 dan JPY133.504.197 pada tahun 2010 dan USD2.526.762 dan JPY126.515.415 pada tahun 2009)	35.237.959.232	44.189.033.925	36.619.443.082	*Interests (USD2,102,748 and JPY138,431,974 in 2011, USD3,277,150 and JPY133,504,197 in 2010 and USD2,526,762 and JPY126,515,415 in 2009)*
Iuran ke BPH Migas	19.751.943.991	22.960.679.720	20.513.349.951	*BPH Migas levy*
Beban pemeliharaan (USD1.496.313 pada tahun 2011, USD1.647.730 pada tahun 2010 dan USD1.162.198 pada tahun 2009)	13.568.563.131	14.814.743.686	10.924.665.518	*Maintenance expense (USD1.496,313 in 2011, USD1,647,730 in 2010 and USD1,162,198 in 2009)*
Jasa konsultan	7.399.321.178	7.899.600.296	9.690.434.345	*Consultant fees*
Proyek stasiun Jabung *gas booster* (USD477.881 pada tahun 2011, USD1.225.729 pada tahun 2010 dan USD839.425 pada tahun 2009)	4.333.421.903	11.020.529.609	7.890.593.276	*Jabung gas booster station project (USD477,881 in 2011, USD1,225,729 in 2010 and USD839,425 in 2009)*
Proyek perbaikan pipa bawah laut (USD83.161 pada tahun 2011, USD3.959.490 pada tahun 2010 dan USD409.830 pada tahun 2009)	754.104.670	35.599.777.745	3.852.403.247	*Offshore pipeline repair project (USD83,161 in 2011, USD3,959,490 in 2010 and USD409,830 in 2009)*
Beban gas hilang (SRC) (USD712.478)	-	-	6.697.293.576	*Loss of gas (SRC cost) (USD712,478)*
Lain-lain	33.224.513.361	35.653.234.286	20.850.427.502	*Others*
Total	**655.328.741.835**	**702.388.957.911**	**821.306.134.671**	***Total***

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17. LIABILITAS YANG MASIH HARUS DIBAYAR (lanjutan)

a. Gaji dan bonus karyawan

Gaji karyawan pada tanggal 31 Desember 2010 merupakan pembayaran gaji tambahan atas periode Desember 2010 yang akan dibayar Perusahaan pada bulan Januari 2011 senilai Rp2.352.327.412. Hal tersebut disebabkan adanya perubahan komposisi gaji karyawan sesuai sistem pengupahan baru berdasarkan SK Direksi No. 022200.K/KP.05/UM/2010, tanggal 28 Desember 2010 yang berlaku efektif pada tanggal 1 Desember 2010.

Bonus karyawan pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009 merupakan akrual bonus untuk karyawan masing-masing sebesar Rp284.624.220.973, Rp234.639.388.470 dan Rp223.881.885.822 untuk Perusahaan dan masing-masing sebesar Rp24.037.955.619, Rp23.651.867.159 dan Rp13.783.814.846 untuk Entitas Anak.

b. Bunga

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009, biaya bunga yang masih harus dibayar terdiri dari biaya bunga pinjaman jangka panjang sebesar Rp31.982.796.784, Rp40.050.472.219 dan Rp35.474.891.092 (Catatan 18).

Bunga yang masih harus dibayar juga mencakup biaya bunga pinjaman bank yang diperoleh Transgasindo masing-masing sebesar Rp3.255.162.448, Rp4.138.561.706 dan Rp Rp1.144.551.990 pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009.

c. Iuran ke BPH Migas

Pada tanggal 30 Januari 2006, Pemerintah menetapkan Peraturan Pemerintah No. 1/2006 di mana perusahaan yang bergerak dalam bidang distribusi dan pengangkutan gas bumi wajib membayar iuran kepada Badan Pengatur (BPH Migas) sebesar 0,3% dari volume penjualan distribusi gas bumi dikali tarif distribusi dan 3% dari volume pengangkutan gas bumi dikali tarif pengangkutan.

17. ACCRUED LIABILITIES (continued)

a. Employees' salaries and bonus

Employees' salaries as of December 31, 2010 represents additional employees' salaries payments for the period of December 2010, which will be paid by the Company in January, 2011 amounting to Rp2,352,327,412. This condition was due to the changes in employees' salaries composition according to new payroll system based on Director's Decision Letter No. 022200.K/KP.05/UM/2010, dated December 28, 2010 which is effective on December 1, 2010.

Employees' bonus as of December 31, 2011 and 2010 and January 1, 2010/ December 31, 2009 represent bonus accruals for employees amounting to Rp284,624,220,973, Rp234,639,388,470 and Rp223,881,885,822, respectively for the Company and Rp24,037,955,619, Rp23,651,867,159 and Rp13,783,814,846, respectively, for the Subsidiaries.

b. Interests

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, accrued interest consists of interest from long-term loan amounting to Rp31,982,796,784, Rp40,050,472,219 and Rp35,474,891,092, respectively (Note 18).

The accrued interest also includes the interest from Transgasindo's bank loan amounting to Rp3,255,162,448, Rp4,138,561,706 and Rp1,144,551,990, respectively as of December 31, 2010, December 31, 2010 and January 1, 2010/December 31, 2009.

c. BPH Migas levy

On January 30, 2006, the Government issued Government Regulation No. 1/2006 which requires companies engaged in gas distribution and transportation to pay contribution charges to Regulatory Body (BPH Migas) at the amount of 0.3% from volume of natural gas sales distributed times distribution tariff and 3% from volume of gas transported times transportation tariff.

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17. LIABILITAS YANG MASIH HARUS DIBAYAR (lanjutan)

Pada tanggal 8 Maret 2011 dan 28 Januari 2010, BPH Migas menetapkan perkiraan besaran iuran Transgasindo tahun 2011 dan 2010 masing-masing sebesar Rp39,9 miliar (setara dengan USD4,64 juta) dan Rp42,6 miliar (setara dengan USD4,69 juta).

Saldo iuran ke BPH Migas terdiri dari iuran Perusahaan dan Entitas Anak (Transgasindo) masing-masing sebesar Rp14.418.768.306 dan Rp5.333.175.685 pada tanggal 31 Desember 2011, Rp11.495.739.673 dan Rp11.464.940.047 pada tanggal 31 Desember 2010, dan Rp7.879.804.402 dan Rp12.633.545.549 pada tanggal 1 Januari 2010/31 Desember 2009.

d. Beban pemeliharaan

Liabilitas beban pemeliharaan merupakan kewajiban yang muncul terkait dengan adanya kegiatan pemeliharaan aset tetap Perusahaan.

e. Proyek stasiun Jabung *gas booster*

Proyek stasiun Jabung *gas booster* merupakan pembangunan stasiun kompresor untuk meningkatkan kapasitas jaringan pipa Grissik-Singapura di Batam.

f. Proyek perbaikan pipa bawah laut

Berdasarkan MFL *(Magnetic Flux Leakage) pigging*, Transgasindo menemukan 18 potensi anomali geometrik atau disebut "*potential buckles*" yang berada di beberapa area (Kuala Tungkal-Panaran) di jaringan pipa Grissik-Singapura. Transgasindo telah melakukan langkah-langkah untuk memastikan *potential buckles* tersebut antara lain berupa *deformation pigging*, *assessment study fit for purpose*, penyelaman dalam rangka stabilisasi jaringan pipa bawah laut melalui penunjukan konsultan ahli *Det Norske Veritas Indonesia* (DNV) dan *Offshore Subsea Works Sdn. Bhd.*

17. ACCRUED LIABILITIES (continued)

On March 8, 2011 and January 28, 2010, BPH Migas issued the decree which stated that the Transgasindo's levy estimation for years 2011 and 2010 amounted to Rp39.9 billion (equivalent to USD4.64 million) and Rp42.6 billion (equivalent to USD4.69 million), respectively.

Balance of BPH Migas levy consists of the Company's and the Subsidiary's (Transgasindo) contributions amounting to Rp14,418,768,306 and Rp5,333,175,685 as of December 31, 2011, Rp11,495,739,673 and Rp11,464,940,047 as of December 31, 2010, and Rp7,879,804,402 and Rp12,633,545,549 as of January 1, 2010/December 31, 2009, respectively.

d. Maintenance expense

Liabilities for maintenance expense represent liabilities incurred from the Company's maintenance of fixed assets activities.

e. Jabung gas booster station project

Jabung gas booster station project is compressor station installation executed to expand the Company's Grissik-Singapore pipeline capacity in Batam.

f. Offshore pipeline repair project

Based on MFL (Magnetic Flux Leakage) pigging, Transgasindo found potential 18 geometric anomalies or classified as "potential buckles", identified along certain area (Kuala Tungkal-Panaran) of the Grissik-Singapore pipeline. Transgasindo has taken several actions in ensuring such potential buckles among others conducting deformation pigging, assessment study fit for purpose, diving services for free span stabilization and buckle inspection of submarine pipeline through assignment consultants from Det Norske Veritas Indonesia (DNV) and Offshore Subsea Works Sdn. Bhd.

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17. LIABILITAS YANG MASIH HARUS DIBAYAR (lanjutan)

f. Proyek perbaikan pipa bawah laut (lanjutan)

Berdasarkan laporan dari konsultan tersebut, Dewan Direksi Transgasindo memutuskan melakukan perbaikan sepanjang 23 km jaringan pipa di KP 110 sampai KP 133 Kuala Tungkal-Panaran dengan pemotongan dan penggantian dengan menggunakan metode *zero downtime*.

Transgasindo menunjuk PT Bakrie Pipe Industries untuk pengadaan dan pengiriman *coated pipes* dengan nilai kontrak sebesar USD16,85 juta termasuk PPN, PT Worley Parsons Indonesia (WPI) sebagai *Engineering Consultant Services* dan *Project Management Consultancy*, dan PT Global Industries Asia Pacific sebagai *Engineering Procurement Construction and Commissioning.* Proses pemotongan pipa telah selesai pada bulan Juni 2009.

Keseluruhan proyek tersebut telah selesai pada bulan Oktober 2010.

g. Beban gas hilang (Beban SRC)

Berdasarkan perjanjian penyaluran gas melalui jaringan pipa transmisi Grissik-Singapura, Transgasindo bertanggungjawab dan harus membayar sebesar harga yang ditetapkan dalam kontrak atas setiap kekurangan atas gas yang diterima di titik penerimaan (kecuali untuk kejadian yang tidak terduga).

17. ACCRUED LIABILITIES (continued)

f. Offshore pipeline repair project (continued)

Based on consultants report, the Board of Directors of Transgasindo has resolved to perform the repair of 23 km pipeline at KP 110 to KP 133 Kuala Tungkal-Panaran by cutting and replacing by using zero downtime method.

Transgasindo appointed PT Bakrie Pipe Industries to supply and delivery of the coated pipes with contract amount of USD16.85 million including VAT, PT Worley Parsons Indonesia (WPI) as the Engineering Consultant Services and as Project Management Consultancy, and PT Global Industries Asia Pacific as Engineering Procurement Construction and Commissioning. The pipeline cutting process was completed in June 2009.

The overall project was completed in October 2010.

g. Loss of gas (SRC Cost)

Based on the gas transportation agreement through Grissik-Singapore transmission pipeline, Transgasindo shall be responsible and shall pay at the contract price, for any reduction in the quantity of gas received at the receipt point (other than reduction in quality of gas due to force majeure).

18. PINJAMAN JANGKA PANJANG

Akun ini terdiri dari:

18. LONG-TERM LOANS

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Entitas berelasi dengan Pemerintah (Catatan 33)				*Government-related entities (Note 33)*
Pinjaman yang diperoleh Pemerintah dari pemberi pinjaman (Penerusan Pinjaman)	7.112.312.672.357	7.190.236.334.560	6.746.306.256.619	*Loans obtained by the Government from the lenders (Two-step Loans)*
PT Bank Negara Indonesia (Persero) Tbk (No. 058/KPI/PK/2007) (USD112.500.000 pada tahun 2011, USD131.250.000 pada tahun 2010 dan USD150.000.000 pada tahun 2009)	1.020.150.000.000	1.180.068.750.000	1.410.000.000.000	*PT Bank Negara Indonesia (Persero) Tbk (No. 058/KPI/PK/2007) (USD112,500,000 in 2011, USD131,250,000 in 2010 and USD150,000,000 in 2009)*
Pihak ketiga				*Third Parties*
The Hongkong and Shanghai Banking Corporation Ltd, Jakarta (USD195.402.277 pada tahun 2011 dan USD246.910.545 pada tahun 2010)	1.771.907.848.992	2.219.972.620.185	-	*The Hongkong and Shanghai Banking Corporation Ltd, Jakarta (USD195,402,277 in 2011 and USD246,910,545 in 2010)*

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18. PINJAMAN JANGKA PANJANG (lanjutan)

18. LONG-TERM LOANS (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Standard Chartered Bank, Singapura (USD244.444.444 pada tahun 2010 dan USD275.000.000 pada tahun 2009)	-	2.197.799.999.960	2.585.000.000.000	*Standard Chartered Bank, Singapore (USD244,444,444 in 2010 and USD275,000,000 in 2009)*
Total	9.904.370.521.349	12.788.077.704.705	10.741.306.256.619	*Total*
Dikurangi pinjaman jangka panjang yang jatuh tempo dalam waktu satu tahun:				*Less current maturities of long-term loans:*
Entitas berelasi dengan Pemerintah (Catatan 33)				*Government-related entities (Note 33)*
Pinjaman yang diperoleh Pemerintah dari pemberi pinjaman (Penerusan Pinjaman) (USD26.875.532 pada tahun 2011, USD33.866.852 pada tahun 2010 dan USD32.565.672 pada tahun 2009)	243.707.327.610	304.496.866.487	306.117.324.467	*Loans obtained by the Government from the lenders (Two-step Loans) (USD26,875,532 in 2011, USD33,866,852 in 2010 and USD32,565,672 in 2009)*
PT Bank Negara Indonesia (Persero) Tbk (USD18.750.000 pada tahun 2011, 2010 dan 2009)	170.025.000.000	168.581.250.000	176.250.000.000	*PT Bank Negara Indonesia (Persero) Tbk (USD18,750,000 in 2011, 2010 and 2009)*
Pihak ketiga				*Third parties*
The Hongkong and Shanghai Banking Corporation Ltd, Jakarta (USD52.631.579 pada tahun 2011 dan 2010)	477.263.157.904	473.210.536.454	-	*The Hongkong and Shanghai Banking Corporation Ltd, Jakarta (USD52,631,579 in 2011 and 2010)*
Standard Chartered Bank, Singapura (USD122.222.222 pada tahun 2010 dan USD30.555.556 pada tahun 2009)	-	1.098.900.000.160	287.222.222.264	*Standard Chartered Bank, Singapore (USD122,222,222 in 2010 and USD30,555,556 in 2009)*
Total	890.995.485.514	2.045.188.653.101	769.589.546.731	*Total*
Bagian jangka panjang - Neto	**9.013.375.035.835**	**10.742.889.051.604**	**9.971.716.709.888**	***Long-term portion - Net***

Penerusan Pinjaman merupakan pinjaman jangka panjang yang diperoleh dari Pemerintah Republik Indonesia yang dibiayai oleh:

Two-step loans represent long-term loans from the Government of the Republic of Indonesia, which are funded by:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Japan Bank for International Cooperation (SLA-1156/DP3/2003) (JPY48.319.782.127 pada tahun 2011, JPY47.156.097.513 pada tahun 2010 dan JPY43.903.974.083 pada tahun 2009)	5.644.233.750.202	5.200.845.994.709	4.465.473.203.982	*Japan Bank for International Cooperation (SLA-1156/DP3/2003) (JPY48,319,782,127 in 2011, JPY47,156,097,513 in 2010 and JPY43,903,974,083 in 2009)*
International Bank for Reconstruction and Development (SLA-1201/DP3/2006) (USD56.164.947 pada tahun 2011, USD53.148.135 pada tahun 2010 dan USD41.959.651 pada tahun 2009)	509.303.738.489	477.854.880.886	394.420.719.400	*International Bank for Reconstruction and Development (SLA-1201/DP3/2006) (USD56,164,947 in 2011, USD53,148,135 in 2010 and USD41,959,651 in 2009)*
European Investment Bank (SLA-877/DP3/1996 dan SLA-1139/DP3/2000) (USD53.117.477 pada tahun 2011, USD62.113.733 pada tahun 2010 dan USD71.109.990 pada tahun 2009)	481.669.277.718	558.464.568.908	668.433.900.457	*European Investment Bank (SLA-877/DP3/1996 and SLA-1139/DP3/2000) (USD53,117,477 in 2011, USD62,113,733 in 2010 and USD71,109,990 in 2009)*
Japan Bank for International Cooperation (SLA-879/DP3/1996) (USD26.650.207 pada tahun 2011, USD34.264.551 pada tahun 2010 dan USD41.878.896 pada tahun 2009)	241.664.072.995	308.072.581.188	393.661.623.622	*Japan Bank for International Cooperation (SLA-879/DP3/1996) (USD26,650,207 in 2011, USD34,264,551 in 2010 and USD41,878,896 in 2009)*
Asian Development Bank (SLA-832/DP3/1995) (USD24.750.806 pada tahun 2011, USD70.152.748 pada tahun 2010 dan USD85.742.248 pada tahun 2009)	224.440.309.261	630.743.364.820	805.977.135.430	*Asian Development Bank (SLA-832/DP3/1995) (USD24,750,806 in 2011, USD70,152,748 in 2010 and USD85,742,248 in 2009)*

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18. PINJAMAN JANGKA PANJANG (lanjutan)

18. LONG-TERM LOANS (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
International Bank for Reconstruction and Development (SLA-1166/DP3/2004) (USD1.213.225 pada tahun 2011, USD1.585.468 pada tahun 2010 dan USD1.951.029 pada tahun 2009)	11.001.523.692	14.254.944.049	18.339.673.728	*International Bank for Reconstruction and Development (SLA-1166/DP3/2004) (USD1,213,225 in 2011, USD1,585,468 in 2010 and and USD1,951,029 in 2009)*
Total	**7.112.312.672.357**	**7.190.236.334.560**	**6.746.306.256.619**	***Total***

<u>Japan Bank for International Cooperation (JBIC) (SLA-1156/DP3/2003) - JPY48.319.782.127</u>

Pada tanggal 27 Maret 2003, JBIC menyetujui untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) berdasarkan Perjanjian Pinjaman No. IP-511 dengan jumlah keseluruhan setara dengan JPY49.088.000.000 untuk membantu Pemerintah dalam membiayai pembangunan jaringan pipa transmisi gas dari Sumatera Selatan sampai Jawa Barat dan jaringan pipa distribusi di Jawa Barat.

Pada tanggal 28 Mei 2003, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-1156/DP3/2003, di mana Pemerintah meneruskan pinjaman dari JBIC ini dengan jumlah tidak melebihi JPY49.088.000.000 kepada Perusahaan.

Pinjaman ini dikenakan tingkat bunga atas pinjaman JBIC kepada Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 20 April dan 20 Oktober sebelum seluruh pinjaman ditarik dan pada tanggal 20 Maret dan 20 September setelahnya. Tingkat bunga tahunan pinjaman JBIC berkisar antara 0,75% sampai dengan 0,95% untuk tahun yang berakhir pada tanggal 31 Desember 2011 dan 2010.

Jumlah pokok pinjaman harus dibayar dalam 61 kali angsuran tengah tahunan pada tanggal 20 Maret dan 20 September setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 20 Maret 2013 dan pembayaran terakhir akan jatuh tempo pada tanggal 20 Maret 2043.

<u>Japan Bank for International Cooperation (JBIC) (SLA-1156/DP3/2003) - JPY48,319,782,127</u>

On March 27, 2003, JBIC agreed to provide a loan to the Government of the Republic of Indonesia (the Government) based on Loan Agreement No. IP-511 for a total aggregate amount equivalent to JPY49,088,000,000 to assist the Government in financing the development of a gas transmission pipeline from South Sumatera to West Java and a distribution pipeline in West Java.

On May 28, 2003, the Company and the Government entered into a Subsidiary Loan Agreement No. SLA-1156/DP3/2003, which provides for the Government's relending of the JBIC loan proceeds not exceeding JPY49,088,000,000 to the Company.

This loan is subject to the interest rate of the JBIC loan to the Government plus a Government fee of 0.50% (including a 0.15% banking fee) per annum, payable on April 20 and October 20 prior to the withdrawal of all facilities amount and on March 20 and September 20 afterwards. The JBIC's annual interest rate of the loan is ranging from 0.75% to 0.95% for the years ended December 31, 2011 and 2010, respectively.

The principal amount of the loan is repayable in 61 equal semi-annual installments every March 20 and September 20 of each year, with the first installment due on March 20, 2013 and the last payment due on March 20, 2043.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - USD56.164.947

Berdasarkan Perjanjian Pinjaman No. 7755-ID (Ex 4810-IND) tanggal 7 Februari 2006, IBRD menyetujui memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) dengan jumlah keseluruhan setara dengan USD69.381.312 untuk membantu Pemerintah dalam membiayai Proyek Pengembangan Pasar Gas Domestik ("Proyek") (Catatan 35.5).

Pada tanggal 3 April 2006, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-1201/DP3/2006, dimana Pemerintah meneruskan hasil pinjaman dari IBRD sebesar USD69.381.312 kepada Perusahaan yang akan melaksanakan Proyek. Pinjaman ini dikenakan tingkat bunga atas pinjaman IBRD kepada Pemerintah ditambah 1% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 15 Februari dan 15 Agustus setiap tahun. Tingkat bunga tahunan pinjaman IBRD masing-masing berkisar antara 1,90% sampai dengan 5,48% dan 2,11% sampai dengan 5,48% untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

Pada tanggal 11 Juli 2011, Perusahaan mendapatkan Surat Persetujuan No. S-686/PU.2/2011 dari Direktorat Jenderal Pinjaman dan Hibah, Menteri Keuangan Republik Indonesia, mengenai persetujuan pembatalan sisa pinjaman IBRD SLA 1201 sebesar USD10.618.688, terhitung mulai pada tanggal 21 Desember 2010.

Pada tanggal 30 Desember 2011, Perusahaan mendapatkan surat dari Kementrian Keuangan Republik Indonesia No. S-12051/MK.5/2011, mengenai perubahan terhadap Perjanjian Penerusan Pinjaman No. SLA-1201/DP3/2006, tanggal 3 April 2006, antara Pemerintah dengan Perusahaan, yang mengatur perubahan sebagai berikut:

- Pokok pinjaman, yang dari semula USD80.000.000 menjadi USD69.381.312 terhitung mulai tanggal 21 Desember 2011;
- Tingkat bunga, yang dari semula *LIBOR Base Rate* + *LIBOR Total Spread* + 1% menjadi tingkat bunga IBRD + 1%;
- Tanggal terakhir penarikan pinjaman *(closing date,)* yang dari semula pada tanggal 31 Maret 2011 menjadi 31 Maret 2014.

18. LONG-TERM LOANS (continued)

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - USD56,164,947

Based on the Loan Agreement No. 7755-ID (Ex 4810-IND) dated February 7, 2006, IBRD agreed to lend to the Government of the Republic of Indonesia (Government) an aggregate amount equivalent to USD69,381,312 to assist the Government in financing the Domestic Gas Market Development Project ("the Project") (Note 35.5).

On April 3, 2006, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-1201/DP3/2006, which provides for the Government's relending of the IBRD loan proceeds of USD69,381,312 to the Company, which shall undertake the Project. The loan is subject to the interest rate of the IBRD loan to the Government plus a Government fee of 1% (including 0.15% banking fee) per annum, payable on February 15 and August 15 of each year. The IBRD annual interest rate is ranging from 1.90% to 5.48% and 2.11% to 5.48% for the years ended December 31, 2011 and 2010, respectively.

On July 11, 2011, the Company obtained an Approval Letter No. S-686/PU.2/2011 from Directorate General of Loans and Grants, Ministry of Finance of the Republic of Indonesia, regarding the approval for the cancellation of the remaining of IBRD SLA 1201 loan amounting to USD10,618,688, starting on December 21, 2010.

On December 30, 2011, the Company obtained a letter from Ministry of Finance of the Republic of Indonesia No. S-12051/MK.5/2011, regarding the changes of a Subsidiary Loan Agreement No. SLA-1201/DP3/2006, dated April 3, 2006, between the Government with the Company, with the changes as follows:

- *The principal amount, from USD80,000,000 to become USD69,381,312, starting on December 21, 2011;*
- *The interest rate, from LIBOR Base Rate + LIBOR Total Spread + 1% to become IBRD interest rate + 1%;*
- *The date of the last drawdown (closing date), from March 31, 2011 to March 31, 2014.*

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18. PINJAMAN JANGKA PANJANG (lanjutan)

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - USD56.164.947 (lanjutan)

Perusahaan wajib membayar kepada Pemerintah biaya komitmen sebesar 0,75% per tahun dari jumlah pinjaman yang belum ditarik oleh Perusahaan. Jumlah pokok pinjaman akan dibayar dalam 30 kali angsuran tengah tahunan pada tanggal 15 Februari dan 15 Agustus setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 Agustus 2011 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Februari 2026.

European Investment Bank (EIB) (SLA-877/DP3/1996) - USD12.736.750

Berdasarkan Perjanjian Pinjaman No. FINO.1.8070 tanggal 20 Juli 1995, antara EIB, Pemerintah Republik Indonesia (Pemerintah) dan Perusahaan, EIB menyetujui untuk memberikan pinjaman kepada Pemerintah dengan jumlah keseluruhan setara dengan ECUS46.000.000 untuk membantu Pemerintah dalam membiayai Proyek Transmisi dan Distribusi Gas ("Proyek") di Sumatera Tengah dan Pulau Batam (Catatan 35.5).

Pada tanggal 1 Maret 1996, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-877/DP3/1996, di mana Pemerintah meneruskan hasil pinjaman dari EIB sebesar ECUS46.000.000 kepada Perusahaan yang akan melaksanakan Proyek. Pinjaman ini dikenakan tingkat bunga sebesar pinjaman EIB kepada Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 15 Januari dan 15 Juli setiap tahun. Tingkat bunga tahunan pinjaman EIB adalah berkisar antara 4,35% sampai dengan 7,41% per tahun untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010. Jumlah pokok pinjaman harus dibayar dalam 32 kali angsuran tengah tahunan pada tanggal 15 Januari dan 15 Juli setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 Januari 1999 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Juli 2014.

Di dalam Perjanjian Pinjaman, Perusahaan diharuskan memelihara batasan keuangan tertentu setiap tahun, dimulai pada tahun 1999 seperti rasio kemampuan membayar utang (*debt service ratio*) sebesar 1,3:1 atau lebih dan rasio utang terhadap ekuitas (*debt to equity ratio*) sebesar maksimum 70:30.

18. LONG-TERM LOANS (continued)

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - USD56,164,947 (continued)

The Company has to pay commitment fee of 0.75% per annum from the total subsidiary loan which not yet drawndowned by the Company to the Governmen. the principal amount of the loan is repayable in 30 equal semi-annual installments every February 15 and August 15 of each year, with the first installment due on August 15, 2011 and the last payment due on February 15, 2026.

European Investment Bank (EIB) (SLA-877/DP3/1996) - USD12,736,750

Based on the Loan Agreement No. FINO.1.8070 dated July 20, 1995 among EIB, the Government of the Republic of Indonesia (the Government) and the Company, EIB agreed to lend to the Government an aggregate amount equivalent to ECUS46,000,000 to assist the Government in financing the Gas Transmission and Distribution Project ("The Project") in Central Sumatera and Batam Island (Note 35.5).

On March 1, 1996, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-877/DP3/1996, which provides for the Government's relending of the EIB loan proceeds of ECUS46,000,000 or its equivalent to the Company, which will undertake the Project. The loan is subject to the interest rate of the EIB loan to the Government plus a Government fee of 0.50% (including 0.15% banking fee) per annum, payable on January 15 and July 15 of each year. The EIB's annual interest rates of the loan ranged from 4.35% to 7.41% for the years ended December 31, 2011 and 2010, respectively. The principal amount of the loan is repayable in 32 equal semi-annual installments on January 15 and July 15 of each year, with the first installment due on January 15, 1999 and the last payment due on July 15, 2014.

Under the Loan Agreement, the Company undertakes, among other things, that it shall maintain certain financial covenants each year commencing in 1999 such as a debt service ratio of 1.3:1 or more and a debt to equity ratio of maximum 70:30.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

European Investment Bank (EIB) (SLA-877/DP3/1996) - USD12.736.750 (lanjutan)

Bilamana ada pembayaran angsuran, bunga dan beban komitmen yang terlambat, maka pembayaran tersebut akan dikenakan denda sebesar 2% di atas tingkat suku bunga setiap tahun.

European Investment Bank (EIB) (SLA-1139/DP3/2000) - USD40.380.727

Pada tanggal 15 September 2000, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-1139/DP3/2000, di mana Pemerintah meneruskan pinjaman dari EIB dengan jumlah tidak melebihi EUROS70.000.000 kepada Perusahaan sebagai bagian dari pembiayaan Proyek Transmisi dan Distribusi Gas Tahap II. Pinjaman ini dikenakan tingkat bunga sebesar pinjaman EIB kepada Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 15 Juni dan 15 Desember setiap tahun. Tingkat bunga pinjaman EIB adalah berkisar antara 4,95% sampai dengan 5,30% per tahun untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

Jumlah pokok pinjaman harus dibayar dalam 32 kali angsuran tengah tahunan pada tanggal 15 Juni dan 15 Desember setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 Desember 2004 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Juni 2020.

Di dalam Perjanjian Pinjaman, Perusahaan diharuskan memelihara batasan keuangan setiap tahun, yaitu rasio utang terhadap ekuitas (*debt to equity ratio*) sebesar maksimum 2:1.

Japan Bank for International Cooperation (JBIC) (SLA-879/DP3/1996) - USD26.650.207

Berdasarkan Perjanjian Pinjaman tanggal 23 Oktober 1995, JBIC menyetujui untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) dengan jumlah keseluruhan setara dengan USD195.000.000 untuk membantu Pemerintah dalam membiayai Proyek Transmisi dan Distribusi Gas ("Proyek") di Sumatera Tengah dan Pulau Batam (Catatan 35.5).

18. LONG-TERM LOANS (continued)

European Investment Bank (EIB) (SLA-877/DP3/1996) - USD12,736,750 (continued)

Any overdue repayments of installments, interest and commitment charges will bear a penalty at the rate of 2% above the interest rate per annum.

European Investment Bank (EIB) (SLA-1139/DP3/2000) - USD40,380,727

On September 15, 2000, the Company and the Government entered into a Subsidiary Loan Agreement No. SLA-1139/DP3/2000, which provides for the Government's relending of the EIB loan proceeds not exceeding EUROS70,000,000 to the Company as part of the financing of the Gas Transmission and Distribution Project Phase II. The loan is subject to the interest rate of the EIB loan to the Government plus a Government fee of 0.50% (including 0.15% banking fee) per annum, payable on June 15 and December 15 of each year. The EIB's annual interest rates of the loan ranged from 4.95% to 5.30% for the years ended December 31, 2011 and 2010.

The principal amount of the loan is repayable in 32 equal semi-annual installments on June 15 and December 15 of each year, with the first installment due on December 15, 2004 and the last payment due on June 15, 2020.

Under the Loan Agreement, the Company undertakes among other things, that it shall maintain certain financial covenants each year such as debt to equity ratio of maximum 2:1.

Japan Bank for International Cooperation (JBIC) (SLA-879/DP3/1996) - USD26,650,207

Based on the Loan Agreement dated October 23, 1995, JBIC agreed to lend to the Government of the Republic of Indonesia (the Government) an aggregate amount equivalent to USD195,000,000 to assist the Government in financing the Gas Transmission and Distribution Project ("the Project") in Central Sumatera and Batam Island (Note 35.5).

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18. PINJAMAN JANGKA PANJANG (lanjutan)

Japan Bank for International Cooperation (JBIC) (SLA-879/DP3/1996) - USD26.650.207 (lanjutan)

Pada tanggal 12 Maret 1996, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-879/DP3/1996, di mana Pemerintah meneruskan hasil pinjaman dari JBIC sebesar USD195.000.000 kepada Perusahaan yang akan melaksanakan Proyek. Pinjaman ini dikenakan tingkat bunga atas pinjaman JBIC kepada Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 15 Mei dan 15 November setiap tahun. Tingkat bunga tahunan pinjaman JBIC adalah sebesar 0,69% sampai dengan 0,87% dan sebesar 0,77% sampai dengan 1,66% per tahun untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010. Pokok pinjaman harus dibayar dalam 32 kali angsuran tengah tahunan pada tanggal 15 Mei dan 15 November setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 November 1999 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Mei 2015.

Asian Development Bank (ADB) (SLA-832/DP3/1995) - USD24.750.806

Berdasarkan Perjanjian Pinjaman No. 1357-IND tanggal 26 Juni 1995, ADB menyetujui untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) dengan jumlah keseluruhan setara dengan USD218.000.000 untuk membantu Pemerintah dalam membiayai Proyek Transmisi dan Distribusi Gas (“Proyek”) di Sumatera Tengah dan Pulau Batam (Catatan 35.5).

Pada tanggal 31 Oktober 1995, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-832/DP3/1995, di mana Pemerintah meneruskan hasil pinjaman dari ADB kepada Perusahaan sebesar USD218.000.000. Perusahaan akan melaksanakan Proyek ini sesuai dengan Perjanjian Proyek dengan ADB tanggal 26 Juni 1995.

18. LONG-TERM LOANS (continued)

Japan Bank for International Cooperation (JBIC) (SLA-879/DP3/1996) - USD26,650,207 (continued)

On March 12, 1996, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-879/DP3/1996, which provides for the Government’s relending of the JBIC loan proceeds of USD195,000,000 to the Company, which shall undertake the Project. The loan is subject to the interest rate of the JBIC loan to the Government plus a Government fee of 0.50% (including a 0.15% banking fee) per annum, payable on May 15 and November 15 of each year. The JBIC’s annual interest rate of the loan is ranging from 0.69% to 0.87% and from 0.77% to 1.66% for the years ended on December 31, 2011 and 2010, respectively. The principal amount of the loan is repayable in 32 equal semi-annual installments on May 15 and November 15 of each year, with the first installment due on November 15, 1999 and the last payment due on May 15, 2015.

Asian Development Bank (ADB) (SLA-832/DP3/1995) - USD24,750,806

Based on the Loan Agreement No. 1357-IND dated June 26, 1995, ADB agreed to lend the Government of the Republic of Indonesia (the Government) an aggregate amount equivalent to USD218,000,000 to assist the Government in financing the Gas Transmission and Distribution Project (“the Project”) in Central Sumatera and Batam Island (Note 35.5).

On October 31, 1995, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-832/DP3/1995, which provides for the Government’s relending of the ADB loan proceeds of USD218,000,000 to the Company. The Company will undertake the Project in accordance with the Project Agreement with ADB dated June 26, 1995.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

Asian Development Bank (ADB) (SLA-832/DP3/1995) - USD24.750.806 (lanjutan)

Pinjaman ini dikenakan tingkat bunga pinjaman ADB ke Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun dan jasa komitmen sebesar 0,75% per tahun dihitung atas jumlah pinjaman yang belum dipergunakan, yang harus dibayar pada tanggal 15 Mei dan 15 November setiap tahun. Tingkat bunga tahunan pinjaman ADB adalah berkisar antara 1,02% sampai dengan 4,34% dan 1,12% sampai dengan 5,23% masing-masing untuk tahun 2011 dan 2010.

Jumlah pokok pinjaman harus dibayar dalam 32 kali angsuran tengah tahunan pada tanggal 15 Mei dan 15 November setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 November 1999 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Mei 2015.

Di dalam Perjanjian Proyek tanggal 26 Juni 1995 antara Perusahaan dan ADB, Perusahaan diharuskan meminta izin terlebih dahulu dari ADB dalam hal pinjaman yang diperoleh setelah tanggal perjanjian, selain yang dipergunakan untuk membiayai proyek, yang akan mengakibatkan perkiraan kemampuan membayar utang kurang dari 1,3:1 dan rasio utang terhadap ekuitas (*debt to equity ratio*) lebih dari 70:30.

Pada tanggal 13 September 2011, Perusahaan telah melakukan pelunasan pokok sebesar USD34.071.363.

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - USD1.213.225

Berdasarkan Perjanjian Pinjaman No. 7758-ID (Ex 4712-IND) tanggal 1 Oktober 2003, IBRD setuju untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) sebesar USD141.000.000 untuk pembiayaan proyek yang akan dilaksanakan oleh Perusahaan dan PT Perusahaan Listrik Negara (Persero) (PLN).

Pemerintah akan meneruskan pinjaman tersebut kepada Perusahaan dan PLN melalui perjanjian penerusan pinjaman. Proyek yang akan dilaksanakan oleh Perusahaan berhubungan dengan persiapan kebijakan rasionalisasi harga gas, restrukturisasi Perusahaan, persiapan penawaran umum perdana atas aktivitas distribusi dan persiapan mitra strategis pada aktivitas transmisi gas Perusahaan.

18. LONG-TERM LOANS (continued)

Asian Development Bank (ADB) (SLA-832/DP3/1995) - USD24,750,806 (continued)

The loan is subject to the interest rate of the ADB loan to the Government plus a Government fee of 0.50% (including a 0.15% banking fee) per annum and a commitment fee at the rate of 0.75% per annum calculated on the amount of loan not yet drawn, payable on May 15 and November 15 of each year. The ADB's annual interest rate of the loan ranged from 1.02% to 4.34% and from 1.12% to 5.23% for 2011 and 2010, respectively.

The principal amount of the loan is repayable in 32 equal semi-annual installments on May 15 and November 15 of each year, with the first installment due on November 15, 1999 and the last payment due on May 15, 2015.

As stipulated under the Project Agreement dated June 26, 1995 between the Company and ADB, the Company must obtain prior consent from ADB for any loans obtained after the date of the agreement, except for loans obtained to finance the project, which will cause the Company's debt service ratio to be 1.3:1 or less or the debt to equity ratio to exceed 70:30.

On September 13, 2011, the Company has paid the principal amounting to USD34,071,363.

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - USD1,213,225

Based on the Loan Agreement No. 7758-ID (Ex 4712-IND) dated October 1, 2003, the IBRD agreed to lend to the Government of the Republic of Indonesia (Government) the amount of USD141,000,000 to finance a project to be carried out by the Company and PT Perusahaan Listrik Negara (Persero) (PLN).

The Government will relend the loan proceeds to the Company and PLN through two-step loan. The project to be carried out by the Company relates to preparation of a rationalized gas pricing policy, corporate restructuring of the Company, preparation for an initial public offering for the Company's distribution activities and preparation for the involvement of a strategic partner in the Company's gas transmission operations.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - USD1.213.225 (lanjutan)

Pada tanggal 13 Mei 2004, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-1166/DP3/2004, di mana Pemerintah meneruskan sebagian hasil pinjaman dari IBRD sebesar USD2.487.672 kepada Perusahaan, yang akan melaksanakan proyek. Pinjaman ini dikenakan tingkat bunga atas pinjaman IBRD kepada Pemerintah ditambah 0,50% untuk jasa bunga bagian Pemerintah (termasuk beban bank sebesar 0,15%) per tahun, yang harus dibayar pada tanggal 15 Juni dan 15 Desember setiap tahun.

Pada tanggal 20 Juli 2010, Perusahaan mendapatkan Surat dari Bank Dunia No. JA-356/JAVA-BALI/VII/2010, yang menyatakan bahwa saldo sebesar USD3.572.934 tidak dapat ditarik lagi oleh Perusahaan, sehingga total fasilitas yang diperoleh Perusahaan sebesar USD2.487.672.

Pada tanggal 7 Februari 2011, Perusahaan menerima surat dari Menteri Keuangan Republik Indonesia No. S-1076/MK-05/2011 terkait dengan persetujuan perubahan atas SLA-1166/DP3/2004 tanggal 13 Mei 2004 dengan jumlah pinjaman sebesar USD2.487.672. Perusahaan wajib membayar kepada Pemerintah biaya komitmen sebesar 0,75% per tahun dari jumlah pinjaman yang belum ditarik. Jumlah pokok pinjaman harus dibayar dalam 30 kali angsuran tengah tahunan pada tanggal 15 Juni dan 15 Desember setiap tahun, dengan angsuran pertama yang jatuh tempo pada tanggal 15 Desember 2008 dan pembayaran terakhir akan jatuh tempo pada tanggal 15 Juni 2023.

Tingkat bunga tahunan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 masing-masing berkisar antara 1,64% dan 1,61% sampai dengan 1,93%.

18. LONG-TERM LOANS (continued)

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - USD1,213,225 (continued)

On May 13, 2004, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-1166/DP3/2004, which provides for the Government's relending of a portion of the IBRD loan proceeds of USD2,487,672 to the Company, which shall undertake the project. The loan is subject to the interest rate of the IBRD loan to the Government plus a Government fee of 0.50% (including a 0.15% banking fee) per annum, payable on June 15 and December 15 of each year.

On July 20, 2010, the Company obtained a Letter from World Bank No. JA-356/JAVA-BALI/VII/2010, stating that the amount of USD3,572,934 could not be drawndown anymore by the Company, therefore the total loan facility obtained by the Company amounting to USD2,487,672.

On February 7, 2011, the Company obtained a letter from the Ministry of Finance of the Republic of Indonesia No. S-1076/MK-05/2011 related to the approval of the changes of SLA-1166/DP3/2004 dated May 13, 2004 with the total loan amounting to USD2,487,672. The Company has to pay commitment fee of 0.75% per annum from the total loan which not yet drawndowned by the Company to the Government, the principal amount of the loan is repayable in 30 equal semi-annual installments every June 15 and December 15 of each year, with the first installment due on December 15, 2008 and the last payment due on June 15, 2023.

Annual interest rates for the years ended December 31, 2011 and 2010 are ranging from 1.64% and 1.61% to 1.93%, respectively.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

PT Bank Negara Indonesia (Persero) Tbk (BNI) - USD112.500.000

Berdasarkan Perjanjian Pinjaman No. 058/KPI/ PK/2007 tanggal 17 September 2007, BNI, suatu entitas yang dimana Pemerintah memiliki kepemilikan 60% dari total saham yang beredar, menyetujui untuk memberikan pinjaman kepada Perusahaan dengan jumlah keseluruhan setara dengan USD150.000.000 untuk keperluan pembiayaan penyelesaian Proyek Jaringan Pipa Transmisi Gas Bumi Sumatera Selatan-Jawa Barat (Proyek SSWJ) dan Jaringan Pipa Distribusi Gas Jawa Barat.

Berdasarkan perjanjian pinjaman ini, jangka waktu fasilitas kredit adalah selama sepuluh tahun sejak tanggal 17 September 2007 sampai tanggal 16 September 2017, termasuk tenggang waktu dua tahun. Pinjaman ini akan dibayar dalam 16 kali angsuran tengah tahunan dimulai dari 16 Maret 2010.

Pinjaman ini dikenakan tingkat bunga sebesar SIBOR tiga bulan ditambah 1,75% per tahun, yang harus dibayar paling lambat pada tanggal 25 setiap bulannya.

Perjanjian pinjaman ini mencakup pembatasan-pembatasan antara lain tidak diperkenankan menjaminkan aset Perusahaan kepada kreditur lain, mengadakan merger, mengubah status hukum, memberikan pinjaman kepada pihak lain, melakukan investasi dengan jumlah lebih besar daripada 15% dari ekuitas neto, menerima pinjaman dan mengambil *lease* tanpa persetujuan tertulis dari BNI.

The Hongkong and Shanghai Banking Corporation Ltd, Jakarta - USD195.402.277

Pada tanggal 30 Agustus 2010, Transgasindo menandatangani *term loan facility agreement* dengan sindikasi dari The Hongkong dan Shanghai Banking Corporation Limited, Jakarta (HSBC) USD250.000.000. Fasilitas ini akan digunakan oleh Transgasindo untuk membayar kembali pinjaman pemegang saham (Catatan 20) dan untuk keperluan umum. Fasilitas ini memiliki jangka waktu 5 tahun dengan 19 kali cicilan triwulanan dimulai 6 bulan setelah tanggal penarikan pertama (*grace period*). Pinjaman ini dikenakan bunga pada tingkat bunga tiga bulan BBA LIBOR + margin sebesar 1,99% per tahun.

18. LONG-TERM LOANS (continued)

PT Bank Negara Indonesia (Persero) Tbk (BNI) - USD112,500,000

Based on the Loan Agreement No. 058/KPI/ PK/2007 dated September 17, 2007, BNI, an entity that the Government has an ownership of 60% from total issued shares, agreed to provide loan to the Company at an aggregate amount equivalent to USD150,000,000 to finance the South Sumatera-West Java Pipeline Gas Transmission Project (SSWJ Project) and West Java Pipeline Gas Distribution.

Based on this loan agreement, the term of the credit facility is valid for ten years since September 17, 2007 until September 16, 2017, including two years grace period. The loan is payable in 16 semi-annual installments starting from March 16, 2010.

This loan is subject to the three months SIBOR interest rate plus 1.75% per annum, payable not more than the 25th every month.

The loan agreement includes negative covenants, relating to, among others, create any liens on any property to other debtors, conducting merger, change the legal status, provide the loan to other parties, conducting the investment more than 15% from net shareholder equity, obtain the loan and lease without obtaining the BNI's written approval.

The Hongkong and Shanghai Banking Corporation Ltd, Jakarta - USD195,402,277

On August 30, 2010, Transgasindo signed a term loan facility agreement with syndication of The Hongkong and Shanghai Banking Corporation Limited, Jakarta (HSBC) for USD250,000,000. This facility will be utilized by Transgasindo to refinance existing shareholder loans (Note 20) and for general corporate purposes. This facility is valid for 5 years with 19 equal quarterly installments commencing 6 months after the first drawdown date (grace period). The loan bears interest at the rate of three months BBA LIBOR + margin of 1.99% per annum.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

The Hongkong and Shanghai Banking Corporation Ltd, Jakarta - USD195.402.277 (lanjutan)

Pada tanggal 3 September 2010, fasilitas tersebut telah ditarik seluruhnya dan dikenakan tingkat bunga rata-rata sebesar 2,29% per tahun.

Selama tahun 2011, Transgasindo telah membayar angsuran sebanyak 4 kali setiap triwulan dengan jumlah sebesar USD52.631.579 pada tanggal 3 Maret, 3 Juni, 6 September dan 6 Desember 2011.

Perjanjian pinjaman mencakup pembatasan-pembatasan umum antara lain, Transgasindo tidak diperkenankan untuk menjaminkan asset atau pendapatan Transgasindo kepada pihak ketiga dalam jumlah yang melebihi USD10.000.000, merevisi atau mengubah kegiatan usahanya, memindahkan sebagian atau seluruh *GTA* ke pihak ketiga, melakukan merger, investasi dan akuisisi, mengubah Anggaran Dasar, mengubah susunan Dewan Komisaris dan Direksi dan pemegang saham tanpa pemberitahuan tertulis kepada HSBC, dan menjual, menyewakan, mengalihkan atau menghapuskan asetnya kecuali untuk kegiatan usaha sehari-hari.

Selama pinjaman masih terutang, Transgasindo diwajibkan mematuhi semua batasan, termasuk sejumlah rasio keuangan sebagai berikut:

(i) jumlah ekuitas tidak lebih kecil dari USD250.000.000;
(ii) rasio utang neto terhadap ekuitas tidak lebih besar dari 2,33x;
(iii) rasio utang neto terhadap *EBITDA* tidak lebih besar dari 3,5x.

Standard Chartered Bank (SCB), Singapura - USD nihil

Pada tanggal 25 November 2009, Perusahaan memperoleh fasilitas pinjaman sindikasi dari Standard Chartered Bank, Singapura, untuk membeli kembali *Guaranteed Notes* I sebesar USD150.000.000 dan *Guaranteed Notes* II sebesar USD125.000.000. Perjanjian pinjaman ini akan jatuh tempo pada tanggal 10 Desember 2012 termasuk tenggang waktu satu tahun. Pinjaman ini dikenakan tingkat bunga sebesar LIBOR ditambah 3,10% per tahun. Pinjaman ini akan dibayar dalam angsuran tiga bulanan dimulai pada tanggal 9 Desember 2010.

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18. LONG-TERM LOANS (continued)

The Hongkong and Shanghai Banking Corporation Ltd, Jakarta - USD195,402,277 (continued)

On September 3, 2010, the facility had been fully drawn down and bears average interest rate at 2.29% per annum.

During 2011, Transgasindo has already paid in quarterly installments amounting to USD52,631,579 on March 3, June 3, September 6 and December 6, 2011.

The loan agreement includes general covenants, relating to among others, Transgasindo shall not pledge any of Transgasindo's assets or revenues to third parties in an amount at any time exceeding USD10,000,000, revise or change the nature of business, assign any or all GTA to third party, conduct merger, investment and acquisition, amend the Articles of Association, change the composition of the Boards of Commissioners and Directors and the shareholders, without giving the written notification to HSBC and sell, lease, transfer or dispose its existing pipelines unless for normal business transactions.

During the period of the outstanding loan, Transgasindo is required to comply with all covenants or restrictions including certain financial ratios as follows:

(i) total shareholders' equity to be not less than USD250,000,000;
(ii) the net debt to shareholders' equity ratio to be not greater than 2.33x;
(iii) the net debt to EBITDA ratio to be not greater than 3.5x.

Standard Chartered Bank (SCB), Singapore - USD nil

On November 25, 2009, the Company obtained syndication loan facility from Standard Chartered Bank, Singapore to redeem the Guaranteed Notes I amounting to USD150,000,000 and Guaranteed Notes II amounting to USD125,000,000. The loan agreement will expire on December 10, 2012, including one year grace period. This loan is subject to the LIBOR interest rate plus 3.10% per annum. This loan is payable in quarterly installment starting from December 9, 2010.

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18. PINJAMAN JANGKA PANJANG (lanjutan)

Standard Chartered Bank (SCB), Singapura - USD nihil (lanjutan)

Di dalam perjanjian pinjaman, Perusahaan diharuskan memelihara batasan keuangan tertentu setiap tahun seperti rasio utang terhadap ekuitas (*the ratio of maximum gross debt to equity*) sebesar maksimum 70:30 dan rasio utang terhadap *EBITDA* (*the ratio of maximum gross debt to EBITDA*) sebesar maksimum 75:25.

Perjanjian pinjaman ini mencakup pembatasan-pembatasan antara lain tidak diperkenankan menjaminkan aset Perusahaan kepada kreditur lain, mengubah status hukum, menjual atau mentransfer aset dan piutang Perusahaan, memberikan atau menerima pinjaman, melakukan investasi dengan jumlah lebih dari 10% dari ekuitas neto konsolidasian, mengeluarkan obligasi atau *Letter of Credit* kepada pihak lain, mengadakan merger dan mengadakan sewa tanpa mendapatkan persetujuan tertulis dari SCB.

Pada tanggal 7 Maret 2011, Perusahaan telah melakukan pelunasan pinjaman jangka panjang dari SCB sebesar USD244.444.444.

Pada tanggal 31 Desember 2011, Kelompok Usaha telah memenuhi semua rasio keuangan yang dipersyaratkan dalam perjanjian pinjaman.

18. LONG-TERM LOANS (continued)

Standard Chartered Bank (SCB), Singapore - USD nil (continued)

Under the loan agreement, the Company undertakes, among other things, that it shall maintain certain financial covenants each year such as the ratio of maximum gross debt to equity of maximum 70:30 and the ratio of maximum gross debt to EBITDA of maximum 75:25.

This loan agreement includes negative covenants, relating to among others, creating any liens on any properties to other creditors, changing the legal status, selling or transferring the Company's properties and receivables, making or accepting any loans, conducting the investment more than 10% from consolidated tangible net worth, issuing bond or Letter of Credit to other parties, conducting merger and conducting a lease without obtaining the SCB's written approval.

On March 7, 2011, the Company has fully paid the long-term loan from SCB, amounting to USD244,444,444.

As of December 31, 2011, the Group has complied with all financial ratios required to be maintained under the loan agreements.

19. PERPAJAKAN / *TAXATION*

a. Taksiran Tagihan Pajak / *a. Estimated Claims for Tax Refund*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pajak Penghasilan:				*Income Taxes:*
Pasal 21	632.365.615	-	187.206.017	*Article 21*
Pasal 29				*Article 29*
- Tahun 2007	-	-	174.672.770.700	*Year 2007 -*
- Tahun 2008	-	-	446.779.152.261	*Year 2008 -*
- Tahun 2010	1.078.609.607	1.461.312.985	-	*Year 2010 -*
- Tahun 2011	87.174.075.587	-	-	*Year 2011 -*
Total	**88.885.050.809**	**1.461.312.985**	**621.639.128.978**	***Total***

b. Pajak Dibayar Di Muka / *b. Prepaid Taxes*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pajak Pertambahan Nilai	1.418.981.452	15.725.631.695	78.180.390.863	*Value-Added Taxes*
Pajak Penghasilan Pasal 23	-	726.186.697	296.040.000	*Income Tax Article 23*
Total	**1.418.981.452**	**16.451.818.392**	**78.476.430.863**	***Total***

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19. PERPAJAKAN (lanjutan) / *19. TAXATION (continued)*

c. Utang Pajak / *c. Taxes Payable*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Pajak Penghasilan:				*Income Taxes:*
Pasal 21	18.197.147.548	11.243.138.059	11.898.399.224	*Article 21*
Pasal 23	25.720.173.483	23.440.775.356	37.793.004.573	*Article 23*
Pasal 25	139.859.092.672	54.015.026.635	95.641.791.811	*Article 25*
Pasal 29	5.606.691.894	329.971.775.738	563.053.734.857	*Article 29*
Pajak Pertambahan Nilai	4.547.511.686	648.698.885	107.939.672	*Value-Added Taxes*
Total	**193.930.617.283**	**419.319.414.673**	**708.494.870.137**	***Total***

d. Beban Pajak / *d. Tax Expense*

Beban (manfaat) pajak Perusahaan dan Entitas Anak terdiri dari:

Tax expense (benefit) of the Company and Subsidiaries are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Kini			*Current*
Perusahaan	1.429.115.601.200	1.454.258.354.400	*The Company*
Entitas Anak	178.873.454.789	179.609.135.540	*Subsidiaries*
Sub-total	1.607.989.055.989	1.633.867.489.940	*Sub-total*
Tangguhan			*Deferred*
Perusahaan	(44.726.188.597)	(28.772.431.558)	*The Company*
Entitas Anak	(27.283.586.113)	(5.321.255.444)	*Subsidiaries*
Sub-total	(72.009.774.710)	(34.093.687.002)	*Sub-total*
Beban pajak - neto	**1.535.979.281.279**	**1.599.773.802.938**	***Tax expense - net***

e. Pajak Kini / *e. Current Tax*

Rekonsiliasi antara laba sebelum manfaat (beban) pajak, seperti yang tercantum dalam laporan laba rugi komprehensif konsolidasian dan taksiran laba kena pajak adalah sebagai berikut:

The reconciliation between profit before tax benefit (expense), as shown in the consolidated statements of comprehensive income and estimated taxable income is as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Laba sebelum manfaat (beban) pajak menurut laporan laba rugi komprehensif konsolidasian	7.654.188.942.302	8.063.173.537.246	*Profit before tax benefit (expense) per consolidated statements of comprehensive income*
Laba sebelum manfaat (beban) pajak Entitas Anak	(333.852.233.928)	(398.326.343.925)	*Profit before tax benefit (expense) of the Subsidiaries*
Laba sebelum pajak Perusahaan	7.320.336.708.374	7.664.847.193.321	*Profit before tax expense of the Company*
Beda temporer			***Temporary differences***
Kesejahteraan karyawan - neto	132.304.073.804	106.531.920.177	*Employees' benefits - net*
Gaji dan bonus	46.600.682.192	8.557.804.398	*Salaries and bonus*
Penyisihan persediaan usang - setelah dikurangi pemulihan	341.607.812	49.952.578	*Provision for inventory obsolescence - net of reversal*
Bagian atas laba neto Entitas Anak dan Entitas Asosiasi	(284.889.640.519)	(338.955.097.181)	*Share in net income of Subsidiaries and Associates*
Penyisihan (pemulihan) kerugian penurunan nilai piutang	(9.693.349.315)	15.523.947.141	*Provision (recovery of allowance) for receivables impairment losses*
Beda temporer - neto	(115.336.626.026)	(208.291.472.887)	*Temporary differences - net*

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19. PERPAJAKAN (lanjutan) / *19. TAXATION (continued)*

e. Pajak Kini (lanjutan) / *e. Current Tax(continued)*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Beda tetap			***Permanent differences***
Gaji dan kesejahteraan karyawan	175.984.543.918	117.737.665.802	*Salaries and other employees' benefits*
Representasi dan jamuan	41.240.797.990	32.570.005.275	*Representation and entertainment*
Beban lain-lain yang tidak dapat dikurangkan	24.346.674.089	10.261.760.385	*Other non-deductible expenses*
Selisih kurs	356.866.519	(102.217.228.193)	*Foreign exchange difference*
Pajak dan perizinan - neto	72.032.931	4.800.855.640	*Taxes and licenses - net*
Penghasilan bunga yang telah dikenakan pajak penghasilan final	(299.772.609.511)	(244.166.633.356)	*Interest income already subject to final income tax*
Penghasilan sewa yang telah dikenakan pajak final	(1.650.381.942)	(4.250.373.302)	*Rental income already subject to final income tax*
Beda tetap - neto	(59.422.076.006)	(185.263.947.749)	*Permanent differences - net*
Taksiran laba kena pajak	**7.145.578.006.342**	**7.271.291.772.685**	***Estimated taxable income***
Taksiran laba kena pajak - Perusahaan (dibulatkan)	7.145.578.006.000	7.271.291.772.000	*Estimated taxable income - the Company (rounded-off)*
Beban pajak kini - Perusahaan	1.429.115.601.200	1.454.258.354.400	*Current tax expense - the Company*
Pembayaran pajak penghasilan di muka			*Prepayments of income taxes*
Pajak Penghasilan Pasal 23	8.444.966.983	30.475.595.200	*Income Tax Article 23*
Pajak Penghasilan Pasal 25	1.507.844.709.804	1.200.027.833.655	*Income Tax Article 25*
Total	1.516.289.676.787	1.230.503.428.855	*Total*
Taksiran Utang Pajak Penghasilan Badan			*Estimated Corporate Income Tax Payables*
Perusahaan	-	223.754.925.545	*The Company*
Entitas Anak	5.606.691.894	106.216.850.193	*Subsidiaries*
Total	**5.606.691.894**	**329.971.775.738**	***Total***

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Taksiran Tagihan Pajak Penghasilan Pasal 29				***Estimated Claims for IncomeTax Refund Article 29***
Tahun berjalan				*Current year*
Perusahaan	(87.174.075.587)	-	-	*The Company*
Entitas Anak	-	(1.461.312.985)	-	*Subsidiary*
Tahun sebelumnya				*Prior year*
Perusahaan	-	-	(621.451.922.961)	*The Company*
Entitas Anak	(1.078.609.607)	-	-	*Subsidiary*
Total	**(88.252.685.194)**	**(1.461.312.985)**	**(621.451.922.961)**	***Total***

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19. PERPAJAKAN (lanjutan)

e. Pajak Kini (lanjutan)

Berdasarkan Peraturan Pemerintah No. 81 tahun 2007 ("PP 81/2007"), tanggal 28 Desember 2007, tentang Penurunan Tarif Pajak Penghasilan bagi Wajib Pajak Badan Dalam Negeri yang Berbentuk Perseroan Terbuka yang berlaku efektif tanggal 1 Januari 2008 dan Peraturan Menteri Keuangan No. 238/PMK.03/2008 tanggal 30 Desember 2008 tentang Tata Cara Pelaksanaan dan Pengawasan Pemberian Penurunan Tarif Bagi Wajib Pajak Badan Dalam Negeri yang berbentuk Perseroan Terbuka, perseroan terbuka dalam negeri di Indonesia dapat memperoleh penurunan tarif Pajak Penghasilan sebesar 5% lebih rendah dari tarif tertinggi Pajak Penghasilan sebagaimana diatur dalam Pasal 17 ayat 1b Undang-undang Pajak Penghasilan, dengan memenuhi kriteria-kriteria yang ditentukan, yaitu perseroan yang saham atau efek bersifat ekuitas lainnya tercatat di Bursa Efek Indonesia yang jumlah kepemilikan saham publiknya 40% atau lebih dari keseluruhan saham yang disetor dan saham tersebut dimiliki paling sedikit oleh 300 pihak, masing-masing pihak hanya boleh memiliki saham kurang dari 5% dari keseluruhan saham yang disetor.

Ketentuan sebagaimana dimaksud harus dipenuhi oleh perseroan terbuka dalam waktu paling singkat 6 bulan dalam jangka waktu 1 tahun pajak. Wajib Pajak harus melampirkan Surat Keterangan dari Biro Administrasi Efek pada Surat Pemberitahuan Tahunan PPh Wajib Pajak Badan dengan melampirkan formulir X.H.1-6 sebagaimana diatur dalam Peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK) No. X.H.1 untuk setiap tahun pajak terkait.

Pada tanggal 5 Januari 2012, 10 Januari 2011 dan 11 Januari 2010, Perusahaan telah mendapatkan surat keterangan dari Biro Administrasi Efek atas pemenuhan kriteria-kriteria di atas untuk tahun 2011, 2010 dan 2009. Dampak dari penurunan tarif pajak tersebut masing-masing sebesar Rp348.333.661.917, Rp360.482.270.256 dan Rp356.644.916.969 untuk tahun 2011, 2010 dan 2009.

19. TAXATION (continued)

e. Current Tax (continued)

Based on Government Regulation No. 81/2007 ("Gov. Reg. 81/2007"), dated December 28, 2007, on regarding Reduction of the Rate of Income Tax on Resident Corporate Taxpayers in the Form of Publicly-listed Companies which became effective on January 1, 2008 and Ministry of Finance Rule No. 238/PMK.03/2008 dated December 30, 2008 regarding the Guidelines on the Implementation and Supervision on the Tariff Reduction for Domestic Tax Payers in the Form of Publicly-listed Companies, that resident publicly-listed companies in Indonesia can obtain the reduced income tax rate of 5% lower than the highest income tax rate under Article 17 paragraph 1b of the Income Tax Law, provided if they meet the prescribed criterias, which are companies whose shares or other equity instruments are listed in the Indonesia Stock Exchange, whose shares owned by the public is 40% or more of the total paid shares and such shares are owned by at least 300 parties, each party owning less than 5% of the total paid up shares.

These requirements should be fulfilled by the public companies for a period of 6 months in 1 tax year. The Tax Payer should attach the Notification Letter from the Securities Administration Agency (Biro Administrasi Efek) on the Annual Income Tax Return of the Tax Payer with the form X.H.1-6 as provided in Bapepam-LK Regulation No. X.H.1 for each concerned fiscal year.

As of January 5, 2012, January 10, 2011 and January 11, 2010, the Company has obtained the notification letter from Securities Administration Agency (Biro Administrasi Efek) regarding the fulfillment of such criterias for 2011, 2010 and 2009. The impact of the changes in such tax rate reduction amounted to Rp348,333,661,917, Rp360,482,270,256 and Rp356,644,916,969 for 2011, 2010 and 2009, respectively.

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19. PERPAJAKAN (lanjutan)

e. Pajak Kini (lanjutan)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009 akumulasi "Selisih Transaksi Restrukturisasi Entitas Sepengendali", yang merupakan bagian dari ekuitas pada laporan posisi keuangan konsolidasian sebesar Rp314.889.945.926, terdiri dari pajak atas laba penjualan aset tetap tahun 2004 sebesar Rp325.519.727.021 dan pajak atas rugi penjualan aset tetap tahun 2006 sebesar Rp10.629.781.095.

f. Pajak Tangguhan

Pengaruh pajak atas beda temporer yang signifikan antara pelaporan komersial dan pajak adalah sebagai berikut:

19. TAXATION (continued)

e. Current Tax(continued)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the accumulated "Difference Arising from Restructuring Transactions among Entities under Common Control" which is a component of the equity section in the consolidated statements of financial position amounted to Rp314,889,945,926 and consists of tax on the gain on sale of fixed assets in 2004 amounting to Rp325,519,727,021 and tax on the loss on sale of fixed assets in 2006 amounting to Rp10,629,781,095.

f. Deferred Tax

The tax effects of significant temporary differences between commercial and tax reporting are as follows:

	Saldo Awal per 31 Des. 2010/ *Beginning Balance Dec. 31, 2010*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des. 2011/ *Ending Balance Dec. 31, 2011*	
Perusahaan					***The Company***
Aset pajak tangguhan					*Deferred tax assets*
Kesejahteraan karyawan	85.753.854.875	33.076.018.062	-	118.829.872.937	*Employees' benefits*
Gaji dan bonus	54.763.911.580	11.650.170.535	-	66.414.082.115	*Salaries and bonus*
Cadangan kerugian penurunan nilai	27.580.108.021	(2.423.337.330)	-	25.156.770.691	*Allowance for impairment losses*
Penyisihan persediaan usang	761.402.905	85.401.954	-	846.804.859	*Allowance for inventory obsolescence*
Penyisihan aset pajak tangguhan	(28.341.510.926)	2.337.935.376	-	(26.003.575.550)	*Allowance for deferred tax assets*
Aset pajak tangguhan - neto	140.517.766.455	44.726.188.597	-	185.243.955.052	*Deferred tax assets - net*
Entitas Anak					***The Subsidiaries***
PGASKOM					*PGASKOM*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	353.115.168	1.939.912.303	-	2.293.027.471	*Fiscal loss*
Aset pajak tangguhan - neto	353.115.168	1.939.912.303	-	2.293.027.471	*Deferred tax asset - net*
PGASSOL					*PGASSOL*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	152.851.668	680.688.189	-	833.539.857	*Fiscal loss*
Aset pajak tangguhan - neto	152.851.668	680.688.189	-	833.539.857	*Deferred tax asset - net*
GAGAS					*GAGAS*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	-	141.527.719	-	141.527.719	*Fiscal loss*
Aset pajak tangguhan - neto	-	141.527.719	-	141.527.719	*Deferred tax asset - net*

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19. PERPAJAKAN (lanjutan) / *19. TAXATION (continued)*

f. Pajak Tangguhan (lanjutan) / *f. Deferred Tax (continued)*

	Saldo Awal per 31 Des. 2010/ *Beginning Balance Dec. 31, 2010*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des. 2011/ *Ending Balance Dec. 31, 2011*	
Entitas Anak (lanjutan)					***The Subsidiaries (continued)***
Transgasindo					*Transgasindo*
Aset pajak tangguhan					*Deferred tax assets*
Bonus	5.572.468.953	(620.568.512)	27.066.319	4.978.966.760	*Bonus*
Biaya pensiun	4.707.624.663	4.249.730.522	181.719.799	9.139.074.984	*Pension*
Cadangan kerugian penurunan nilai	-	8.788.005.568	292.399.456	9.080.405.024	*Allowance for impairment losses*
Liabilitas pajak tangguhan					*Deferred tax liability*
Aset tetap	(58.651.903.366)	12.104.290.324	(99.558.235)	(46.647.171.277)	*Fixed assets*
Liabilitas pajak tangguhan - neto	(48.371.809.750)	24.521.457.902	401.627.339	(23.448.724.509)	*Deferred tax liability - net*
Aset pajak tangguhan konsolidasian - neto	**141.023.733.291**			**188.512.050.099**	***Consolidated deferred tax assets - net***
Liabilitas pajak tangguhan konsolidasian - neto	**(48.371.809.750)**			**(23.448.724.509)**	***Consolidated deferred tax liability - net***

	Saldo Awal per 31 Des. 2009/ *Beginning Balance Dec. 31, 2009*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des 2010/ *Ending Balance Dec 31, 2010*	
Perusahaan					***The Company***
Aset pajak tangguhan					*Deferred tax assets*
Cadangan kerugian penurunan nilai	10.696.893.530				*Allowance for impairment losses*
Penyesuaian sehubungan dengan penerapan PSAK No. 55 (Revisi 2006)	12.977.724.687				*Adjustment arising from adoption PSAK No. 55 (Revised 2006)*
Sub-total	23.674.618.217	3.905.489.804	-	27.580.108.021	*Sub-total*
Penyisihan persediaan usang	748.914.761	12.488.144	-	761.402.905	*Allowance for inventory obsolescence*
Penyisihan aset pajak tangguhan	(11.445.808.291)				*Allowance for deferred tax assets*
Penyesuaian penyisihan aset pajak tangguhan sehubungan dengan penerapan PSAK No. 55 (Revisi 2006)	(12.977.724.687)				*Adjustment of allowance for deferred tax assets arising from adoption PSAK No. 55 (Revised 2006)*
Sub-total	(24.423.532.978)	(3.917.977.948)	-	(28.341.510.926)	*Sub-total*
Kesejahteraan karyawan	59.120.874.442	26.632.980.433	-	85.753.854.875	*Employees' benefits*
Gaji dan bonus	52.624.460.455	2.139.451.125	-	54.763.911.580	*Salaries and bonus*
Aset pajak tangguhan - neto	111.745.334.897	28.772.431.558	-	140.517.766.455	*Deferred tax assets - net*

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19. PERPAJAKAN (lanjutan) / *19. TAXATION (continued)*

f. Pajak Tangguhan (lanjutan) / *f. Deferred Tax (continued)*

	Saldo Awal per 31 Des. 2009/ *Beginning Balance Dec. 31, 2009*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des 2010/ *Ending Balance Dec 31, 2010*	
Entitas Anak					***The Subsidiaries***
PGASKOM					*PGASKOM*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	395.488.989	(42.373.821)	-	353.115.168	*Fiscal loss*
Aset pajak tangguhan - neto	395.488.989	(42.373.821)	-	353.115.168	*Deferred tax asset - net*
PGASSOL					*PGASSOL*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	124.768.481	28.083.187	-	152.851.668	*Fiscal loss*
Aset pajak tangguhan - neto	124.768.481	28.083.187	-	152.851.668	*Deferred tax asset - net*
Transgasindo					*Transgasindo*
Aset pajak tangguhan					*Deferred tax assets*
Biaya pensiun	3.160.501.519	1.702.624.775	(155.501.631)	4.707.624.663	*Pension*
Bonus	3.105.453.712	2.629.917.225	(162.901.984)	5.572.468.953	*Bonus*
Provisi untuk gaji	169.760.468	(164.107.806)	(5.652.662)	-	*Provision for salaries*
Liabilitas pajak tangguhan					*Deferred tax liability*
Aset tetap	(62.527.285.735)	1.167.111.884	2.708.270.485	(58.651.903.366)	*Fixed assets*
Liabilitas pajak tangguhan - neto	(56.091.570.036)	5.335.546.078	2.384.214.208	(48.371.809.750)	*Deferred tax liability - net*
Aset pajak tangguhan konsolidasian – neto	**112.265.592.367**			**141.023.733.291**	***Consolidated deferred tax assets - net***
Liabilitas pajak tangguhan konsolidasian – neto	**(56.091.570.036)**			**(48.371.809.750)**	***Consolidated deferred tax liability - net***

	Saldo Awal per 31 Des. 2008/ *Beginning Balance Dec. 31, 2008*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des 2009/ *Ending Balance Dec. 31, 2009*	
Perusahaan					***The Company***
Aset pajak tangguhan					*Deferred tax assets*
Kesejahteraan karyawan	42.314.442.846	16.806.431.596	-	59.120.874.442	*Employees' benefits*
Gaji dan bonus	47.286.649.564	5.337.810.891	-	52.624.460.455	*Salaries and bonus*
Cadangan kerugian penurunan nilai	11.092.156.194	(395.262.664)	-	10.696.893.530	*Allowance for impairment losses*
Penyisihan persediaan usang	3.300.315.858	(2.551.401.097)	-	748.914.761	*Allowance for inventory obsolescence*
Penyisihan aset pajak tangguhan	(14.392.472.052)	2.946.663.761	-	(11.445.808.291)	*Allowance for deferred tax assets*
Aset pajak tangguhan - neto	89.601.092.410	22.144.242.487	-	111.745.334.897	*Deferred tax assets - net*
Entitas Anak					***The Subsidiaries***
PGASKOM					*PGASKOM*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	-	395.488.989	-	395.488.989	*Fiscal loss*
Aset pajak tangguhan - neto	-	395.488.989	-	395.488.989	*Deferred tax asset - net*

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19. PERPAJAKAN (lanjutan) / *19. TAXATION (continued)*

f. Pajak Tangguhan (lanjutan) / *f. Deferred Tax (continued)*

	Saldo Awal per 31 Des. 2008/ *Beginning Balance Dec. 31, 2008*	Dibebankan ke Laporan Laba Rugi Komprehensif/ *Charged to Statements of Comprehensive Income*	Selisih Kurs karena Penjabaran (Catatan 2c)/ *Difference in Foreign Currency Translation (Note 2c)*	Saldo Akhir per 31 Des 2009/ *Ending Balance Dec. 31, 2009*	
Entitas Anak (lanjutan)					***The Subsidiaries (continued)***
PGASSOL					*PGASSOL*
Aset pajak tangguhan					*Deferred tax asset*
Rugi fiskal	-	124.768.481	-	124.768.481	*Fiscal loss*
Aset pajak tangguhan - neto	-	124.768.481	-	124.768.481	*Deferred tax asset - net*
Transgasindo					*Transgasindo*
Aset pajak tangguhan					*Deferred tax assets*
Biaya pensiun	2.657.324.759	973.625.854	(470.449.094)	3.160.501.519	*Pension*
Bonus	3.467.697.570	142.416.995	(504.660.853)	3.105.453.712	*Bonus*
Provisi untuk gaji	-	187.964.570	(18.204.102)	169.760.468	*Provision for salaries*
Kewajiban pajak tangguhan					*Deferred tax liability*
Aset tetap	(34.645.179.753)	(36.302.019.207)	8.419.913.225	(62.527.285.735)	*Fixed assets*
Kewajiban pajak tangguhan - neto	(28.520.157.424)	(34.998.011.788)	7.426.599.176	(56.091.570.036)	*Deferred tax liability - net*
Aset pajak tangguhan konsolidasian - neto	**89.601.092.410**			**112.265.592.367**	***Consolidated deferred tax assets - net***
Kewajiban pajak tangguhan konsolidasian - neto	**(28.520.157.424)**			**(56.091.570.036)**	***Consolidated deferred tax liability - net***

Rincian manfaat (beban) pajak tangguhan adalah sebagai berikut:

The details of deferred tax benefit (expense) are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Perusahaan			*The Company*
Pengaruh pajak atas beda temporer pada tarif pajak maksimum:			*The effects of temporary differences at maximum tax rate:*
Kesejahteraan karyawan	33.076.018.062	26.632.980.433	*Employees' benefits*
Gaji dan bonus	11.650.170.535	2.139.451.125	*Salaries and bonus*
Penyisihan aset pajak tangguhan	2.337.935.376	(16.871.199.616)	*Valuation allowance*
Penyisihan persediaan usang	85.401.954	12.488.144	*Provision for inventory obsolescence*
Cadangan kerugian penurunan nilai	(2.423.337.330)	16.858.711.472	*Provision for impairment losses*
Entitas Anak			*Subsidiaries*
Penyusutan	12.104.290.324	1.167.111.884	*Depreciation*
Cadangan kerugian penurunan nilai	8.788.005.568	-	*Provision for impairment losses*
Pensiun	4.249.730.522	1.702.624.775	*Pension*
Rugi fiskal	2.762.128.211	(14.290.634)	*Fiscal loss*
Bonus	(620.568.512)	2.629.917.225	*Bonus*
Gaji	-	(164.107.806)	*Salaries*
Manfaat pajak tangguhan, neto	**72.009.774.710**	**34.093.687.002**	***Deferred tax benefit, net***

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19. PERPAJAKAN (lanjutan)

f. Pajak Tangguhan (lanjutan)

Aset dan liabilitas pajak tangguhan, selain akumulasi rugi fiskal, berasal dari perbedaan metode atau dasar yang digunakan untuk tujuan pencatatan menurut pelaporan akuntansi dan pajak, terutama terdiri dari penyusutan aset tetap, cadangan kerugian penurunan nilai, penyisihan persediaan usang, provisi untuk gaji dan bonus karyawan, pensiun dan provisi untuk kesejahteraan karyawan.

Perbedaan dasar pencatatan aset tetap adalah karena perbedaan taksiran masa manfaat aset untuk tujuan pelaporan akuntansi dan pajak.

Perbedaan dasar cadangan kerugian penurunan nilai, penyisihan persediaan usang, provisi untuk gaji dan bonus karyawan pensiun, dan penyisihan manfaat karyawan karena perbedaan waktu pengakuan beban untuk tujuan pelaporan akuntansi dan pajak. Berdasarkan penelaahan kecukupan penyisihan aset pajak tangguhan pada akhir tahun, manajemen berpendapat bahwa penyisihan aset pajak tangguhan, adalah cukup untuk menutup manfaat yang mungkin tidak dapat direalisasi.

Rekonsiliasi antara taksiran pajak penghasilan yang dihitung dengan menggunakan tarif pajak yang berlaku pada periode 2011 dan 2010 dari laba akuntansi sebelum manfaat (beban) pajak penghasilan seperti yang tercantum dalam laporan laba rugi komprehensif konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2011 dan 2010 adalah sebagai berikut:

19. TAXATION (continued)

f. Deferred Tax (continued)

Deferred tax assets and liabilities, other than accumulated tax losses, arose from the difference in the methods or basis used for accounting and tax reporting purposes, mainly comprising depreciation on fixed assets, allowance for impairment losses, allowance for inventory obsolescence, provision for employees' salaries and bonus, pension and provision for employees' benefits.

The difference in the basis of recording of fixed assets is due to the differences in the estimated useful lives of the assets for accounting and tax reporting purposes.

The differences in the basis of allowance for impairment losses, allowance for inventory obsolescence, provision for employees' salaries and bonus, pension and allowance for employees' benefits are due to the difference in timing of recognition of expenses for accounting and tax reporting purposes. Based on the review of the adequacy of the valuation allowance at the end of the year, the management believes opinion that the valuation allowance for deferred tax assets is adequate to cover the possible that such tax benefits will not be realized.

The reconciliation between tax expense computed using the prevailing tax rate in 2011 and 2010 on the accounting income before tax benefit (expense) reported in the consolidated statements of comprehensive income for the years ended as of December 31, 2011 and 2010 is as follows:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	
Laba sebelum manfaat (beban) pajak Perusahaan	7.320.336.708.374	7.664.847.193.321	*Profit before tax benefit (expense) of the Company*
Beban pajak dengan tarif pajak 20% setelah pengurangan	1.464.067.341.675	1.532.969.438.664	*Tax expense computed using the reduced rate of 20%*
Penyesuaian ke tarif pajak yang berlaku	(8.945.238.067)	(5.754.486.228)	*Adjustment to prevailing tax rate*
Pengaruh pajak atas beda tetap Perusahaan	(11.884.414.601)	(37.052.790.103)	*Tax effect of the Company's permanent differences*
Bagian atas laba neto Entitas Anak	(56.977.928.104)	(67.791.019.436)	*Share in net income of Subsidiaries*
Penyisihan aset pajak tangguhan	(1.870.348.300)	3.114.779.944	*Allowance for deferred tax assets*
Beban pajak - Perusahaan	1.384.389.412.603	1.425.485.922.841	*Tax expense - The Company*
Beban pajak - Entitas Anak	151.589.868.676	174.287.880.097	*Tax expense - The Subsidiaries*
Taksiran beban pajak - neto menurut laporan laba rugi komprehensif konsolidasian	**1.535.979.281.279**	**1.599.773.802.938**	***Estimated tax expense - net per consolidated statements of comprehensive income***

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19. PERPAJAKAN (lanjutan)

f. Pajak Tangguhan (lanjutan)

Pada September 2008, Undang-undang No. 7 Tahun 1983 mengenai "Pajak Penghasilan" diubah untuk keempat kalinya dengan Undang-undang No. 36 Tahun 2008. Perubahan tersebut juga mencakup perubahan tarif pajak penghasilan badan dari sebelumnya menggunakan tarif pajak bertingkat menjadi tarif tunggal yaitu 28% untuk tahun fiskal 2009 dan 25% untuk tahun fiskal 2010 dan seterusnya.

g. Administrasi

Berdasarkan peraturan perpajakan Indonesia, Perusahaan dan Entitas Anak menghitung, menetapkan dan membayar sendiri jumlah pajak yang terutang. Direktorat Jenderal Pajak dapat menetapkan dan mengubah kewajiban pajak dalam batas waktu 10 tahun sejak tanggal terutangnya pajak. Menurut perubahan ketiga atas ketentuan umum dan tata cara perpajakan, batas waktu tersebut berkurang menjadi 5 tahun sejak tanggal terutangnya pajak dan untuk tahun pajak 2008 dan sebelumnya, batas waktu tersebut berakhir paling lama pada akhir tahun pajak 2013.

Perusahaan telah menyampaikan Surat Pemberitahuan Pajak Tahunan (SPT) tahun 2010 sesuai dengan perhitungan di atas, sedangkan untuk tahun 2011, Perusahaan akan menyampaikan SPTnya sesuai dengan angka di atas.

h. Surat Ketetapan Pajak

<u>Perusahaan</u>

Pada tanggal 11 Maret 2010, Perusahaan menerima Surat Ketetapan Pajak Lebih Bayar (SKPLB) Pajak Pertambahan Nilai No. 00070/407/08/051/10, No. 00072/407/08/051/10 dan No. 00071/407/08/051/10 untuk periode Januari, Maret dan April 2008 sebesar Rp667.180.894. Perusahaan telah menerima kelebihan tersebut pada tanggal 5 April 2010.

19. TAXATION (continued)

f. Deferred Tax (continued)

In September 2008, Law No. 7 Year 1983 regarding "Income Tax" has been revised for the fourth time with Law No. 36 Year 2008. The revised Law stipulates changes in corporate tax rate from progressive tax rates to a single rate of 28% for fiscal year 2009 and 25% for fiscal year 2010 onwards.

g. Administration

Under the taxation laws of Indonesia, the Company and Subsidiaries submits tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within 10 years after the date when the tax became payable. Based on the third amendment of the General taxation provisions and procedures, the time limit for assesment is 5 years since the tax becomes liable and for prior years to 2008, the time limit will end at the latest on fiscal year 2013.

The Company has filed its 2010 Annual Tax Return (SPT) in accordance with the above computation, while for 2011, the Company will file the SPT in accordance with above figures.

h. Tax Assessment Letters

<u>The Company</u>

On March 11, 2010, the Company has received Tax Assessment Letters for Overpayment (SKPLB) of Value-Added Tax No.00070/407/08/051/10, No.00072/407/08/051/10 and No. 00071/407/08/051/10 for the periods January, March and April 2008 amounting to Rp667,180,894. The Company has received such amount on April 5, 2010.

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19. PERPAJAKAN (lanjutan)

h. Surat Ketetapan Pajak (lanjutan)

Perusahaan (lanjutan)

Pada tanggal 27 April 2010, Perusahaan menerima SKPLB No. 0032/406/08/051/10 untuk Pajak Penghasilan Badan tahun 2008 sebesar Rp445.027.047.840, Surat Ketetapan Pajak Kurang Bayar (SKPKB) No. 00022/201/08/051/10 untuk Pajak Penghasilan Pasal 21 tahun 2008 sebesar Rp26.546.754, SKPKB No. 00007/277/08/051/10 dan No. 00141/207/ 08/051/10 untuk Pajak Pertambahan Nilai periode Februari dan Mei sampai dengan Desember 2008 dengan total sebesar Rp463.046.360 dan pada tanggal yang sama, Perusahaan juga menerima Surat Tagihan Pajak (STP) atas denda Pajak Pertambahan Nilai No. 00054/107/08/051/10 sebesar Rp66.160.885.

Pada tanggal 25 Mei 2010, Perusahaan telah menerima kelebihan tersebut sebesar Rp444.471.293.841 setelah dikurangi dengan pajak kurang bayar dan denda pajak yang telah disebutkan diatas. Selisih antara jumlah yang ditagih oleh Perusahaan dengan jumlah yang dikembalikan oleh Kantor Pajak dibebankan pada tahun berjalan dan disajikan sebagai bagian dari akun “Beban Lain-lain” pada laporan laba rugi komprehensif konsolidasian.

Pada tanggal 24 Juni 2010, Perusahaan menerima SKPLB No. 00118/406/07/051/10 untuk Pajak Penghasilan Badan tahun 2007 sebesar Rp173.722.424.400, Surat Ketetapan Pajak Kurang Bayar (SKPKB) No. 00075/203/07/051/10 untuk Pajak Penghasilan Pasal 23 tahun 2007 sebesar Rp48.437.927, SKPKB No. 00005/204/07/051/10 untuk Pajak Penghasilan Pasal 26 tahun 2007 sebesar Rp14.374.906, SKPKB No. 00154/207/07/051/10 dan No. 00013/277/07/051/10 untuk Pajak Pertambahan Nilai Barang dan Jasa tahun 2007 dengan total sebesar Rp335.686.485 dan pada tanggal yang sama, Perusahaan juga menerima Surat Tagihan Pajak (STP) atas denda Pajak Pertambahan Nilai No. 00016/107/07/051/10 sebesar Rp43.855.754.

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19. TAXATION (continued)

h. Tax Assessment Letters (continued)

The Company (continued)

On April 27, 2010, the Company has received SKPLB No. 0032/406/08/051/10 of Corporate Income Tax for the year 2008 amounting to Rp445,027,047,840, Tax Assessment Letter for Underpayment (SKPKB) No. 00022/ 201/08/051/10 of Income Tax Article 21 for the year 2008 amounting to Rp26,546,754, SKPKB No. 00007/277/08/051/10 and No. 00141/207/08/051/10 of Value-Added Tax for the periods February and May until December 2008 totalling Rp463,046,360 and at the same date, the Company also received Tax Claim Letter (STP) for the Value-Added Tax penalty No. 00054/107/08/051/10 amounting to Rp66,160,885.

On May 25, 2010, the Company has received the refund of tax overpayment amounting to Rp444,471,293,841, net of the above-mentioned tax underpayments and tax penalty. The difference between the amount claimed by the Company and the amount refunded by the Tax Office is charged to current year and presented as part of “Other Expenses” account in the consolidated statements of comprehensive income.

On June 24, 2010, the Company has received SKPLB No. 00118/406/07/051/10 of Corporate Income Tax for the year 2007 amounting to Rp173,722,424,400, Tax Assessment Letter for Underpayment (SKPKB) No. 00075/203/07/051/10 of Income Tax Article 23 for the year 2007 amounting to Rp48,437,927, SKPKB No. 00005/204/07/ 051/10 of Income Tax Article 26 for the year 2007 amounting to Rp14,374,906, SKPKB No. 00154/207/07/051/10 and No. 00013/277/07/051/10 of Value-Added Tax for the year 2007 totalling Rp335,686,485 and at the same date, the Company also received Tax Claim Letter (STP) for the Value-Added Tax penalty No. 00016/107/07/051/10 amounting to Rp43,855,754.

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19. PERPAJAKAN (lanjutan)

h. Surat Ketetapan Pajak (lanjutan)

Perusahaan (lanjutan)

Pada tanggal 21 Juli 2010, Perusahaan telah menerima kelebihan tersebut sebesar Rp173.280.069.328 setelah dikurangi dengan pajak kurang bayar dan denda pajak yang telah disebutkan diatas. Selisih antara jumlah yang ditagih oleh Perusahaan dengan jumlah yang dikembalikan oleh Kantor Pajak dibebankan pada tahun berjalan.

PT Transportasi Gas Indonesia (Transgasindo), Entitas Anak

Sehubungan dengan proses restitusi Pajak Pertambahan Nilai (PPN):

Selama tahun 2011 dan 2010, Transgasindo menerima beberapa Surat Ketetapan Pajak Lebih Bayar (SKPLB) dengan jumlah keseluruhan sebesar Rp175.773.633.135. Transgasindo telah menyetujui seluruh ketetapan pajak tersebut, kecuali untuk ketetapan pajak masa Mei sampai dengan Oktober 2010, dengan jumlah keberatan pajak sebesar Rp309.665.670.

Sampai dengan tanggal 6 Maret 2012, Transgasindo masih menunggu keputusan dari Kantor Pajak atas keberatan yang diajukan.

Pada tanggal 16 Januari 2012, Transgasindo telah menerima Surat Ketetapan Pajak Lebih Bayar (SKPLB) dengan jumlah Rp10.176.149.834 untuk masa pajak Nopember 2010 sampai dengan Januari 2011. Restitusi PPN tersebut telah diterima Transgasindo pada tanggal 9 Februari 2012.

Selama tahun yang berakhir pada tanggal-tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, Transgasindo telah menerima hasil restitusi PPN masing-masing sejumlah Rp53.291.731.032 (setara dengan USD5.876.900), Rp122.710.095.250 (setara dengan USD13.532.205) dan Rp41.539.487.180 (setara dengan USD3.961.357).

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19. TAXATION (continued)

h. Tax Assessment Letters (continued)

The Company (continued)

On July 21, 2010, the Company has received the refund of tax overpayment amounting to Rp173,280,069,328, net of the above-mentioned tax underpayments and tax penalty. The difference between the amount claimed by the Company and the amount refunded by the Tax Office is charged to current year.

PT Transportasi Gas Indonesia (Transgasindo), the Subsidiary

In relation to Value-added Tax (VAT) refund process:

During the years 2011 and 2010, Transgasindo received assessment letters of over payment (SKPLB) with total tax refund amounting to Rp175,773,633,135. Transgasindo has agreed to all such tax assessments, except for tax assessment letters for the months of May to October 2010, with total tax objection amounting to Rp309,665,670.

Up to March 6, 2012, Transgasindo is still waiting for the decision of the remaining tax objection from Tax Office.

On January 16, 2012, Transgasindo received assessment letters of over payment (SKPLB) with total tax refund amounting to Rp10,176,149,834 for the month of November 2010 to January 2011. Transgasindo has already received VAT refund on February 9, 2012.

During the years ended December 31, 2011, 31, 2010 and January 1, 2010/December 31, 2009, Transgasindo has received VAT refund totaling Rp53,291,731,032 (equivalent to USD5,876,900), Rp122,710,095,250 (equivalent to USD13,532,205) and Rp41,539,487,180 (equivalent to USD3,961,357), respectively.

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20. UTANG KEPADA PEMEGANG SAHAM ENTITAS ANAK

20. DUE TO A SHAREHOLDER OF A SUBSIDIARY

Akun ini terdiri dari:

This account consists of:

	1 Jan.2010/ 31 Des. 2009/ *Jan 1, 2010/ Dec 31, 2009*	
Shareholder loan I (USD49.717.765)	467.346.993.350	*Shareholder loan I (USD49,717,765)*
Shareholder loan II (USD12.810.845)	120.421.939.710	*Shareholder loan II (USD12,810,845)*
Shareholder loan III (USD9.524.368)	89.529.060.140	*Shareholder loan III (USD9,524,368)*
Shareholder loan IV (USD7.720.822)	72.575.728.492	*Shareholder loan IV (USD7,720,822)*
Total	749.873.721.692	*Total*
Dikurangi utang kepada pemegang saham Entitas Anak jatuh tempo dalam waktu satu tahun (USD12.400.000)	(116.560.000.000)	*Less current maturities of due to a shareholder of a Subsidiary (USD12,400,000)*
Bagian jangka panjang - Neto	**633.313.721.692**	***Long-term portion - Net***

Akun ini merupakan pinjaman (termasuk kapitalisasi bunga) yang diperoleh Transgasindo dari Transasia Pipeline Company, Pvt., Ltd., (Transasia), pemegang saham minoritas Entitas Anak, yang dapat ditarik dalam beberapa tahap sebagaimana diatur pada Perjanjian Kemitraan Strategis (Catatan 35.11).

This account consists of loans (which include capitalized interest) obtained by Transgasindo from Transasia Pipeline Company, Pvt., Ltd., (Transasia), a minority shareholder of the Subsidiary, which can be drawn down on the achievement of several installments based on performance milestones as described in the Strategic Partnership Agreement (Note 35.11).

Pinjaman ini digunakan untuk mendanai sebagian biaya Proyek Jaringan Pipa Transmisi Grissik-Singapura. Perjanjian Pinjaman Pemegang Saham antara Transgasindo dengan Transasia tanggal 4 Desember 2002 dan 28 Januari 2003 meliputi Pinjaman Pemegang Saham I dan II.

The proceeds are to be used to finance part of the cost of the Grissik-Singapore Transmission Pipeline Project. The Shareholder Loan Agreement was entered into by Transgasindo with Transasia on December 4, 2002 and January 28, 2003 covering the Shareholders Loans I and II.

Dewan Komisaris Transgasindo dalam rapat tanggal 6 November 2003, telah menyetujui konversi pembayaran *milestone* III, *contingent funding cash call* 1 dan 2 dari Transasia menjadi Pinjaman Pemegang Saham III, IV dan V, berlaku surut sejak dana diterima oleh Transgasindo.

Transgasindo's Board of Commissioners has agreed at their meeting on November 6, 2003 that milestone payment conversion III, contingent funding cash call 1 and 2 from Transasia were converted into Shareholder Loan III, IV and V, retrospectively, to the time the funds were actualy received by Transgasindo.

Pinjaman-pinjaman ini dikenakan bunga sebesar 13% per tahun, terutang tiap bulan. Bunga yang tidak dibayar akan diakui sebagai bagian dari pinjaman. Jumlah yang belum dibayar (pinjaman dan bunga) akan dikenakan tambahan bunga 2% per tahun di atas bunga pinjaman. Seluruh pembayaran disepakati neto dari pungutan pajak dan biaya lainnya. Pinjaman ini tidak mempunyai tanggal jatuh tempo. Berdasarkan estimasi manajemen Transgasindo, sejumlah USD12.400.000 (setara dengan Rp116.560.000.000) akan dibayarkan selama tahun 2010 dan disajikan sebagai akun "Utang kepada Pemegang Saham Entitas Anak yang Jatuh Tempo Dalam Waktu Satu Tahun" pada laporan posisi keuangan konsolidasian tahun 2009.

These loans bear interest at 13% per annum, payable monthly. Any interest not paid when due shall be included as part of principal. Overdue amounts payable (principal and interest) shall bear interest at a rate equal to 2% per annum in excess of the interest rate. All payments to the shareholders shall be made free and clear of, and without deduction or withholding for taxes and other charges. The loans have no definite maturity dates. Based on Transgasindo's management estimation, an amount of USD12,400,000 (equivalent to Rp116,560,000,000) will be paid during 2010 and such, is presented as "Current Maturities of Due To a Shareholder of a Subsidiary" in the 2009 consolidated statement of financial position.

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20. UTANG KEPADA PEMEGANG SAHAM ENTITAS ANAK (lanjutan)

Pada tanggal 8 September 2010, Transgasindo telah melunasi pinjaman pemegang saham ini melalui penerimaan dari pinjaman bank jangka panjang (Catatan 18).

20. DUE TO A SHAREHOLDER OF A SUBSIDIARY (continued)

On September 8, 2010, Transgasindo has fully paid the above shareholder loans using the proceeds from long-term bank loan (Note 18).

21. MODAL SAHAM

Susunan pemilikan saham Perusahaan pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009 berdasarkan catatan yang dibuat oleh PT Datindo Entrycom, Biro Administrasi Efek, adalah sebagai berikut:

21. CAPITAL STOCK

The details of the shareholders as of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 based on the report prepared by PT Datindo Entrycom, the Securities Administration Agency (Biro Administrasi Efek), are as follows:

	Lembar Saham/ *Number of Shares*	**31 Des. 2011/ *Dec. 31, 2011* Rp**	**%**	
Saham Seri A Dwiwarna				*Series A Dwiwarna Share*
1. Pemerintah Republik Indonesia	1	100	0,00	*1. The Government of the Republic of Indonesia*
Saham Seri B				*Series B Shares*
1. Pemerintah Republik Indonesia	13.809.038.755	1.380.903.875.500	56,97	*1. The Government of the Republic of Indonesia*
2. Masyarakat umum dan karyawan (masing-masing dibawah 5%)	10.428.591.645	1.042.859.164.500	43,03	*2. Public and employees (each below 5%)*
3. Manajemen				*3. Management*
- Pudja Sunasa (Komisaris)	1.027.795	102.779.500	0,00	*Pudja Sunasa (Commissioner) -*
- Ir. Michael Baskoro P Nugroho, M.M. (Direktur)	1.000.000	100.000.000	0,00	*Ir. Michael Baskoro P Nugroho, M.M. - (Director)*
Ditempatkan dan disetor penuh	24.239.658.196	2.423.965.819.600	100,00	*Issued and fully paid*
Modal saham diperoleh kembali*)	1.850.000	185.000.000		*Treasury stock*)*
Saham beredar	**24.241.508.196**	**2.424.150.819.600**		***Outstanding shares***

	Lembar Saham/ *Number of Shares*	**31 Des. 2010/ *Dec. 31, 2010* Rp**	**%**	
Saham Seri A Dwiwarna				*Series A Dwiwarna Share*
1. Pemerintah Republik Indonesia	1	100	0,00	*1. The Government of the Republic of Indonesia*
Saham Seri B				*Series B Shares*
1. Pemerintah Republik Indonesia	13.809.038.755	1.380.903.875.500	56,97	*1. The Government of the Republic of Indonesia*
2. Masyarakat umum dan karyawan (masing-masing dibawah 5%)	10.428.899.440	1.042.889.944.000	43,03	*2. Public and employees (each below 5%)*
3. Manajemen				*3. Management*
- Ir. Michael Baskoro P Nugroho, M.M. (Direktur)	1.000.000	100.000.000	0,00	*Ir. Michael Baskoro P Nugroho, M.M. - (Director)*
- Ir. Bambang Banyudoyo, M.Sc. (Direktur)	720.000	72.000.000	0,00	*Ir. Bambang Banyudoyo, M.Sc. - (Director)*
Ditempatkan dan disetor penuh	24.239.658.196	2.423.965.819.600	100,00	*Issued and fully paid*
Modal saham diperoleh kembali*)	1.850.000	185.000.000		*Treasury stock*)*
Saham beredar	**24.241.508.196**	**2.424.150.819.600**		***Outstanding shares***

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21. MODAL SAHAM (lanjutan)

21. CAPITAL STOCK(continued)

	Lembar Saham/ *Number of Shares*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009* Rp	%	
Saham Seri A Dwiwarna				*Series A Dwiwarna Share*
1. Pemerintah Republik Indonesia	1	100	0,00	*1. The Government of the Republic of Indonesia*
Saham Seri B				*Series B Shares*
1. Pemerintah Republik Indonesia	13.809.038.755	1.380.903.875.500	56,97	*1. The Government of the Republic of Indonesia*
2. Masyarakat umum dan karyawan (masing-masing dibawah 5%)	10.423.179.440	1.042.317.944.000	43,00	*2. Public and employees (each below 5%)*
3. Manajemen				*3. Management*
- Drs. Sutikno, Msi. (Direktur)	2.162.500	216.250.000	0,01	*Drs. Sutikno, Msi. (Director) -*
- Drs. Djoko Pramono, MBA. (Direktur)	2.150.000	215.000.000	0,01	*Drs. Djoko Pramono, MBA. (Director) -*
- Ir. Michael Baskoro P Nugroho, M.M. (Direktur)	2.407.500	240.750.000	0,01	*Ir. Michael Baskoro P Nugroho, M.M. - (Director)*
- Ir. Bambang Banyudoyo, M.Sc. (Direktur)	720.000	72.000.000	0,00	*Ir. Bambang Banyudoyo, M.Sc. - (Director)*
Ditempatkan dan disetor penuh	24.239.658.196	2.423.965.819.600	100,00	*Issued and fully paid*
Modal saham diperoleh kembali*)	1.850.000	185.000.000		*Treasury stock*)*
Saham beredar	**24.241.508.196**	**2.424.150.819.600**		***Outstanding shares***

*) Nilai harga perolehan pembelian kembali saham adalah sebesar Rp2.501.246.250.

**) The acquisition cost of the treasury stock amounting to Rp2,501,246,250.*

Peningkatan modal ditempatkan dan disetor penuh tersebut, yang dinyatakan dalam Akta No. 25 tanggal 13 Mei 2009 tentang pernyataan peningkatan modal melalui konversi dari Dana Proyek Pemerintah sebesar Rp99.272.417.200 atau setara dengan 992.724.172 saham baru seri B yang dibuat dihadapan Notaris Fathiah Helmi, S.H. di Jakarta, telah dilaporkan dan diterima oleh Menteri Hukum dan Hak Asasi Manusia dalam suratnya No. AHU-AH.01.10-07876 tanggal 15 Juni 2009.

The increase in the issued and fully paid capital stock as notarized by Fathiah Helmi, S.H., in Notarial Deed No. 25, dated May 13, 2009 in Jakarta regarding the increase in capital stock from conversion of Government Project Fund amounting to Rp99,272,417,200 or equivalent to 992,724,172 new shares of series B, has been reported and accepted by the Ministry of Laws and Human Rights of the Republic of Indonesia in its letter No. AHU-AH.01.10-07876, dated June 15, 2009.

Peningkatan modal ditempatkan dan disetor penuh, yang dinyatakan dalam Akta No. 33 tanggal 22 Oktober 2009, tentang pernyataan peningkatan modal melalui konversi saham dari Dana Proyek Pemerintah sebesar Rp28.159.805.900 atau setara dengan 281.598.059 lembar saham baru seri B yang dibuat dihadapan Notaris Fathiah Helmi, S.H., di Jakarta, telah dilaporkan dan diterima oleh Menteri Hukum dan Hak Asasi Manusia dalam suratnya No. AHU-AH.01.10-19623, tanggal 5 November 2009.

The increase in the issued and fully paid capital stock as notarized by Fathiah Helmi, S.H., in Notarial Deed No. 33, dated October 22, 2009 in Jakarta regarding the increase in capital stock from conversion of Government Project Fund amounting to Rp28,159,805,900 or equivalent to 281,598,059 new shares of series B, has been reported and accepted by the Ministry of Laws and Human Rights of the Republic of Indonesia in its letter No. AHU-AH.01.10-19623, dated November 5, 2009.

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21. MODAL SAHAM (lanjutan)

Saham Seri A Dwiwarna merupakan saham yang memberikan kepada pemegangnya hak-hak untuk mencalonkan Direksi dan Komisaris, menghadiri dan menyetujui pengangkatan dan pemberhentian Komisaris dan Direksi, perubahan Anggaran Dasar termasuk perubahan modal, pembubaran dan likuidasi, penggabungan, peleburan dan pengambilalihan Perusahaan.

Perusahaan telah mencatatkan sahamnya pada Bursa Efek Indonesia sebanyak 24.241.508.196 lembar saham pada tanggal 31 Desember 2011.

21. CAPITAL STOCK (continued)

Series A Dwiwarna share represents share which provides the holder rights to propose Directors and Commissioners, attend and approve the appointment and dismissal of Commissioners and Directors, change in Articles of Association including changes in capital, closure and liquidation, merger and acquisition of the Company.

The Company has listed its shares on the Indonesia Stock Exchange totaling to 24,241,508,196 shares as of December 31, 2011.

22. PENCADANGAN SALDO LABA DAN PEMBAGIAN LABA

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 27 Juni 2011, para pemegang saham menyetujui keputusan-keputusan, sebagai berikut:

1. Pembagian dividen tunai sebesar Rp3.743.616.762.287 atau 60% dari laba bersih tahun buku 2010. Atas dividen final tersebut telah dibagikan dalam bentuk dividen sebesar Rp247.244.488.099 pada tanggal 3 Desember 2010. Dengan demikian sisa sebesar Rp3.496.372.274.188 atau Rp144,24 per saham akan dibagikan secara tunai.
2. Sebesar Rp124.787.225.410 atau 2% dari laba bersih tahun buku 2010 dialokasikan untuk Program Kemitraan.
3. Sebesar Rp124.787.225.410 atau 2% dari laba bersih tahun buku 2010 dialokasikan untuk Program Bina Lingkungan.
4. Sisanya akan dicatat sebagai cadangan lainnya untuk mendukung kegiatan operasional dan pengembangan Perusahaan.
5. Memberikan kewenangan kepada direksi Perusahaan untuk mengatur dan mengumumkan pembagian dividen sesuai dengan peraturan perundangan yang berlaku.

22. APPROPRIATIONS OF RETAINED EARNINGS AND DISTRIBUTIONS OF INCOME

Based on the Minutes of the Company's Annual General Shareholders' Meeting held on June 27, 2011, the shareholders ratified the following decisions, as follows:

1. *Distribution of cash dividends of Rp3,743,616,762,287 or 60% of net income in 2010. Such final dividends have been partially distributed in form of dividends for the amount of Rp247,244,488,099 on December 3, 2010. Therefore, the remaining cash dividends amounting to Rp3,496,372,274,188 or Rp144.24 per share will be distributed as cash dividends.*
2. *Amount of Rp124,787,225,410 or 2% of 2010 net income to be allocated for Partnership Program.*
3. *Amount of Rp124,787,225,410 or 2% of 2010 net income to be allocated for Community Development Program.*
4. *The remaining amount shall be appropriated as retained earnings to support the Company's operational activities and expansion.*
5. *To authorize the Company's directors to prepare and publish the cash dividends distribution procedures in compliance with the prevailing laws.*

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22. PENCADANGAN SALDO LABA DAN PEMBAGIAN LABA (lanjutan)

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 17 Juni 2010, para pemegang saham menyetujui keputusan-keputusan, sebagai berikut:

1. Pembagian dividen tunai sebesar Rp3.737.755.293.823 atau 60% dari laba bersih tahun buku 2009. Atas dividen final tersebut telah dibagikan dalam bentuk dividen sebesar Rp242.396.581.960 pada tanggal 23 Desember 2009. Dengan demikian sisa sebesar Rp3.495.358.711.863 atau Rp144,2 per saham akan dibagikan secara tunai.

2. Sebesar Rp25.453.774.707 dari laba bersih tahun buku 2009 ditetapkan sebagai cadangan wajib untuk memenuhi ketentuan Undang-undang Perseroan Terbatas No. 40 tahun 2007.

3. Sebesar Rp62.290.434.963 atau 1% dari laba bersih tahun buku 2009 dialokasikan untuk Program Kemitraan.

4. Sebesar Rp93.435.652.445 atau 1,5% dari laba bersih tahun buku 2009 dialokasikan untuk Program Bina Lingkungan.

5. Sisanya akan dicatat sebagai saldo laba untuk mendukung kegiatan operasional dan pengembangan Perusahaan.

6. Memberikan kewenangan kepada direksi Perusahaan untuk mengatur dan mengumumkan pembagian dividen sesuai dengan peraturan perundangan yang berlaku.

22. APPROPRIATIONS OF RETAINED EARNINGS AND DISTRIBUTIONS OF INCOME (continued)

Based on the Minutes of the Company's Annual General Shareholders' Meeting held on June 17, 2010, the shareholders ratified the following decisions, as follows:

1. *Distribution of cash dividends of Rp3,737,755,293,823 or 60% of net income in 2009. Such final dividends have been partially distributed in form of dividends for the amount of Rp242,396,581,960 on December 23, 2009. Therefore, the remaining cash dividends amounting to Rp3,495,358,711,863 or Rp144.2 per share will be distributed as cash dividends.*

2. *Amount of Rp25,453,774,707 from 2009 net income was appropriated for mandatory reserve to comply with the Company Law No. 40 year 2007.*

3. *Amount of Rp62,290,434,963 or 1% of 2009 net income to be allocated for Partnership Program.*

4. *Amount of Rp93,435,652,445 or 1.5% of 2009 net income to be allocated for Community Development Program.*

5. *The remaining amount will be appropriated as retained earnings to support the Company's operational activities and expansion.*

6. *To authorize the Company's directors to prepare and publish the cash dividends distribution procedures in compliance with prevailing laws.*

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22. PENCADANGAN SALDO LABA DAN PEMBAGIAN LABA (lanjutan)

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 23 Juni 2009, para pemegang saham menyetujui keputusan-keputusan, sebagai berikut:

1. Pembagian dividen tunai sebesar Rp1.000.000.000.000 yang berasal dari:
   i. Laba bersih sebesar Rp633.859.683.713 dimana:
      - Sebesar Rp625.302.577.000 atau 98,65% dari laba bersih tahun buku 2008 dibagikan sebagai dividen tunai.
      - Sebesar Rp5.387.808.713 atau 0,85% dari laba bersih tahun buku 2008 ditetapkan sebagai cadangan wajib untuk memenuhi ketentuan Undang-undang Perseroan Terbatas No. 40 tahun 2007.
      - Sebesar Rp3.169.298.000 atau 0,50% dari laba bersih tahun buku 2008 dialokasikan untuk Program Kemitraan.

   ii. Saldo laba yang tidak dicadangkan per 31 Desember 2008 sebesar Rp117.091.796.000.
   iii. Saldo laba yang dicadangkan per 31 Desember 2008 sebesar Rp257.605.627.000.

2. Menyetujui alokasi penggunaan saldo laba yang dicadangkan per 31 Desember 2008 sebesar Rp257.605.627.000 untuk dibagikan sebagai dividen tunai.

3. Memberikan kewenangan kepada direksi Perusahaan untuk mengatur dan mengumumkan pembagian dividen sesuai dengan peraturan perundangan yang berlaku.

22. APPROPRIATIONS OF RETAINED EARNINGS AND DISTRIBUTIONS OF INCOME (continued)

Based on the Minutes of the Company's Annual General Shareholders' Meeting held on June 23, 2009, the shareholders ratified the following decisions, as follows:

1. *Distribution of cash dividends of Rp1,000,000,000,000, allocated from:*
   i. Net income of Rp633,859,683,713 of which:
      - *Rp625,302,577,000 or 98.65% of net income 2008 to be distributed as cash dividends.*
      - *Rp5,387,808,713 or 0.85% of net income 2008 was appropriated for mandatory reserve to comply with the Company Law No. 40 year 2007.*
      - *Rp3,169,298,000 or 0.50% of net income 2008 to be allocated for Partnership Program.*

   ii. Unappropriated retained earnings as of December 31, 2008 of Rp117,091,796,000.
   iii. Appropriated retained earnings as of December 31, 2008 of Rp257,605,627,000.

2. *To approve allocation of retained earnings as of December 31, 2008 of Rp257,605,627,000 to be paid as cash dividends.*

3. *To authorize the Company's directors to prepare and publish the cash dividends distribution procedures in compliance with prevailing laws.*

23. PENDAPATAN NETO

23. NET REVENUES

Akun ini terdiri dari:

This account consists of:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Distribusi gas - setelah penyesuaian pendapatan	17.948.279.001.412	18.055.260.649.509	*Gas distribution - net of sales adjustments*
Transmisi gas	1.535.016.755.739	1.652.882.750.301	*Gas transmission*
Sewa fiber optik	82.284.671.780	57.572.997.638	*Fiber optic rental*
Lain-lain	1.826.811.399	-	*Others*
Total, Neto	**19.567.407.240.330**	**19.765.716.397.448**	***Total, Net***

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23. PENDAPATAN NETO (lanjutan)

23. NET REVENUES (continued)

Penyesuaian pendapatan merupakan koreksi faktur pelanggan melalui rekonsiliasi atas penggunaan gas antara Perusahaan dan pelanggan.

The revenue adjustments pertain to corrections made to customers' invoices upon reconciliation of the gas consumption between the Company and the customers.

Sewa fiber optik merupakan pendapatan PGASKOM atas penyediaan jaringan kepada para pelanggan.

Fiber optic rental represents PGASKOM's revenues of network services to the customers.

Pendapatan lain-lain merupakan pendapatan PGASSOL atas penyediaan jasa konstruksi dan perawatan kepada pelanggannya.

Other revenue represents PGASSOL's revenues of construction and maintenance service to the customers.

Pendapatan gas bumi terdiri dari distribusi gas kepada:

Natural gas revenues consist of gas distribution to:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	
Industri	17.546.587.061.514	17.857.481.260.502	*Industrial*
Komersial	337.857.640.277	102.101.729.449	*Commercial*
Rumah tangga	52.799.107.646	53.047.271.665	*Households*
Stasiun Pengisian Bahan Bakar Gas (SPBG)	11.035.191.975	42.630.387.893	*Fuel Gas Filling Stations (SPBG)*
Total	**17.948.279.001.412**	**18.055.260.649.509**	***Total***

Pendapatan neto dari pelanggan yang melebihi 10% dari jumlah pendapatan neto konsolidasian adalah pendapatan dari PT PLN (Persero), entitas berelasi dengan Pemerintah, masing-masing sebesar Rp2.934.920.449.351 atau 14,99% dan Rp3.806.063.774.050 atau 19,26% dari jumlah pendapatan neto konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

Net revenues from customer in excess of 10% of the total consolidated net revenues are revenue from PT PLN (Persero), Government-related entity, which amounting to Rp2,934,920,449,351 or 14.99% and Rp3,806,063,774,050 or 19.26% from total consolidated net revenues for the years ended Decsember 31, 2011 and 2010, respectively.

Kelompok Usaha melakukan transaksi penjualan dengan entitas berelasi dengan Pemerintah, dengan total masing-masing sebesar 23,52% dan 28,67% dari total pendapatan neto konsolidasian di atas untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

The Group enters sales transactions with the Government-related entities, totalling to 23.52% and 28.67% of its consolidated net revenues above for the years ended December 31, 2011 and 2010, respectively.

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24. BEBAN POKOK PENDAPATAN

24. COST OF REVENUES

Akun ini terdiri dari pembelian gas bumi dari:

This account consists of natural gas purchases from:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Pihak ketiga	5.287.396.496.232	4.656.750.600.707	*Third parties*
Entitas berelasi dengan Pemerintah	2.506.354.426.198	2.566.819.618.010	*Government-related entity*
Total	**7.793.750.922.430**	**7.223.570.218.717**	***Total***

Pembelian neto dari pemasok yang melebihi 10% dari jumlah pendapatan neto konsolidasi adalah pembelian dari Pertamina, entitas berelasi dengan Pemerintah, dan ConocoPhillips masing-masing sebesar Rp2.506.354.426.198 atau 12,81% dan Rp2.529.145.775.547 atau 12,93% dari total pendapatan neto konsolidasian untuk tahun 2011 dan pembelian dari Pertamina dan ConocoPhillips masing-masing sebesar Rp2.566.819.618.010 atau 12,99% dan Rp2.385.844.636.865 atau 12,07% dari jumlah pendapatan neto konsolidasian untuk tahun 2010.

Net purchases from suppliers involving purchases in excess of 10% of the total consolidated net revenues are for purchases from Pertamina, a Government-related entity, and ConocoPhillips amounting to Rp2,506,354,426,198 or 12.81% and Rp2,529,145,775,547 or 12.93% of total consolidated net revenues for 2011, respectively, and purchases from Pertamina and ConocoPhillips amounting to Rp2,566,819,618,010 or 12.99% and Rp2,385,844,636,865 or 12.07% of total consolidated net revenues for 2010, respectively.

Kelompok Usaha melakukan transaksi pembelian gas dengan entitas berelasi dengan Pemerintah, dengan total masing-masing sebesar 32,16% dan 35,53% dari total beban pokok pendapatan konsolidasian di atas untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

The Group enters sales transactions with the Government-related entities, totalling to 32.16% and 35.53% of its consolidated cost of revenues above for the years ended December 31, 2011 and 2010, respectively.

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25. BEBAN DISTRIBUSI DAN TRANSMISI / *25. DISTRIBUTION AND TRANSMISSION EXPENSES*

Akun ini terdiri dari: / *This account consists of:*

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	
Penyusutan (Catatan 13)	1.626.360.033.931	1.585.928.798.435	*Depreciation (Note 13)*
Gaji dan kesejahteraan karyawan	402.234.439.219	320.684.475.768	*Salaries and employees' benefits*
Perbaikan dan pemeliharaan	117.408.301.091	93.617.578.236	*Repairs and maintenance*
Iuran BPH Migas	81.599.275.953	77.326.347.466	*BPH Migas levy*
Honorarium profesional	72.607.437.489	89.646.589.212	*Professional fees*
Bahan bakar dan bahan kimia	40.056.108.424	41.901.457.888	*Fuel and chemicals*
Perjalanan dinas dan transportasi	29.399.395.600	20.816.991.892	*Traveling and transportation*
Peralatan dan suku cadang	29.347.119.158	15.718.709.814	*Tools and spare parts*
Asuransi	27.529.066.329	23.246.205.241	*Insurance*
Sewa	20.516.889.291	14.667.807.807	*Rental*
Peralatan kantor	7.679.238.179	4.192.498.136	*Office supplies*
Amortisasi	6.789.921.181	1.733.948.133	*Amortization*
Representasi dan jamuan	6.141.363.733	5.810.913.344	*Representation and entertainment*
Tanggung Jawab Sosial dan Bina Lingkungan (Catatan 34)	5.249.281.008	2.108.820	*Corporate Social Responsibility and Community Development (CSR)(Note 34)*
Perayaan	4.104.613.623	2.951.544.842	*Celebration*
Relasi Pemasok	3.458.685.015	322.814.054	*Supplier relation*
Pendidikan dan pelatihan	2.684.260.641	4.070.671.061	*Education and trainning*
Listrik dan air	2.588.997.077	2.776.450.170	*Electricity and water*
Komunikasi	2.423.222.919	2.521.558.673	*Communications*
Material umum	2.117.468.952	7.851.727.886	*General materials*
Pajak dan perizinan	892.624.238	499.561.063	*Taxes and licenses*
Survey	159.453.956	3.709.284.271	*Survey*
Lain-lain	4.730.708.741	3.528.950.334	*Others*
Total	**2.496.077.905.748**	**2.323.526.992.546**	***Total***

26. BEBAN UMUM DAN ADMINISTRASI / *26. GENERAL AND ADMINISTRATIVE EXPENSES*

Akun ini terdiri dari: / *This account consists of:*

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	
Gaji dan kesejahteraan karyawan	727.765.274.598	551.903.924.569	*Salaries and employees' benefits*
Honorarium profesional	217.702.813.415	140.753.491.788	*Professional fees*
Sewa	122.731.106.977	65.160.480.947	*Rental*
Penyusutan (Catatan 13)	106.387.560.579	94.025.525.877	*Depreciation (Note 13)*
Perjalanan dinas dan transportasi	54.516.155.569	39.438.359.334	*Traveling and transportation*
Perbaikan dan pemeliharaan	42.672.519.399	14.763.540.089	*Repairs and maintenance*
Promosi	40.003.669.591	23.741.755.136	*Promotion*
Pendidikan dan pelatihan	37.812.471.328	43.090.941.883	*Education and trainning*
Representasi dan jamuan	31.728.507.263	23.149.706.364	*Representation and entertainment*
Pajak dan perizinan	28.843.016.474	32.122.323.657	*Taxes and license*
Asuransi	19.348.702.130	22.217.505.334	*Insurance*
Komunikasi	16.185.081.781	13.536.921.920	*Communications*
Peralatan kantor	15.527.430.008	10.736.096.219	*Office supplies*
Listrik dan air	14.245.678.459	11.649.248.128	*Electricity and water*
Cadangan kerugian penurunan nilai (Catatan 7 dan 8)	12.486.793.959	15.523.947.141	*Allowance for impairment losses (Notes 7 and 8)*
Perayaan	11.168.093.585	11.735.365.641	*Celebration*
Amortisasi beban ditangguhkan	10.962.108.924	12.933.399.274	*Amortization of deferred charges*
Bahan bakar dan bahan kimia	10.302.251.129	7.322.877.551	*Fuels and chemicals*
Biaya bank	8.398.303.310	9.943.285.373	*Bank charges*
Peralatan dan suku cadang	7.577.891.018	2.060.278.024	*Tools and spareparts*
Tanggung jawab sosial dan bina lingkungan (Catatan 34)	7.482.779.504	22.723.116.773	*Corporate Social Responsibility and Community Development (CSR) (Note 34)*
Material umum	4.411.992.540	7.582.788.444	*General Materials*
Pakaian dinas	1.718.557.561	2.186.262.990	*Employees' uniform*
Lain-lain	5.221.555.970	4.593.199.977	*Others*
Total	**1.555.200.315.071**	**1.182.894.342.433**	***Total***

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27. BEBAN KEUANGAN / *27. FINANCE COST*

Akun ini terdiri dari: / *This account consists of:*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Penerusan pinjaman dari Pemerintah Republik Indonesia yang didanai oleh:			*Two-step loans from the Government of the Republic of Indonesia funded by:*
- Japan Bank for International Cooperation	79.664.001.806	62.198.593.822	*Japan Bank for International Cooperation -*
- European Investment Bank	28.094.715.774	33.362.192.064	*European Investment Bank -*
- International Bank for Reconstruction and Development	25.556.473.496	22.912.238.890	*International Bank for Reconstruction - and Development*
- Asian Development Bank	17,494.454.845	25.407.780.108	*Asian Development Bank -*
The Hongkong and Shanghai Banking Corporation Ltd.	56.350.925.404	21.009.408.250	*The Hongkong and Shanghai Banking Corporation Ltd.*
PT Bank Negara Indonesia (Persero) Tbk	22.223.058.719	27.131.591.721	*PT Bank Negara Indonesia (Persero) Tbk*
Standard Chartered Bank, Singapura	14.546.695.257	90.114.333.572	*Standard Chartered Bank, Singapore*
Transasia Pipeline Company Pvt. Ltd.	-	86.157.694.163	*Transasia Pipeline Company Pvt. Ltd.*
Bank of Tokyo-Mitsubishi UFJ	-	3.338.011.765	*Bank of Tokyo-Mitsubishi UFJ*
Total	**243.930.325.301**	**371.631.844.355**	***Total***

28. PENDAPATAN KEUANGAN / *28. FINANCE INCOME*

Akun ini terdiri dari: / *This account consists of:*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Bunga deposito	290.469.316.029	236.887.270.397	*Interest of time deposits*
Bunga jasa giro	13.371.101.807	11.829.173.675	*Interest of current accounts*
Bunga investasi obligasi	3.334.700.752	-	*Interest from investment in bond*
Total	**307.175.118.588**	**248.716.444.072**	***Total***

29. INSTRUMEN KEUANGAN DERIVATIF / *29. DERIVATIVE FINANCIAL INSTRUMENT*

Akun ini terdiri dari: / *This account consists of:*

		Nilai Wajar dalam Rupiah/*Fair Value in Rupiah*			
	Total Nosional/ *Notional Amount*	31 Des. 2011/ *Dec. 31, 2011* Utang/ *Payable*	31 Des. 2010/ *Dec. 31, 2010* Utang/ *Payable*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009* Utang/ *Payable*	
ABN Amro *cross currency swap*	JPY19.420.211.744	1.616.967.611.921	1.695.882.571.498	1.174.924.527.400	*ABN Amro cross currency swap*

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29. INSTRUMEN KEUANGAN DERIVATIF (lanjutan)

Pada tanggal 16 Februari 2007, Perusahaan mengadakan kontrak *cross currency swap* dengan ABN AMRO Bank N.V. (ABN) Cabang London, dimana Perusahaan menyetujui untuk menerima bunga Yen Jepang (JPY) dikalikan 35% dan menyetujui untuk membayar bunga pada tingkat 0% untuk periode tanggal 15 Oktober 2006 sampai 15 Oktober 2008 dan untuk periode selanjutnya sampai berakhir kontrak tersebut yaitu pada 15 Maret 2019, membayar bunga sebesar selisih tingkat tertentu (*strike*) sebagaimana diatur dalam perjanjian dengan rata-rata nilai tukar Dolar AS dengan Yen Jepang (USD/JPY) dibagi seratus atau 0%, mana yang lebih tinggi.

Pada tanggal 19 Agustus 2008, Perusahaan mengadakan perubahan atas kontrak *cross currency swap* dengan ABN AMRO Bank N.V. (ABN), Cabang London, di mana Perusahaan menyetujui untuk menerima bunga sebesar bunga Yen Jepang (JPY) dikalikan 42% dan menyetujui untuk membayar bunga pada tingkat 0% untuk periode tanggal 15 Oktober 2006 sampai 15 Oktober 2008 dan untuk periode selanjutnya sampai berakhir kontrak tersebut yaitu pada 15 Maret 2019, membayar bunga sebesar selisih tingkat tertentu (*strike*) sebagaimana diatur dalam perjanjian dengan rata-rata nilai tukar Dolar AS dengan Yen Jepang (USD/JPY) dibagi seratus atau pada tingkat 0%, mana yang lebih tinggi, dan tambahan bunga 5% dikalikan jumlah hari apabila tingkat CMS 10 tahun sama atau diluar kisaran tingkat tertentu dibagi dengan jumlah hari pada periode tersebut.

Sebagai tambahan, Perusahaan juga menyetujui untuk menerima Yen Jepang dalam jumlah sebagaimana diatur dalam perjanjian selama nilai tukar USD/JPY berada pada atau di bawah 121,50 pada setiap akhir periode yang disepakati dan menyetujui untuk membayar sejumlah Dolar AS dengan nilai tukar USD/JPY sebesar 121,50. Apabila nilai tukar USD/JPY berada di atas 121,50, tidak ada transaksi *cross currency swap* yang akan dilakukan.

Kontrak ini berlaku efektif sejak tanggal 15 Oktober 2006 dan akan berakhir pada tanggal 15 Maret 2019. Perusahaan melakukan lindung nilai atas perubahan nilai wajar kewajiban dari risiko fluktuasi nilai tukar USD/JPY, sehubungan dengan pinjaman jangka panjang yang diperoleh dari JBIC.

29. DERIVATIVE FINANCIAL INSTRUMENT (continued)

On February 16, 2007, the Company entered into a cross currency swap contract with ABN AMRO Bank N.V. (ABN), London Branch, whereby the Company agreed to receive Japanese Yen (JPY) interest multiplied by 35% and agreed to pay interest at 0% for the period from October 15, 2006 to October 15, 2008, and for the period thereafter through to the maturity date, March 15, 2019, to pay interest at the difference between a certain rate (strike) as stipulated in the agreement with the US Dollar average exchange rate with the Japanese Yen (USD/JPY) divided by one hundred or 0%, whichever is higher.

On August 19, 2008, the Company entered into an amendment of the cross currency swap contract with ABN AMRO Bank N.V. (ABN), London Branch, whereby the Company agreed to receive Japanese Yen (JPY) interest multiplied by 42% and to pay interest at the rate of 0% for the period from October 15, 2006 to October 15, 2008, and for the period thereafter to the maturity date, March 15, 2019, to pay interest at the difference between the strike rate as stipulated in the agreement with the US Dollar average exchange rate with the Japanese Yen (USD/JPY) divided by one hundred or at 0%, whichever is higher plus additional interest of 5% multiplied by number of days if the CMS 10 years rate is at or outside a certain range divided by the total number of days for such period.

In addition, the Company also agreed to receive Japanese Yen in the amount stipulated in the agreement, as long as the USD/JPY exchange rate is at or below 121.50 at the end of the agreed period and to pay US dollar amount with exchange rate of USD/JPY of 121.50. If USD/JPY is at or above 121.50, there will be no exchange of cross currency swap.

This contract became effective starting October 15, 2006 and will expire on March 15, 2019. The Company hedges the changes in the fair value of its liabilities due to risk of the foreign exchange rate fluctuation of USD/JPY, in relation to the long-term loan obtained from JBIC.

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29. INSTRUMEN KEUANGAN DERIVATIF (lanjutan)

Perusahaan menggunakan teknik penilaian penentuan harga opsi dan disesuaikan dengan risiko kredit sebesar Rp324.682.705.236, Rp393.304.812.489 dan Rp227.598.374.200 masing-masing pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009.

Perubahan neto nilai wajar atas instrumen-instrumen derivatif di atas disajikan pada akun "Rugi Perubahan Nilai Wajar Derivatif - Neto" pada laporan laba rugi komprehensif konsolidasian.

29. DERIVATIVE FINANCIAL INSTRUMENT (continued)

The Company used option pricing valuation technique adjusted with credit risk of Rp324,682,705,236, Rp393,304,812,489 and Rp227,598,374,200 as of December 31, 2011, December 31, 2010 and January 1, 2010/ December 31, 2009, respectively.

The net changes in the fair values of the above derivative instruments were presented in account "Loss on Change in Fair Value of Derivative - Net" in the consolidated statements of comprehensive income.

30. RUGI KURS - NETO

Rugi selisih kurs terutama berasal dari penyesuaian aset dan kewajiban dalam mata uang asing dan perbedaan nilai tukar transaksi dari kegiatan usaha Perusahaan dalam mata uang asing.

Selama tahun 2011 dan 2010, Perusahaan mengalami kerugian selisih kurs - neto yang disebabkan oleh melemahnya nilai tukar Rupiah terhadap mata uang asing, khususnya Yen Jepang dan Dolar Amerika Serikat yang mengakibatkan kenaikan posisi liabilitas neto dalam mata uang asing Perusahaan.

30. LOSS ON FOREIGN EXCHANGE - NET

Loss on foreign exchange mainly results from restatements of assets and liabilities in foreign currencies and differences in exchange rates on the Company's operational transactions denominated in foreign currencies.

During 2011 and 2010, the Company incurred loss on foreign exchange - net due to weakening of Rupiah against foreign currency, especially Japanese Yen and US Dollar which increased the net foreign currency denominated liabilities of the Company.

31. PENSIUN DAN KESEJAHTERAAN KARYAWAN

Perusahaan menyediakan pensiun dan kesejahteraan karyawan lainnya untuk seluruh karyawan tetap yang masih aktif dan yang sudah pensiun sebagai berikut:

a. PT Asuransi Jiwasraya (Persero)

Sejak tahun 1991, Perusahaan mempunyai program asuransi kesejahteraan hari tua kepada seluruh karyawan tetap yang memenuhi persyaratan, yang ditetapkan dalam suatu perjanjian bersama dengan PT Asuransi Jiwasraya (Persero). Perusahaan telah membayar seluruh kewajibannya pada tahun 2008.

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS

The Company provides retirement and other employees' benefits to its active and retired employees, as follows:

a. PT Asuransi Jiwasraya (Persero)

Since 1991, the Company has an old welfare program age insurance plan for all its qualified permanent employees, which is covered in a cooperative agreement with PT Asuransi Jiwasraya (Persero). The Company has paid all of its liabilities in 2008.

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

b. Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara

Perusahaan juga menyediakan tambahan tunjangan kesehatan bagi para pensiun, yang ditetapkan oleh perjanjian bersama dengan Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara (Yakaga). Pada tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010, tidak terdapat pembayaran kepada Yakaga.

Iuran kepada Yakaga yang terakumulasi mencakup sebesar Rp11,2 milyar untuk dana sosial, pendidikan dan tunjangan pensiun lainnya bagi karyawan Perusahaan yang aktif dan pensiun, yang dicadangkan dari pendapatan Perusahaan untuk periode 1984 sampai dengan 1996, sebelum Perusahaan menjadi perusahaan perseroan. Iuran tersebut disahkan dengan Surat Dewan Komisaris pada tanggal 30 Juni 1999. Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009, aset neto Yakaga adalah masing-masing sebesar Rp19.602.924.682, Rp18.915.270.191 dan Rp18.882.961.370.

c. Imbalan Pensiun Iuran Pasti

Sejak Februari 2009, Perusahaan menyelenggarakan program pensiun iuran pasti untuk seluruh karyawan tetapnya yang memenuhi syarat yang dananya dikelola oleh Dana Pensiun Lembaga Keuangan BNI, Manulife Indonesia dan Bringin Jiwa Sejahtera yang didirikan berdasarkan Surat Keputusan Direksi No. 002000.K/KP.05/UM/2009 tanggal 6 Februari 2009.

Dana pensiun ini didirikan berdasarkan persetujuan dari Menteri Keuangan masing-masing dalam Surat Keputusannya No. KEP.1100/KM.17/1998, No. KEP.231/KM.17/1994 dan No. KEP.184/KM.17/1995.

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

b. Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara

The Company also provides additional post-retirement health care benefits for its retired employees, as covered in a cooperative agreement with Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara (Yakaga). For the years ended December 31, 2011 and 2010, there were no contributions to Yakaga.

The accumulated contributions to Yakaga include Rp11.2 billion for social, education and additional retirement benefits for the Company's active and retired employees which were appropriated from the Company's eamings for the period 1984 up to 1996, prior to the Company becoming a state-owned limited liability company. This contribution was approved by the Board of Commissioners in its letter dated June 30, 1999. As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the net assets of Yakaga amounting to Rp19,602,924,682, Rp18,915,270,191 and Rp18,882,961,370, respectively.

c. Defined Contribution Pension Plan

Since February 2009, the Company established a defined contribution plan for all of its eligible permanent employees which is managed by Dana Pensiun Lembaga Keuangan BNI, Manulife Indonesia and Bringin Jiwa Sejahtera, the establishment of which was approved based on Director's Decision Letter No. 002000.K/KP.05/UM/2009, dated February 6, 2009.

Both the Pension Plan was established based on the approval from the Ministry of Finance in its Decision Letter No. KEP.1100/KM.17/1998, No. KEP.231/KM.17/1994 and No. KEP.184/ KM.17/1995, respectively.

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

c. Imbalan Pensiun Iuran Pasti (lanjutan)

Sumber dana program pensiun berasal dari kontribusi karyawan dan Perusahaan masing-masing sebesar 5% dan 15% dari penghasilan dasar pensiun. Beban pensiun yang dibebankan pada operasi masing-masing adalah sebesar Rp24.390.431.095 dan Rp17.463.706.917 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

Pada tahun 2009, Transgasindo menyelenggarakan program pensiun iuran pasti untuk semua karyawan tetap yang memenuhi syarat, yang didanai melalui iuran tetap bulanan kepada Dana Pensiun Lembaga Keuangan (DPLK) Bank Rakyat Indonesia dan Bank Negara Indonesia, yang didirikan berdasarkan persetujuan dari Menteri Keuangan Republik Indonesia masing-masing dalam Surat Keputusannya No. KEP.197/KM.6/2004 dan No. KEP.1100/KM.17/1998. Sumber dana program pensiun berasal dari kontribusi karyawan dan Transgasindo masing-masing sebesar 2% dan 6% dari gaji bulanan karyawan. Kontribusi yang dibayarkan Transgasindo pada tahun 2011 dan 2010 sebesar Rp1.067.115.238 dan Rp1.782.247.431 yang diambil dari cadangan yang dibentuk pada tahun-tahun sebelumnya.

d. Imbalan Kerja Jangka Panjang

Liabilitas imbalan kerja jangka panjang pada tanggal-tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009 adalah sebagai berikut:

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

c. Defined Contribution Pension Plan (continued)

The fund is contributed by both employees and the Company with contribution of 5% and 15%, respectively, of the basic pension income. Pension expense charged to operations amounting to Rp24,390,431,095 and Rp17,463,706,917 for the years ended December 31, 2011 and 2010, respectively.

In 2009, Transgasindo has defined contribution pension plan for all of its eligible permanent employees, which is funded through monthly fixed contributions to Dana Pensiun Lembaga Keuangan (DPLK) Bank Rakyat Indonesia and Bank Negara Indonesia, the establishment of which were approved by Ministry of Finance of the Republic of Indonesia in its Decision Letter No. KEP.197/KM.6/2004 and No. KEP.1100/KM.17/1998, respectively. This fund is contributed by both employees and Transgasindo with contribution of 2% and 6% of the employees' monthly salaries, respectively. The contribution paid by Transgasindo in 2011 and 2010 amounting to Rp1,067,115,238 and Rp1,782,247,431 taken from the prior years reserves.

d. Long-term Employees' Benefits

Long-term employees' benefits liabilities as of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009 are as follows:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	**1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009***	
Imbalan pasca kerja				*Post retirement benefits*
Perusahaan	531.394.144.847	356.584.435.435	241.562.564.137	*The Company*
Entitas Anak	32.186.685.073	18.830.496.050	12.642.008.624	*Subsidiaries*
Sub-total	563.580.829.920	375.414.931.485	254.204.572.761	*Sub-total*
Imbalan kerja jangka panjang lainnya				*Other long-term benefits*
Perusahaan	53.979.457.561	51.968.046.022	33.183.216.361	*The Company*
Entitas Anak	4.369.602.869	-	-	*Subsidiaries*
Sub-total	58.349.060.430	51.968.046.022	33.183.216.361	*Sub-total*
Imbalan kesejahteraan karyawan lainnya	-	1.994.460.164	1.994.460.164	*Other employees' benefits*
Total	**621.929.890.350**	**429.377.437.671**	**289.382.249.286**	***Total***

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

d. Imbalan Kerja Jangka Panjang (lanjutan)

Perusahaan

Perusahaan memberikan imbalan kerja jangka panjang kepada karyawan sesuai dengan Perjanjian Kerja Bersama yang dibandingkan dengan imbalan berdasarkan Undang-undang Ketenagakerjaan No. 13/2003 (UU No. 13/2003), mana yang lebih tinggi. Imbalan tersebut tidak didanai. Tabel berikut menyajikan komponen dari beban imbalan neto yang diakui dalam laporan laba rugi komprehensif konsolidasian dan jumlah yang diakui dalam laporan posisi keuangan konsolidasian untuk liabilitas diestimasi imbalan kerja yang dihitung oleh PT Sienco Aktuarindo Utama, aktuaris independen, untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, berdasarkan laporannya masing-masing tanggal 17 Januari 2012, 11 Februari 2011 dan 2 Februari 2010. Perhitungan aktuaris menggunakan metode "*Projected Unit Credit*" dengan asumsi-asumsi sebagai berikut:

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Long-term Employees' Benefits (continued)

The Company

The Company provides long-term employees' benefits to its employee in accordance with the Collective Labor Agreement as compared with benefits under Labor Law No. 13/2003 (Law No. 13/2003), and provide whichever is higher. The benefits are unfunded. The following tables summarize the components of net benefits expense recognized in the consolidated statements of comprehensive income and the amounts recognized in the consolidated statements of financial position for the estimated liabilities for employees' benefits as calculated by an independent actuary, PT Sienco Aktuarindo Utama for the years ended December 31, 2011 and 2010 and January 1, 2010/December 31, 2009, in its reports dated January 17, 2012, February 11, 2011 and February 2, 2010. The actuarial calculation used the "Projected Unit Credit" method which utilized the following assumptions:

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Tingkat Bunga Aktuaria	6,80% per Tahun/*per Annum*	8,90% per Tahun/ *per Annum*	10,70% per Tahun/*per Annum*	*Actuarial Discount Rate*
Tingkat Kematian	CSO 1980	CSO 1980	CSO 1980	*Mortality Rate*
Kenaikan Gaji dan Upah	10% per Tahun/*per Annum*	10% per Tahun/*per Annum*	10% per Tahun/*per Annum*	*Wages and Salaries Increase*
Umur Pensiun	56 Tahun/*Years*	56 Tahun/*Years*	56 Tahun/*Years*	*Retirement Age*
Tingkat Cacat	5% dari Tingkat Kematian/*from Mortality Rate*	5 % dari Tingkat Kematian/*from Mortality Rate*	1% dari Tingkat Kematian/*from Mortality Rate*	*Disability Rate*

Tabel berikut ini menyajikan komponen beban dan liabilitas imbalan kerja karyawan Perusahaan.

The following tables summarize the components of employees' benefits expense and liabilities.

a. Beban kesejahteraan karyawan

a. Employees' benefits expense

Imbalan pasca kerja	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	*Post retirement benefits*
Biaya jasa kini	76.570.182.362	56.189.383.707	*Current service cost*
Biaya bunga	83.186.415.027	47.579.029.201	*Interest cost*
Amortisasi biaya jasa lalu - *unvested*	22.633.007.400	23.899.409.778	*Amortization of past service cost - unvested*
Amortisasi kerugian aktuaria	23.944.995.583	4.158.146.835	*Amortization of actuarial loss*
Total	**206.334.600.372**	**131.825.969.521**	***Total***

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan) / ***31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)***

d. Imbalan Kerja Jangka Panjang (lanjutan) / ***d. Long-term Employees' Benefits (continued)***

Perusahaan (lanjutan) / ***The Company (continued)***

a. Beban kesejahteraan karyawan (lanjutan) / *a. Employees' benefits expense (continued)*

Imbalan kerja jangka panjang lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Biaya jasa kini	16.943.917.564	15.234.225.510	*Current service cost*
Biaya bunga	3.923.658.795	3.550.604.151	*Interest cost*
Amortisasi biaya jasa lalu - *unvested*	-	-	*Amortization of past service cost - unvested*
Amortisasi kerugian aktuaria	(3.092.180.537)	-	*Amortization of actuarial loss*
Total	**17.775.395.822**	**18.784.829.661**	***Total***

b. Liabilitas kesejahteraan karyawan / *b. Employees' benefits liability*

Imbalan pasca kerja / *Post retirement benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Nilai kini kewajiban imbalan pasti	1.202.602.033.442	917.549.933.473	453.065.873.418	*Present value of employee benefits obligation*
Biaya jasa lalu yang belum diakui - *unvested*	(116.933.787.356)	(78.428.176.773)	(102.327.586.552)	*Unrecognized past service cost - unvested*
Kerugian aktuaria yang belum diakui	(554.274.101.239)	(482.537.321.265)	(109.175.722.729)	*Unrecognized actuarial losses*
Total	**531.394.144.847**	**356.584.435.435**	**241.562.564.137**	***Total***

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31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Imbalan Kerja Jangka Panjang (lanjutan)

d. Long-term Employee's Benefits (continued)

Perusahaan (lanjutan)

The Company (continued)

b. Liabilitas kesejahteraan karyawan (lanjutan)

b. Employees' benefits liability (continued)

Imbalan kerja jangka panjang lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Nilai kini kewajiban imbalan pasti	53.979.457.561	51.968.046.022	33.183.216.361	*Present value of employees' benefits obligation*
Biaya jasa lalu yang belum diakui diakui	-	-	-	*Unrecognized past service cost*
Kerugian aktuaria yang belum diakui	-	-	-	*Unrecognized actuarial losses*
Total	**53.979.457.561**	**51.968.046.022**	**33.183.216.361**	***Total***

c. Mutasi liabilitas diestimasi atas imbalan kerja karyawan

c. The movements in the estimated liabilities for employees' benefits.

Perubahan dalam kewajiban kesejahteraan karyawan untuk pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009 sebagai berikut:

The movements in the employee benefits liability as of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009 are as follows:

Imbalan pasca kerja / *Post retirement benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	356.584.435.435	241.562.564.137	166.282.643.479	*Beginning balance*
Beban kesejahteraan karyawan	206.334.600.372	131.825.969.521	95.469.131.270	*Employees' benefits expense*
Beban pesangon pemutusan kontrak kerja	8.518.081.883	-	-	*Employment termination severances expenses*
Efek kurtailment	(6.228.359.056)	-	-	*Curtailment effect*
Pembayaran manfaat	(33.814.613.787)	(16.804.098.223)	(20.189.210.612)	*Benefits payment*
Saldo akhir	**531.394.144.847**	**356.584.435.435**	**241.562.564.137**	***Ending balance***

Imbalan kerja jangka panjang lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	51.968.046.022	33.183.216.361	15.584.066.550	*Beginning balance*
Beban kesejahteraan tahun berjalan	17.775.395.822	18.784.829.661	17.599.149.811	*Current benefits expense*
Pembayaran manfaat	(15.763.984.283)	-	-	*Benefits payment*
Saldo akhir	**53.979.457.561**	**51.968.046.022**	**33.183.216.361**	***Ending balance***

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

d. Imbalan Kerja Jangka Panjang (lanjutan)

Perusahaan (lanjutan)

Pada tahun 2007, Perusahaan melakukan pemutusan kerja terhadap dua orang karyawannya sehubungan dengan pengangkatan mereka sebagai Direksi. Atas pemutusan hubungan kerja ini Perusahaan telah melakukan perhitungan besaran pembayaran purna bakti sebesar Rp1.994.460.164 yang pembayarannya dilakukan setelah yang bersangkutan mengakhiri jabatan sebagai Direksi Perusahaan.

Pada tahun 2011, Perusahaan melakukan pemutusan kerja terhadap dua orang karyawannya sehubungan dengan pengangkatan mereka sebagai Direksi. Atas pemutusan hubungan kerja ini Perusahaan telah melakukan perhitungan besaran pembayaran purna bakti sebesar Rp3.958.918.631 yang pembayarannya dilakukan setelah yang bersangkutan mengakhiri jabatan sebagai Direksi Perusahaan. Selama tahun 2011, Perusahaan telah melakukan pembayaran liabilitas tersebut sebesar Rp5.953.378.795.

Pada tahun 2011, Perusahaan juga memberikan imbalan pasca kerja kepada karyawan berupa Masa Persiapan Pensiun (MPP), dimana karyawan dapat memilih untuk tidak aktif bekerja selama enam bulan sebelum memasuki masa pensiun pada usia 56 tahun. Selama MPP, karyawan masih akan menerima imbalan berupa upah dasar.

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Long-term Employee Benefits (continued)

The Company (continued)

In 2007, the Company terminated work agreement with its two employees in relation to their appointment as Directors. For this termination, the Company calculated the post retirement benefit amounting to Rp1,994,460,164 which will be paid at the end of their tenure period as the Company's Directors.

In 2011, the Company terminated the work agreement with its two employees in relation to their appointment as Directors. For this termination, the Company calculated the post retirement benefits amounting to Rp3,958,918,631 which will be paid at the end of their tenure period as the Company's Directors. During 2011, the Company has paid such liabilities amounting to Rp5,953,378,795.

In 2011, the Company also provides post-employment benefits in the form of Pension Preparation Period (PPP), which the employees can choose to be inactive during six months before reaching pension age of 56 years. During the PPP, the employees still received benefits in the form of basic salary.

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

d. Imbalan Kerja Jangka Panjang (lanjutan)

<u>Transgasindo, Entitas Anak</u>

Transgasindo mencadangkan liabilitas diestimasi yang tidak didanai berdasarkan imbalan yang diatur dalam Perjanjian Kerja Bersama yang dibandingkan dengan imbalan berdasarkan Undang-Undang Ketenaga-kerjaan No. 13/2003 (UU No. 13/2003), mana yang lebih tinggi.

Liabilitas imbalan pasca kerja yang tidak didanai diatas adalah berdasarkan perhitungan aktuarial yang dilakukan oleh independen aktuaris, PT Sienco Aktuarindo Utama, berdasarkan laporannya tanggal 4 Januari 2012, 7 Januari 2011 dan 25 Januari 2010, yang dihitung dengan menggunakan metode "*Projected Unit Credit*" dengan asumsi sebagai berikut:

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Long-term Employees' Benefits (continued)

<u>Transgasindo, the Subsidiary</u>

Transgasindo provides an unfunded estimated liability based on benefits under the Collective Labor Agreement as compared with benefits under Labor Law No. 13/2003 (Law No. 13/2003), and provide whichever is higher.

The above unfunded employees' benefits liability is based on actuarial computation performed by independent actuary, PT Sienco Aktuarindo Utama, in its reports dated January 4, 2012, January 7, 2011 and January 25, 2010, using the "Projected Unit Credit" method, with the following assumptions:

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	**1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009***	
Tingkat Bunga Aktuaria	7,00% per Tahun/*per Annum*	9,20% per Tahun/ *per Annum*	10,70% per Tahun/*per Annum*	*Actuarial Discount Rate*
Tingkat Kematian	CSO 1980	CSO 1980	CSO 1980	*Mortality Rate*
Kenaikan Gaji dan Upah	10% per Tahun/*per Annum*	10% per Tahun/*per Annum*	10% per Tahun/*per Annum*	*Wages and Salaries Increase*
Umur Pensiun	56 Tahun/*Years*	56 Tahun/*Years*	56 Tahun/*Years*	*Retirement Age*
Tingkat Cacat	5% dari Tingkat Kematian/*from Mortality Rate*	5% dari Tingkat Kematian/*from Mortality Rate*	5% dari Tingkat Kematian/*from Mortality Rate*	*Disability Rate*

Tabel berikut ini menyajikan komponen liabilitas kesejahteraan karyawan Entitas Anak.

The following tables summarize the components of the employee benefits liabilities of the Subsidiary.

a. Beban kesejahteraan karyawan

a. Employees' benefits expense

<u>Imbalan pasca kerja</u> / *<u>Post retirement benefits</u>*

	31 Des. 2011/ *Dec. 31, 2011*	**31 Des. 2010/ *Dec. 31, 2010***	
Biaya jasa kini	8.991.177.355	4.723.752.803	*Current service cost*
Biaya bunga	3.148.255.066	1.488.793.761	*Interest cost*
Amortisasi biaya jasa lalu - *unvested*	1.164.928.053	-	*Amortization of past service cost - unvested*
Amortisasi kerugian aktuaria	271.762.503	-	*Amortization of actuarial loss*
Total	**13.576.122.977**	**6.212.546.564**	***Total***

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Imbalan Kerja Jangka Panjang (lanjutan)

d. Long-term Employees' Benefits (continued)

Transgasindo, Entitas Anak (lanjutan)

Transgasindo, the Subsidiary (continued

a. Beban kesejahteraan karyawan (lanjutan)

a. Employees' benefits expense (continued)

Imbalan kerja jangka panjang lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Biaya jasa kini	2.834.661.190	669.566.285	*Current service cost*
Biaya bunga	102.289.485	-	*Interest cost*
Amortisasi biaya jasa lalu - *unvested*	2.031.253.831	2.470.086.479	*Amortization of past service cost - unvested*
Amortisasi kerugian aktuaria	284.703.700	-	*Amortization of actuarial loss*
Total	**5.252.908.206**	**3.139.652.764**	***Total***

b. Liabilitas kesejahteraan karyawan

b. Employees' benefits liability

Imbalan pasca kerja / *Post retirement benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Nilai kini kewajiban imbalan pasti	62.422.111.232	26.744.530.129	13.925.989.949	*Present value of employee benefits obligation*
Biaya jasa lalu yang belum diakui	(9.717.605.105)	-	-	*Unrecognized past service cost*
Kerugian aktuaria yang belum diakui, neto	(20.517.821.054)	(7.914.034.079)	(1.283.981.325)	*Unrecognized actuarial losses, net*
Total	**32.186.685.073**	**18.830.496.050**	**12.642.008.624**	***Total***

Imbalan kerja lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Nilai kini kewajiban imbalan pasti	4.369.602.869	-	-	*Present value of employees' benefits obligation*
Kerugian aktuaria yang belum diakui, neto	-	-	-	*Unrecognized actuarial losses, net*
Total	**4.369.602.869**	**-**	**-**	***Total***

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

d. Imbalan Kerja Jangka Panjang (lanjutan)

d. Long-term Employees' Benefits (continued)

Transgasindo, Entitas Anak (lanjutan)

Transgasindo, the Subsidiary (continued)

c. Mutasi liabilitas diestimasi atas imbalan kerja

c. The movements of estimated liabilities for employees' benefits

Imbalan pasca kerja / *Post retirements benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	18.830.496.050	12.642.008.624	8.749.308.228	*Beginning balance*
Beban tahun berjalan	13.576.122.977	6.212.546.564	3.911.772.146	*Current cost*
Pembayaran manfaat	(219.933.954)	(24.059.138)	(19.071.750)	*Benefits payment*
Saldo akhir	**32.186.685.073**	**18.830.496.050**	**12.642.008.624**	***Ending balance***

Imbalan kerja lainnya / *Other long-term benefits*

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Saldo awal	-	-	-	*Beginning balance*
Beban kesejahteraan tahun berjalan	5.252.908.206	3.139.652.764	-	*Current benefits expense*
Pembayaran manfaat	(883.305.337)	(3.139.652.764)	-	*Benefits payment*
Saldo akhir	**4.369.602.869**	**-**	**-**	***Ending balance***

Pada tahun 2011, Transgasindo juga memberikan imbalan pasca kerja berupa MPP, dimana karyawan tidak lagi aktif bekerja selama 12 bulan sebelum memasuki masa pensiun pada usia 56 tahun. Selama masa MPP, karyawan masih akan menerima imbalan yang diberikan kepada karyawan aktif, termasuk, tetapi tidak terbatas pada gaji rutin dan tunjangan lainnya.

During 2011, Transgasindo also provides post-employment benefit in the form PPP, where the employees no longer working actively during 12 months before reaching pension age of 56. During PPP, the employees still receive benefits of an active employees, including, but not limited to, regular salary and other allowances.

Beban imbalan pasca kerja dan imbalan kerja lainnya Perusahaan dan Entitas Anak disajikan sebagai akun "Beban Administrasi dan Umum" pada laporan laba rugi komprehensif konsolidasian.

Post retirement benefits expense and other long term benefits of the Company and Subsidiary are presented as "General and Administrative Expenses" account in the consolidated statements of comprehensive income.

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31. PENSIUN DAN KESEJAHTERAAN KARYAWAN (lanjutan)

PGNEF, PGASKOM, PGASSOL, SEI dan GEI tidak membentuk cadangan imbalan pasca kerja pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009 karena jumlahnya tidak material.

Manajemen Perusahaan dan Entitas Anak berpendapat bahwa program jaminan hari tua cukup untuk menutupi semua imbalan yang diatur dalam UU No. 13/2003.

31. RETIREMENT AND OTHER EMPLOYEES' BENEFITS (continued)

PGNEF, PGASKOM, PGASSOL, SEI and GEI did not accrue for employee benefits as of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009 since the amount is immaterial.

The management of the Company and Subsidiaries believes that the retirements benefits program adequately cover the benefits to be provided based on Law No. 13/2003.

32. KEPENTINGAN NONPENGENDALI

32. NON-CONTROLLING INTERESTS

31 Des. 2011/*Dec. 31, 2011*

	Saldo/*Balance* 1 Januari 2011/ *January 1, 2011*	Laba rugi/ *Profit and loss*	Perubahan ekuitas lainnya/ *Other equity movement*	Saldo/*Balance* 31 Desember 2011/ *December 31, 2011*	
Transgasindo	1.232.337.397.720	185.134.572.135	(72.570.860.286)	1.344.901.109.469	*Transgasindo*
PGASKOM	45.304.963	3.992.745	-	49.297.708	*PGASKOM*
PGASSOL	(1.272.491)	7.862.505	-	6.590.014	*PGASSOL*
SEI	-	1.435	-	1.435	*SEI*
GEI	-	(1.462)	-	(1.462)	*GEI*
Total	**1.232.381.430.192**	**185.146.427.358**	**(72.570.860.286)**	**1.344.956.997.164**	***Total***

31 Des. 2010/*Dec. 31, 2010*

	Saldo/*Balance* 1 Januari 2010/ *January 1, 2010*	Bagian atas laba (rugi) neto/ *Share in net profit (loss)*	Perubahan ekuitas lainnya/ *Other equity movement*	Saldo/*Balance* 31 Desember 2010/ *December 31, 2010*	
Transgasindo	1.045.693.172.326	224.034.277.161	(37.390.051.767)	1.232.337.397.720	*Transgasindo*
PGASKOM	39.610.669	5.694.294	-	45.304.963	*PGASKOM*
PGASSOL	235.135	(1.507.626)	-	(1.272.491)	*PGASSOL*
Total	**1.045.733.018.130**	**224.038.463.829**	**(37.390.051.767)**	**1.232.381.430.192**	***Total***

1 Jan. 2010/*Jan 1, 2010*
31 Des. 2009/*Dec. 31, 2009*

	Saldo/*Balance* 1 Januari 2009/ *January 1, 2009*	Bagian atas laba (rugi) neto/ *Share in net profit (loss)*	Perubahan ekuitas lainnya/ *Other equity movement*	Saldo/*Balance* 31 Desember 2009/ *December 31, 2009*	
Transgasindo	966.666.113.475	203.822.728.357	(124.795.669.506)	1.045.693.172.326	*Transgasindo*
PGASKOM	(2.308.740)	1.919.409	40.000.000	39.610.669	*PGASKOM*
PGASSOL	-	235.135	-	235.135	*PGASSOL*
Total	**966.663.804.735**	**203.824.882.901**	**(124.755.669.506)**	**1.045.733.018.130**	***Total***

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33. SALDO DAN TRANSAKSI SIGNIFIKAN DENGAN PIHAK-PIHAK BERELASI

Dalam kegiatan usaha normal, Kelompok Usaha melakukan transaksi usaha dan keuangan dengan pihak-pihak berelasi. Entitas yang bersangkutan diakui sebagai pihak berelasi dari Kelompok Usaha berkaitan dengan persamaan kepemilikan dan manajemen.

Rincian sifat hubungan dan jenis transaksi yang signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Group entered into trade and financial transactions with related parties. The concerned entities are considered related parties of the Group in view of their common ownership and management.

The details of nature of relationship and types of significant transactions with related parties are as follows:

Pihak-pihak berelasi/ *Related parties*	Sifat hubungan/ *Nature of relationship*	Jenis transaksi/ *Nature of transactions*
PT Bank Tabungan Negara (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Penempatan giro dan deposito berjangka yang tidak dibatasi penggunaannya/*Placement of current accounts and unrestricted time deposits*
PT Bank Mandiri (Persero) Tbk	Dikendalikan oleh oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya, kas yang dibatasi penggunannya, fasilitas *Non Cash Loan*,fasilitas *Bill Purchasing Line*, fasilitas Kredit Modal Kerja, fasilitas *Supply Chain Financing* dan fasilitas *Treasury Line*/ *Placement of current accounts, placement of unrestricted time deposits, placement of restricted cash, Non Cash Loan facility, Bill Purchasing Line facility, working capital loans facility, Supply Chain Financing facility and Treasury Line facility*
PT Bank Negara Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya dan fasilitas kredit investasi/ *Placement of current accounts, placement of unrestricted time deposits and investment credit facility*
PT Bank Rakyat Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya, fasilitas *Standby Letter of Credit*, fasilitas bank garansi dan fasilitas penangguhan jaminan impor/*Placement of current accounts, placement of unrestricted time deposits, Standby Letter of Credit Facility, bank guarantee facility and guarantee of suspension of import facility*

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33. SALDO DAN TRANSAKSI SIGNIFIKAN DENGAN PIHAK-PIHAK BERELASI (lanjutan)

33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Pihak-pihak berelasi/ *Related parties*	**Sifat hubungan/ *Nature of relationship***	**Jenis transaksi/ *Nature of transactions***
PT Pertamina (Persero)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Debitur obligasi/*Bonds debtor*
PT Pertamina Hulu Energi West Java Madura Offshore	Dikendalikan oleh PT Pertamina (Persero)/ *Controlled by PT Pertamina (Persero)*	Pemasok gas/*Gas supplier*
PT Pertamina EP	Dikendalikan oleh PT Pertamina (Persero)/ *Controlled by PT Pertamina (Persero)*	Uang muka, pemasok gas, pelanggan /*Advance or take or pay, gas supplier, customer*
PT Pertamina Gas (Pertagas)	Dikendalikan oleh PT Pertamina (Persero)/ *Controlled by PT Pertamina (Persero)*	Pemasok gas/*Gas supplier*
PT Perusahaan Listrik Negara (Persero) (PLN)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Indonesia Power	Dikendalikan oleh PT Perusahaan Listrik Negara (Persero)/*Controlled by PT Perusahaan Listrik Negara (Persero)*	Pelanggan/*Customer*
PT PLN Batam	Dikendalikan oleh PT Perusahaan Listrik Negara (Persero)/*Controlled By PT Perusahaan Listrik Negara (Persero)*	Pelanggan/*Customer*
PT Indofarma (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*

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33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Pihak-pihak berelasi/ ***Related parties***	**Sifat hubungan/** ***Nature of relationship***	**Jenis transaksi/** ***Nature of transactions***
PT Barata Indonesia (Persero)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Iglas (Persero)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Kertas Leces (Persero)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Wijaya Karya Beton	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Wijaya Karya Intrade	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
PT Krakatau Daya Listrik	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Pelanggan/*Customer*
Lembaga Pembiayaan Ekspor Indonesia	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Debitur obligasi/ *Bond debtor*
PT Aneka Tambang (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Debitur obligasi/ *Bond debtor*
Perum Pegadaian	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ *Controlled by the Central Government of the Republic of Indonesia*	Debitur obligasi/ *Bond debtor*

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33. SALDO DAN TRANSAKSI SIGNIFIKAN DENGAN PIHAK-PIHAK BERELASI (lanjutan)

33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Pihak-pihak berelasi/ ***Related parties***	**Sifat hubungan/** ***Nature of relationship***	**Jenis transaksi/** ***Nature of transactions***
PT Nusantara Regas	Entitas asosiasi/ *Associate*	Penyertaan saham/*Investment in shares of stock*
PT Gas Energy Jambi	Entitas asosiasi/ *Associate*	Penyertaan saham/*Investment in shares of stock*

Transaksi-transaksi signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

Significant transactions with related parties are as follows:

	31 Des. 2011/ ***Dec. 31, 2011***	**31 Des. 2010/** ***Dec. 31, 2010***	
Pendapatan neto			***Net revenues***
Entitas berelasi dengan pemerintah			*Government-related entities*
PT PLN (Persero)	2.934.920.449.351	3.806.063.774.050	*PT PLN (Persero)*
PT Krakatau Daya Listrik	848.383.124.463	947.968.291.044	*PT Krakatau Daya Listrik*
PT Indonesia Power	556.596.629.629	591.601.819.808	*PT Indonesia Power*
PT PLN Batam	167.204.516.259	183.346.727.790	*PT PLN Batam*
PT Pertamina EP	44.563.646.186	19.594.278.323	*PT Pertamina EP*
PT Iglas (Persero)	42.608.331.786	37.155.635.040	*PT Iglas (Persero)*
PT Wijaya Karya Intrade	4.374.339.640	5.472.482.359	*PT Wijaya Karya Intrade*
PT Barata Indonesia (Persero)	1.815.209.421	441.102.885	*PT Barata Indonesia (Persero)*
PT Wijaya Karya Beton	1.763.880.623	4.736.640.274	*PT Wijaya Karya Beton*
PT Kertas Leces (Persero)	-	69.250.739.566	*PT Kertas Leces (Persero)*
Lain-lain (masing-masing di bawah Rp1.000.000.000)	751.432.808	1.037.501.790	*Others (each below Rp1,000,000,000)*
Total	**4.602.981.560.166**	**5.666.668.992.929**	***Total***
Persentase dari total pendapatan neto konsolidasian	**23,52%**	**28,67%**	*Percentage from total consolidated net revenues*
Pembelian			***Purchases***
Entitas berelasi dengan pemerintah			*Government-related entities*
PT Pertamina EP	1.768.793.496.983	2.028.384.991.677	*PT Pertamina EP*
PT Pertamina Gas	339.047.633.879	250.551.490.508	*PT Pertamina Gas*
PT Pertamina Hulu Energi	398.513.295.336	287.883.135.825	*PT Pertamina Hulu Energi*
Total	**2.506.354.426.198**	**2.566.819.618.010**	***Total***
Persentase dari total beban pokok pendapatan konsolidasian	**32,16%**	**35,53%**	*Percentage from total consolidated cost of revenues*

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Saldo-saldo signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

Kas dan setara kas dan kas yang dibatasi penggunaannya (Catatan 5)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, saldo kas dan setara kas dan kas yang dibatasi penggunaannya yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 31,21%, 32,07% dan 21,48% dari total aset konsolidasian.

Investasi jangka pendek (Catatan 6)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, saldo investasi jangka pendek yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 0,80%, nihil dan nihil dari total aset konsolidasian.

Piutang usaha (Catatan 7)

33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Significant balances with related parties are as follows:

Cash and cash equivalents and restricted cash (Note 5)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the balances of cash and cash equivalents and restricted cash placed in Government-related entities amounted to 31.21%, 32.07% and 21.48%, respectively, from the total consolidated assets.

Short-term investments (Note 6)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the balances of short-term investments placed in Government-related entities amounted to 0.80%, nil and nil, respectively, from the total consolidated assets.

Trade receivables (Note 7)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Entitas berelasi dengan pemerintah				*Government-related entities*
PT PLN (Persero)	267.611.934.957	374.481.606.582	350.298.797.674	*PT PLN (Persero)*
PT Krakatau Daya Listrik	97.819.771.559	73.883.364.575	64.428.499.486	*PT Krakatau Daya Listrik*
PT Kertas Leces (Persero)	41.427.189.839	41.181.704.804	39.998.628.806	*PT Kertas Leces (Persero)*
PT Indonesia Power	39.814.373.518	46.131.116.405	46.827.459.720	*PT Indonesia Power*
PT PLN Batam	28.652.774.427	27.020.916.386	18.063.390.430	*PT PLN Batam*
PT Iglas (Persero)	21.639.659.331	17.185.452.554	15.201.577.931	*PT Iglas (Persero)*
PT Pertamina EP	4.221.719.571	4.090.756.649	-	*PT Pertamina EP*
Lain-lain (masing-masing di bawah Rp1.000.000.000)	1.065.751.615	790.368.474	856.196.954	*Others (each below Rp1,000,000,000)*
Total	**502.253.174.817**	**584.765.286.429**	**535.674.551.001**	***Total***
Persentase dari total aset konsolidasian	**1,62%**	**1,82%**	**1,87%**	*Percentage from total consolidated assets*

Dari total piutang usaha tersebut di atas, Kelompok Usaha mencadangkan kerugian penurunan nilai atas piutang disebabkan adanya indikasi tidak tertagihnya piutang tersebut.

From the above total trade receivables, the Group provides allowance for impairment losses of receivables due to indications of uncollectibility.

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33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Uang muka (Catatan 10)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, saldo uang muka yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 2,25%, 2,15% dan 2,52% dari total aset konsolidasian.

Advances (Note 10)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the balance of advances placed in Government-related entity amounted to 2.25%, 2.15% and 2.52%, respectively, from the total consolidated assets.

Penyertaan saham (Catatan 12)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, saldo penyertaan saham yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 1,33%, 0,62% dan nihil dari total aset konsolidasian.

Investment in shares of stock (Note 12)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the balances of investment in shares of stock placed in government-related entities amounted to 1.33%, 0.62% and nil, respectively, from the total consolidated assets.

Pinjaman jangka panjang (Catatan 18)

Pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009, saldo pinjaman jangka panjang yang ditempatkan pada entitas yang berelasi dengan Pemerintah masing-masing sebesar 58,97%, 49,28% dan 51,32% dari total liabilitas konsolidasian.

Long-term loans (Note 18)

As of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009, the balances of long-term loans placed in Government-related entities amounted to 58.97%, 49.28% and 51.32%, respectively, from the total consolidated liabilities.

Utang usaha (Catatan 14)

Trade payables (Note 14)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Entitas berelasi dengan pemerintah				*Government-related entities*
PT Pertamina EP	140.962.683.191	210.651.989.468	240.524.293.288	*PT Pertamina EP*
PT Pertamina Hulu energi				*PT Pertamina Hulu energi*
West Java Madura Offshore	32.282.495.574	43.461.487.008	86.075.092.462	*West Java Madura Offshore*
PT Pertamina Gas	27.696.386.778	50.584.552.812	-	*PT Pertamina Gas*
Total	**200.941.565.543**	**304.698.029.288**	**326.599.385.750**	***Total***
Persentase dari total liabilitas konsolidasian	**1,46%**	**1,79%**	**2,06%**	*Percentage from total consolidated liabilities*

Kompensasi dan imbalan lain

Perusahaan dan Entitas Anak memberikan kompensasi dan imbalan lain kepada Dewan Komisaris dan Direksi sebesar Rp113.441.013.764 dan Rp84.276.755.555 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010, yang terdiri dari:

Compensation and other benefits

The Company and Subsidiaries provided compensation and other benefits for the Boards of Commissioners and Directors amounting to Rp113,441,013,764 and Rp84,276,755,555 for the years ended December 31, 2011 and 2010, which consist of:

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33. SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Kompensasi dan imbalan lain (lanjutan)

Compensation and other benefits (continued)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
Komisaris			*Commissioners*
Imbalan jangka pendek	26.956.519.225	20.662.603.582	*Short-term benefits*
Imbalan pasca kerja	1.950.813.717	-	*Post retirement benefits*
Imbalan jangka panjang lainnya	78.329.626	256.928.830	*Other long-term benefits*
Sub-total	28.985.662.568	20.919.532.412	*Sub-total*
Direksi			*Directors*
Imbalan jangka pendek	77.693.207.416	62.671.951.973	*Short-term employee benefits*
Imbalan pasca kerja	6.434.536.488	-	*Post retirement benefits*
Imbalan jangka panjang lainnya	327.607.292	685.271.170	*Other long-term benefits*
Sub-total	84.455.351.196	63.357.223.143	*Sub-total*
Total	113.441.013.764	84.276.755.555	*Total*

34. PROGRAM KEMITRAAN DAN BINA LINGKUNGAN

Dalam suatu program yang dibentuk oleh Pemerintah Republik Indonesia, manajemen Badan Usaha Milik Negara diharuskan mengambil tindakan untuk membantu usaha kecil dan koperasi. Perusahaan mengalokasikan 0,5% dari laba tahun 2006 untuk membiayai Program Kemitraan dan Bina Lingkungan (PKBL) yang telah dipilih oleh Perusahaan atau ditentukan oleh Pemerintah Republik Indonesia. Dana untuk program ini dikelola secara terpisah oleh Perusahaan sebelum dibayarkan dalam bentuk hibah dan pinjaman kepada usaha kecil dan koperasi yang sudah terpilih.

Pada tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010, Perusahaan telah mencatat beban atas Tanggung Jawab Sosial dan Lingkungan pada operasi berjalan yang disajikan pada akun “Beban Usaha - Tanggung Jawab Sosial dan Bina Lingkungan“ pada laporan laba rugi komprehensif konsolidasian (Catatan 26).

Pada tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010, Perusahaan telah mencatat pencadangan atas program Bina Lingkungan sebagai pengurang saldo laba tahun 2011 dan 2010 (Catatan 22).

34. PARTNERSHIP AND COMMUNITY DEVELOPMENT PROGRAM

Under a program established by the Government of the Republic of Indonesia, the management of State-Owned Enterprises undertakes measures to foster the partnership and community development program (“Program Kemitraan dan Bina Lingkungan-PKBL”). The Company allocates 0.5% of its 2006 net income to fund the Partnership and Community Development Program (PKBL) selected by the Company or determined by the Government of the Republic of Indonesia. The funds for this program are maintained separately by the Company before being paid out in the forms of grants and loans to designated small enterprises and cooperatives.

For the years ended December 31, 2011 and 2010, the Company has recorded the Corporate Social and Environmental Responsibility expense in current operations which is presented as part of “Operating Expenses - Corporate Social and Environmental Responsibility (CSR)” account in the consolidated statements of comprehensive income (Note 26).

For the years ended December 31, 2011 and 2010, the Company has recorded appropriation for Community Development Program as a deduction of 2011 and 2010 retained earnings (Note 22).

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35. PERJANJIAN-PERJANJIAN PENTING

Perusahaan mengadakan perjanjian-perjanjian penting sebagai berikut:

1. Perjanjian Jual Beli Gas (PJBG)

Perusahaan harus membeli dan membayar jumlah pembelian minimum per tahun untuk setiap PJBG di bawah ini. Perbedaan antara jumlah kuantitas pembelian dan kuantitas pembelian minimum dicatat sebagai "*Make-Up Gas*", yang dapat direalisasikan setiap saat jika kuantitas minimum telah diambil atau pada periode tertentu setelah perjanjian berakhir. Saldo *"Make-Up Gas"* disajikan sebagai bagian dari "Uang Muka" pada laporan posisi keuangan konsolidasian (Catatan 10).

a. PT Pertamina (Persero)

1) Pada tanggal 23 September 1997, Perusahaan mengadakan perjanjian penyediaan gas bumi di Muara Karang dengan Pertamina untuk penyediaan gas di Jawa Barat, yang diambil dari ladang gas ONWJ.

Pertamina menyetujui untuk menyediakan gas sejumlah 182.260 BBTU. Pembayaran pembelian gas dijamin dengan *Standby Letter of Credit* (SBLC) yang diterbitkan oleh PT Bank Mandiri (Persero) Tbk. Perjanjian ini berlaku untuk jangka waktu sepuluh tahun. Pada tanggal 16 Desember 2009, Perusahaan dan Pertamina menandatangani amandemen atas perjanjian ini. Amandemen terkait dengan total pasokan gas, jumlah penyerahan gas harian dan perubahan harga. Amandemen ini berlaku hingga kuantitas yang diperjanjikan telah tercapai.

Pada tanggal 20 Mei 2010, Perusahaan dan Pertamina menandatangani amandemen atas perjanjian ini. Pertamina menyetujui untuk menyalurkan gas sejumlah 3,78 TBTU terhitung mulai 10 Mei 2010. Amandemen ini berlaku hingga kuantitas yang diperjanjikan telah tercapai.

Perjanjian ini telah berakhir pada tahun 2011 dan sudah tidak diperpanjang lagi.

35. SIGNIFICANT AGREEMENTS

The Company has the following significant agreements:

1. Gas Sale and Purchase Agreements (GSPA)

The Company is required to buy and pay for the minimum purchase quantity per year for each of the GSPA below. The difference between the purchased quantity and the minimum purchase quantity is recorded as "Make-Up Gas", which can be realized anytime if the minimum quantity has been taken or at a specified period after the related agreement ends. The outstanding balance of the "Make-Up Gas" is presented as part of "Advances" in the consolidated statements of financial position (Note 10).

a. PT Pertamina (Persero)

1) On September 23, 1997, the Company has an agreement with Pertamina for the supply of natural gas to Muara Karang for gas distribution to West Java, taken from the ONWJ gas field.

Pertamina agreed to supply gas totaling 182,260 BBTU. The gas purchases payment are covered by a Standby Letter of Credit (SBLC) issued by PT Bank Mandiri (Persero) Tbk. This agreement is valid for ten years. On December 16, 2009, the Company and Pertamina entered into an amendment of the agreement. The amendment is related to total gas supply, daily gas transportation and tariff change. This amendment is valid until the contracted quantity is delivered.

On May 20, 2010, the Company and Pertamina entered into amendment of this agreement. Pertamina agreed to continue to supply gas totaling 3.78 TBTU starting on May 10, 2010. This amendment is valid until the contracted quantity is delivered.

This agreement has already terminated in 2011 and there is no further extention.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

a. PT Pertamina (Persero) (lanjutan)

2) Pada tanggal 17 Desember 1999, Perusahaan mengadakan Perjanjian Jual Beli Gas (PJBG) dengan Pertamina untuk penyediaan gas bumi di Palembang dan sekitarnya yang diambil dari sumber gas di Sumatera Selatan, yang dikembangkan oleh Pertamina. Pertamina akan menyalurkan gas dengan jumlah keseluruhan sebesar 2.343 bscf. Perjanjian ini berlaku untuk jangka waktu sepuluh tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

Pada tanggal 5 Desember 2011, para pihak menandatangani amandemen kedua atas Kesepakatan Bersama pasokan gas. Kesepakatan Bersama ini berlaku untuk jangka waktu 48 bulan terhitung sejak tanggal 8 Oktober 2008 atau sampai dengan ditandatanganinya dan berlaku efektif amandemen Perjanjian Jual Beli Gas (PJBG) SSWJ, mana yang terlebih dahulu dan dapat diperpanjang berdasarkan kesepakatan para pihak.

3) Pada tanggal 4 April 2002, Perusahaan mengadakan Perjanjian Jual Beli Gas dengan Pertamina untuk penyediaan gas bumi di daerah Medan, yang diambil dari lapangan minyak dan gas bumi di Daerah Operasi Hulu (DOH) Rantau. Pertamina akan menyalurkan gas dengan jumlah keseluruhan sebesar 43,81 bscf. Perjanjian ini berlaku untuk jangka waktu sepuluh tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

a. PT Pertamina (Persero) (continued)

2) On December 17, 1999, the Company entered into Gas Sale and Purchase Agreement (GSPA) with Pertamina for the supply of natural gas in Palembang and its surroundings, taken from gas field at South Sumatera developed by Pertamina. Pertamina will supply gas totaling 2,343 bscf. This agreement is valid for ten years or until the contracted quantity is delivered, whichever comes first.

On December 5, 2011, all parties entered into second amendment of the above Agreement for the supply gas. This amendment is valid for 48 months since October 8, 2008 or until the amendment of SSWJ Gas Sale and Purchase Agreement has been signed and effective, whichever comes first and can be amended based on all parties' agreement.

3) On April 4, 2002, the Company entered into Gas Sale and Purchase Agreement with Pertamina for natural gas supply in the Medan area, taken from the oil and gas field at Daerah Operasi Hulu (DOH) Rantau. Pertamina agreed to supply gas totaling 43.81 bscf. This agreement is valid for ten years or until the contracted quantity has been delivered, whichever comes first.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

a. PT Pertamina (Persero) (lanjutan)

Perjanjian ini telah berakhir pada tanggal 31 Maret 2011. Pada tanggal 30 Maret 2011, Perusahaan dan Pertamina telah menandatangani Kesepakatan Bersama Penyaluran Gas Untuk Keperluan Pelanggan PGN Medan dengan jumlah penyerahan harian sebesar 7 mmscfd. Kesepakatan Bersama ini berlaku efektif pada tanggal 1 April 2011 sampai dengan 30 September 2011.

Pada tanggal 30 Januari 2012, Perusahaan dan Pertamina telah menandatangani Amandemen Perjanjian Jual Beli Gas (PJBG) untuk penyediaan gas bumi di daerah Medan, yang sebelumnya diambil dari lapangan minyak dan gas bumi di Daerah Operasi Hulu (DOH) Rantau beralih ke lapangan minyak dan gas bumi dari Region Sumatera, Sumatera Bagian Utara. Dengan perubahan amandemen meliputi jumlah gas yang disalurkan, harga gas dan memperpanjang jangka waktu PJBG. Amandemen ini berlaku dari tanggal 1 April 2011 sampai dengan 31 Maret 2013 atau jumlah keseluruhan kuantitas penyaluran gas yang diperjanjikan telah terpenuhi, mana yang terjadi lebih dahulu.

4) Pada tanggal 4 April 2002, Perusahaan mengadakan Perjanjian Jual Beli Gas dengan Pertamina untuk penyediaan gas bumi di wilayah distribusi Jakarta dan Bogor, yang diambil dari lapangan minyak dan gas bumi di Daerah Operasi Hulu (DOH) Cirebon. Pertamina akan menyalurkan gas dengan jumlah keseluruhan sebesar 365 bscf. Perjanjian ini berlaku untuk jangka waktu sepuluh tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

a. PT Pertamina (Persero) (continued)

This agreement has expired on March 31, 2011. On March 30, 2011, the Company and Pertamina entered into Mutual Agreement Gas Supply for PGN Medan Customer with daily supply gas of 7 mmscfd. This agreement is effective on April 1, 2011 until September 30, 2011.

On January 30, 2012, the Company and Pertamina entered into an Amendment of Gas Sale and Purchase Agreement for natural gas supply in the Medan area taken from the oil and gas field at Daerah Operasi Hulu (DOH) Rantau change to the oil and gas field from Sumatera Region, North Sumatera. With changes in amendment related to amount of gas to be delivered, gas price and extention of PJBG. This amendment is valid starting from April 1, 2011 until March 31, 2013 or until the contracted quantity of gas to be delivered, whichever comes first.

4) On April 4, 2002, the Company entered into Gas Sale and Purchase Agreement with Pertamina for natural gas supply in the Jakarta and Bogor distribution area, taken from the oil and gas field at Daerah Operasi Hulu (DOH) Cirebon. Pertamina agreed to supply gas totaling 365 bscf. This agreement is valid for ten years or until the contracted quantity has been delivered, whichever comes first.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

a. PT Pertamina (Persero) (lanjutan)

Pada tanggal 31 Desember 2008, Perusahaan dan Pertamina menandatangani amandemen atas Perjanjian Jual Beli Gas tersebut di atas yang mengubah jumlah keseluruhan penyaluran gas dari yang semula 365 bscf menjadi 337,59 bscf.

Perjanjian ini telah berakhir pada tanggal 31 Maret 2011. Pada tanggal 30 Maret 2011, Perusahaan dan Pertamina telah menandatangani Kesepakatan Bersama Penyaluran Gas Untuk Keperluan Pelanggan PGN Jakarta-Bogor, Sunyaragi dengan jumlah penyerahan harian sebesar 30 mmscfd. Kesepakatan Bersama ini berlaku terhitung mulai tanggal 1 April 2011 sampai dengan 30 September 2011.

Pada tanggal 30 Januari 2012, Perusahaan dan Pertamina telah menandatangani amandemen kedua atas Perjanjian Jual Beli Gas (PJBG) untuk penyediaan gas bumi di daerah Jakarta dan Bogor, yang sebelumnya diambil dari lapangan minyak dan gas bumi di Daerah Operasi Hulu (DOH) Cirebon menjadi dari lapangan minyak dan gas bumi Region Jawa, di Jawa Bagian Barat, dengan perubahan berupa jumlah gas yang disalurkan, harga gas dan perpanjangan jangka waktu PJBG. Amandemen ini berlaku dari tanggal 1 April 2011 sampai dengan 31 Maret 2013 atau jumlah keseluruhan kuantitas penyaluran gas yang diperjanjikan telah terpenuhi, mana yang lebih dahulu tercapai.

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35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

a. PT Pertamina (Persero) (continued)

On December 31, 2008, the Company and Pertamina entered into an amendment of the above Gas Sale and Purchase Agreement which amended the total of gas supplied from 365 bscf to 337.59 bscf.

This agreement has expired on March 31, 2011. On March 30, 2011, the Company and Pertamina entered into Mutual Agreement Gas Supply for PGN Jakarta-Bogor Customer, Sunyaragi with daily supply gas of 30 mmscfd. This agreement is effective on April 1, 2011 until September 30, 2011.

On January 30, 2012, the Company and Pertamina entered into an Amendment of Gas Sale and Purchase Agreement for natural gas supply in the Jakarta and Bogor area taken from the oil and gas field at Daerah Operasi Hulu (DOH) Cirebon change to the oil and gas field at Java Region, in West Java, with the changes of the quantity of gas to be delivered, gas price and the extention of GSPA's maturity date. This amendment is valid starting from April 1, 2011 until March 31, 2013 or until the contracted quantity of gas to be delivered, whichever comes first.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

a. PT Pertamina (Persero) (lanjutan)

5) Pada tanggal 4 April 2002, Perusahaan mengadakan Perjanjian Jual Beli Gas dengan Pertamina untuk penyediaan gas bumi di Cirebon, yang diambil dari lapangan minyak dan gas bumi di Daerah Operasi Hulu (DOH) Cirebon. Pertamina akan menyalurkan gas dengan jumlah keseluruhan sebesar 14,60 bscf. Perjanjian ini berlaku untuk jangka waktu sepuluh tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

Perjanjian ini telah berakhir pada tanggal 31 Maret 2011. Pada tanggal 30 Maret 2011, Perusahaan dan Pertamina telah menandatangani Kesepakatan Bersama Penyaluran Gas Untuk Keperluan Pelanggan PGN Cirebon dengan jumlah penyerahan harian sebesar 2,5 mmscfd. Kesepakatan bersama ini berlaku terhitung mulai tanggal 1 April 2011 sampai dengan 30 September 2011.

Pada tanggal 5 Desember 2011, para pihak melakukan amandemen kesepakatan bersama penyaluran gas dengan memperpanjang jangka waktu perjanjian sampai dengan 31 Januari 2012 atau sampai dengan amandemen PJBG Cirebon (Bongas) ditandatangani, mana yang lebih dulu terjadi.

Sampai dengan tanggal 6 Maret 2012, amandemen ini masih dalam proses.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

a. PT Pertamina (Persero) (continued)

5) On April 4, 2002, the Company entered into Gas Sale and Purchase Agreement with Pertamina for natural gas supply in the Cirebon area, taken from the oil and gas field at Daerah Operasi Hulu (DOH) Cirebon. Pertamina agreed to supply gas totaling 14.60 bscf. This agreement is valid for ten years or until the contracted quantity has been delivered, whichever comes first.

This agreement has expired on March 31, 2011. On March 30, 2011, the Company and Pertamina entered into Mutual Agreement Gas Supply for PGN Cirebon Customer with daily gas supply of 2.5 mmscfd. The agreement is effective on April 1, 2011 until September 30, 2011.

On December 5, 2011, all parties entered into amendment of mutual agreement of gas supply which amended the term of agreement until January 31, 2012 or until PJBG Cirebon (Bongas) amendment agreement has been signed, whichever comes first.

Up to March 6, 2012, the amendment of this mutual agreement is still in process.

35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

a. PT Pertamina (Persero) (lanjutan)

6) Pada tanggal 26 Juni 2003, Perusahaan mengadakan Perjanjian Jual Beli Gas untuk Proyek Sumatera Selatan-Jawa Barat dengan Pertamina untuk penyaluran gas dari Sumatera Selatan ke Jawa Barat, yang diambil dari lapangan minyak dan gas bumi yang dikembangkan oleh Pertamina melalui fasilitas lapangan gas di Daerah Operasi Hulu (DOH) Sumatera bagian Selatan. Pertamina menyetujui untuk menyalurkan gas sejumlah 1.006 tcf ditambah penyaluran gas yang akan disesuaikan dengan kemampuan lapangan berdasarkan usaha terbaik Pertamina. Perjanjian ini akan berakhir untuk jangka waktu 22 tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu. Pembayaran pembelian gas dijamin dengan *Standby Letter of Credit* (SBLC) yang diterbitkan oleh PT Bank Mandiri (Persero) Tbk.

7) Pada tanggal 26 Juli 2004, Perusahaan mengadakan Perjanjian Jual Beli Gas dengan Pertamina. Pertamina akan menyediakan gas bumi dari lapangan Jatirarangon yang dikembangkan oleh Ellipse Energy Jatirarangon Wahana Ltd. (EEJW). Jumlah kuantitas gas yang disalurkan adalah sebesar 40,15 bcf untuk jangka waktu sepuluh tahun. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk. Pada tanggal 30 Maret 2011, Perusahaan dan Pertamina telah menandatangani amandemen perjanjan ini yang mengubah beberapa ketentuan di antaranya termasuk harga gas.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

a. PT Pertamina (Persero) (continued)

6) On June 26, 2003, the Company entered into Gas Sale and Purchase Agreement for South Sumatera-West Java Project with Pertamina involving gas deliveries from South Sumatera to West Java with gas deliveries being supplied by Pertamina, taken from the oil and gas field at Daerah Operasi Hulu (DOH) Southern Sumatera developed by Pertamina. Pertamina agreed to supply gas totaling 1,006 tcf plus additional supply of gas according to the field capability based on Pertamina's best efforts. This agreement is valid for 22 years or until the contracted quantity is delivered, whichever comes first. The gas purchases are covered by a Standby Letter of Credit (SBLC) issued by PT Bank Mandiri (Persero) Tbk.

7) On July 26, 2004, the Company entered into Gas Sale and Purchase Agreement with Pertamina. Pertamina will provide the natural gas from Jatirarangon field developed by Ellipse Energy Jatirarangon Wahana Ltd. (EEJW). The total gas quantity to be supplied is 40.15 bcf for ten years period. The gas purchases payment are covered by a SBLC issued by PT Bank Rakyat Indonesia (Persero)Tbk. On March 30, 2011, the Company and Pertamina entered into the amendment of the agreement which amended some terms, including the gas price.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

b. ConocoPhillips

1) Pada tanggal 9 Juli 2004, Perusahaan dan ConocoPhillips menandatangani Perjanjian Jual Beli Gas Batam, di mana ConocoPhillips setuju untuk menjual gas kepada Perusahaan yang diambil dari sumber di *Corridor Block* sebesar 225 Tbtu, dan akan didistribusikan kepada pelanggan domestik Perusahaan di Batam. Perjanjian ini berlaku untuk jangka waktu 15 tahun atau hingga jumlah yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

Pembayaran pembelian gas dijamin dengan *Standby Letter of Credit* yang diterbitkan oleh PT ANZ Panin Bank.

2) Pada tanggal 9 Agustus 2004, Perusahaan dan ConocoPhillips (Grissik) Ltd., (Conoco) menandatangani Perjanjian Jual Beli Gas *Corridor Block* - wilayah Jawa Barat, dimana Conoco setuju untuk menjual gas kepada Perusahaan yang diambil dari sumber di *Corridor Block* sebesar 2.310 Tbtu, dan akan didistribusikan kepada pelanggan domestik Perusahaan di Jawa Barat. Perjanjian ini berlaku untuk jangka waktu 16 tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

Pembayaran pembelian gas dijamin dengan *Standby Letter of Credit* yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk.

Pada tanggal 31 Mei 2010, Perusahaan dan Conoco menandatangani Amandemen Perjanjian Jual Beli Gas *Corridor Block* - wilayah Jawa Barat. Amandemen ini terkait dengan perubahan *Daily Contract Quantity (DCQ)* dari perjanjian sebelumnya dan telah berlaku pada tanggal 1 Juni 2010. Perjanjian ini berlaku sampai dengan tahun 2023.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

b. ConocoPhillips

1) On July 9, 2004, the Company and ConocoPhillips entered into the Batam Gas Sale and Purchase Agreement, whereby ConocoPhillips agreed to sell gas to the Company taken from the Corridor Block totaling 225 Tbtu, to be distributed to the Company's domestic customers in Batam. This agreement is valid for 15 years or until the contracted quantity has been delivered, whichever comes first.

The gas purchases are covered by a Standby Letter of Credit issued by PT ANZ Panin Bank.

2) On August 9, 2004, the Company and ConocoPhillips (Grissik) Ltd., (Conoco) entered into the Corridor Block to Western Java Area Gas Sale and Purchase Agreement, whereby Conoco agreed to sell gas to the Company taken from the Corridor Block totaling 2,310 Tbtu, to be distributed to the Company's domestic customers in West Java. This agreement is valid for 16 years or until the contracted quantity has been delivered, whichever comes first.

The gas purchases are covered by a Standby Letter of Credit issued by PT Bank Rakyat Indonesia (Persero) Tbk.

On May 31, 2010, the Company and Conoco entered into the Amendment of Corridor Block to Western Java Area Gas Sale and Purchase Agreement. This amendment is related to the changes of Daily Contract Quantity (DCQ) from the previous agreement and has been effective on June 1, 2010. This agreement is valid until 2023.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

b. ConocoPhillips (lanjutan)

3) Pada tanggal 12 Desember 2004, Perusahaan dan Conoco menandatangani Perjanjian Jual Beli Gas Batam II, dimana Conoco setuju untuk menjual gas kepada Perusahaan yang diambil dari sumber di *Corridor Block* sebesar 65,8 Tbtu, dan akan didistribusikan kepada pelanggan domestik Perusahaan di Panaran, Batam. Perjanjian ini berlaku untuk jangka waktu 15 tahun atau hingga jumlah yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT ANZ Panin Bank.

4) Pada tanggal 11 September 2007, Perusahaan dan Conoco menandatangani *Interruptible Gas Sale and Purchase Agreement (IGSPA),* dimana Conoco setuju untuk menjual gas kepada Perusahaan yang diambil dari *Corridor Block,* dan akan didistribusikan kepada pelanggan domestik Perusahaan di Sumatera Tengah dan Batam. Penyaluran gas dilaksanakan dengan mempertimbangkan ketersediaan gas, nominasi PGN dan kapasitas transportasi. Perjanjian ini berlaku untuk jangka waktu dua tahun.

Pembayaran pembelian gas dijamin dengan *SBLC* yang diterbitkan oleh PT ANZ Panin Bank.

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35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

b. ConocoPhillips (continued)

3) On December 12, 2004, the Company and Conoco entered into the Batam II Gas Sale and Purchase Agreement, whereby Conoco agreed to sell gas to the Company taken from the Corridor Block totaling 65.8 Tbtu, to be distributed to the Company's domestic customers in Panaran, Batam. This agreement is valid for 15 years or until the contracted quantity is delivered, whichever comes first. The gas purchases payment are covered by a SBLC issued by PT ANZ Panin Bank.

4) On September 11, 2007, the Company and Conoco entered into Interruptible Gas Sale and Purchase Agreement (IGSPA), whereby Conoco agreed to sell gas to the Company taken from the Corridor Block, to be distributed to the Company's domestic customers in Central Sumatera and Batam. The total quantity to be supplied considering gas availability, PGN nomination and transportation capacity. This agreement is valid for two years.

The gas purchases payment are covered by a SBLC issued by PT ANZ Panin Bank.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

b. ConocoPhillips (lanjutan)

Pada tanggal 31 Mei 2010, Perusahaan dan Conoco menandatangani *Amendment and Restatement to replace Interruptible Gas Sale and Purchase Agreement (IGSPA) to Gas Sale and Purchase Agreement (ARGSPA),* dimana Conoco setuju untuk mengalirkan dan menjual gas kepada Perusahaan yang diambil dari *Corridor Block* sesuai dengan spesifikasi pada titik pengiriman hingga mencapai *Daily Contract Quantity (DCQ)* untuk pelanggan PT Indah Kiat Pulp and Paper Tbk (IKPP) dan PT Riau Andalan Pulp and Paper (RAPP). Perjanjian ini berlaku untuk jangka waktu lima tahun.

5) Pada tanggal 14 April 2008, Perusahaan dan PC Ketapang II Ltd. (dahulu ConocoPhillips (Ketapang) Ltd.) menandatangani *Heads of Agreement for Gas Supply and Purchase* (HoA), di mana Conoco setuju untuk menjual gas kepada Perusahaan yang diambil dari Blok Ketapang, dan akan didistribusikan kepada pelanggan domestik Perusahaan di Jawa Timur. HoA ini berlaku selama lima tahun.

Pada tanggal 24 September 2010, Perusahaan dan PC Ketapang II Ltd. menandatangani amandemen HoA.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

b. ConocoPhillips (continued)

On May 31, 2010, the Company and Conoco entered into an Amendment and Restatement to replace Interruptible Gas Sale and Purchase Agreement (IGSPA) to Gas Sale and Purchase Agreement (ARGSPA), whereby Conoco agreed to deliver and sell gas to the Company taken from the Corridor Block which conforms to the specification at the delivery point up to the Daily Contract Quantity (DCQ), for the customers of PT Indah Kiat Pulp and Paper Tbk (IKPP) and PT Riau Andalan Pulp and Paper (RAPP). This agreement is valid for five years.

5) On April 14, 2008, the Company and PC Ketapang II Ltd. (formerly ConocoPhillips (Ketapang) Ltd.) entered into Heads of Agreement for Gas Supply and Purchase (HoA), whereby Conoco agreed to sell gas to the Company taken from the Ketapang Block, to be distributed to the Company's domestic customers in East Java. This HoA is valid until five years.

On September 24, 2010, the Company and PC Ketapang II Ltd. signed the amendment of HoA.

35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

c. Lapindo Brantas, Inc. (Lapindo)

Pada tanggal 29 Desember 2003, Perusahaan dan Lapindo menandatangani Perjanjian Jual Beli Gas untuk pembelian gas selama periode 19 Juli 2003 sampai dengan 31 Desember 2007. Jumlah pembelian gas selama periode tersebut berkisar antara 40 mmscfd sampai 80 mmscfd.

Pada tanggal 30 Desember 2011, Perusahaan dan Lapindo menandatangani Berita Acara Kelanjutan Pasokan Gas dari Lapangan Wunut, dimana Perusahaan dan Lapindo sepakat untuk melanjutkan penyaluran gas untuk periode sejak tanggal 1 Januari 2012 sampai dengan 30 Juni 2012 dengan jumlah kuantitas yang disalurkan sebesar "*as it is*" yaitu seluruh volume (jumlah) gas apa adanya yang dihasilkan dari Lapangan Wunut.

d. Kodeco

Pada tanggal 12 Desember 2004, Perusahaan dan Kodeco menandatangani Perjanjian Penjualan Gas Jangka Pendek, yang kemudian diperbaharui pada tanggal 1 April 2005. Perjanjian ini berlaku sampai dengan tanggal 31 Desember 2005 atau tanggal berlakunya Perjanjian Penjualan Gas Jangka Panjang, mana yang terjadi lebih dahulu. Pembelian gas dijamin dengan pembayaran uang muka gas.

Pada tanggal 13 Juni 2006, Perusahaan dan Kodeco menandatangani amandemen ketiga atas *Side Letter to Long Term Gas Sales Agreement* (LTGSA). Pada perjanjian tersebut, kedua belah pihak sepakat untuk memberlakukan semua persyaratan dan kondisi yang ditetapkan dalam rancangan terakhir LTGSA.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

c. Lapindo Brantas, Inc. (Lapindo)

On December 29, 2003, the Company and Lapindo signed a Gas Sale and Purchase Agreement for gas purchasing for the period from July 19, 2003 up to December 31, 2007. Total gas purchases for the said period range from 40 mmscfd to 80 mmscfd.

On December 30, 2011, the Company and Lapindo entered into Letter of Continuance of Gas Supply from Lapangan Wunut, which the Company and Lapindo agreed to continue gas delivery for the period starting from January 1, 2012 until June 30, 2012 with the quantity of gas delivered amounting to "as it is", the quantity of all gas volume which produced by Lapangan Wunut.

d. Kodeco

On December 12, 2004, the Company and Kodeco entered into a Short-term Gas Sales Agreement, which was then amended on April 1, 2005. This agreement is valid up to December 31, 2005 or the effective date of Long-Term Gas Sales Agreement, whichever comes first. The gas purchases are secured by advance payment.

On June 13, 2006, the Company and Kodeco entered into third amendment of Side Letter to Long-term Gas Sales Agreement (LTGSA). Both parties agreed to apply the entire term and condition as stipulated in the last draft LTGSA.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

d. Kodeco (lanjutan)

Pada tanggal 19 Desember 2006, Perusahaan dan Kodeco telah menandatangani LTGSA dengan jumlah kuantitas gas yang disalurkan sebesar 51.260 BBTU. Perjanjian ini berlaku untuk jangka waktu enam tahun atau hingga kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu.

Sehubungan dengan berakhirnya jangka waktu perjanjian ini, pada tanggal 6 Mei 2011, Perusahaan dan Kodeco telah menandatangani Kesepakatan Bersama Penyaluran Gas pada tanggal 6 Mei 2011 dengan jumlah kuantitas gas yang disalurkan sebesar 18 BBTUD. Kesepakatan Bersama berlaku terhitung mulai tanggal 7 Mei 2011 sampai dengan 31 Desember 2011 dan akan berakhir dengan sendirinya setelah ditandatanganinya amandemen perjanjian atau perjanjian jual beli gas baru.

Pada 15 Desember 2011, Perusahaan, PT Pertamina Hulu Energi West Madura Offshore (PHEWMO) dan Kodeco Energy Co. Ltd. menandatangani kesepakatan bersama penyaluran gas yang mengatur penyaluran gas dengan jumlah kuantitas gas harian sebesar 18 BBTUD. Kesepakatan ini berlaku mulai tanggal 15 Desember 2011 sampai dengan 30 Juni 2012 atau tercapainya jumlah kumulatif penyaluran gas kepada Perusahaan sejak tanggal 15 Desember 2011 sebesar 3,276 BBTUD atau tanggal ditandatangani amandemen baru, mana yang lebih dahulu terjadi. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

d. Kodeco (continued)

On December 19, 2006, the Company and Kodeco entered into a LTGSA with total gas supply amounting to 51,260 BBTU. This agreement is valid for six years or until the contracted quantity has been delivered, whichever comes first.

Since this agreement has expired on May 6, 2011, the Company and Kodeco entered into a Mutual Agreement Gas Delivery on May 6, 2011 with total gas supply totaling to 18 BBTUD. This agreement is valid from May 7, 2011 until December 31, 2011 and will be ended automatically when the amendment or the new gas supply is signed.

On December 15, 2011, the Company, PT Pertamina Hulu Energi West Madura Offshore (PHEWMO) and Kodeco Energy Co. Ltd. entered into a Mutual Agreement Gas Delivery which regulates the contracted daily quantity of gas delivery totaling to 18 BBUTD. This agreement is valid starting from December 15, 2011 until June 30, 2012 or the fulfillment of the total of gas quantity delivered to the Company since December 15, 2011 totaling to 3.276 BBTUD or the signing date of new amendment, whichever comes first. The gas purchased are covered by SBLC issued by PT Bank Rakyat Indonesia (Persero) Tbk.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

e. Santos (Madura Offshore) Pty. Ltd.

Pada tanggal 31 Mei 2005, Perusahaan, Santos (*Madura Offshore*) Pty. Ltd. dan PC Madura Ltd., menandatangani Perjanjian Penjualan Gas, dimana Santos (*Madura Offshore*) Pty. Ltd. dan PC Madura Ltd., setuju untuk menjual gas yang diambil dari lapangan Maleo kepada Perusahaan yang akan didistribusikan kepada pelanggan domestik Perusahaan.

Perjanjian ini berlaku untuk jangka waktu 12 tahun sejak kondisi tertentu dipenuhi. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh *Australia and New Zealand (ANZ) Banking Group Limited*, Singapura.

Pada tanggal 7 November 2011, Perusahaan Santos (*Madura Offshore*), PC Madura Ltd. dan PT Petrogas Pantai Madura menandatangani amandemen atas Perjanjian Penjualan Gas yang mengubah ketentuan harga gas.

f. Husky Oil (Madura) Ltd. (Husky)

Pada tanggal 30 Oktober 2007, Perusahaan dan Husky Oil menandatangani Perjanjian Penjualan Gas, dimana Husky setuju untuk menjual gas kepada Perusahaan yang diambil dari lapangan di Madura BD sebesar 20 BBTU dan akan didistribusikan kepada pelanggan domestik Perusahaan di Jawa Timur. Perjanjian ini berlaku untuk jangka waktu 20 tahun. Pembayaran pembelian gas dijamin dengan *performance bond* yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk. Pada tanggal 23 Juni 2011, Perusahaan dan Husky Oil mengubah beberapa ketentuan dalam perjanjian, termasuk mengenai harga gas.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

e. Santos (Madura Offshore) Pty. Ltd.

On May 31, 2005, the Company, Santos (Madura Offshore) Pty. Ltd. and PC Madura Ltd., entered into a Gas Sale Agreement, whereby Santos (Madura Offshore) Pty. Ltd. and PC Madura Ltd., agreed to sell gas to the Company taken from the Maleo gas field to be distributed to the Company's domestic customers.

This agreement will expire 12 years after certain conditions are satisfied. The gas purchases are covered by a SBLC issued by Australia and New Zealand (ANZ) Banking Group Limited, Singapore.

On November 7, 2011, the Company, Santos (Madura Offshore), PC Madura Ltd. and PT Petrogas Pantai Madura entered into amendment of Gas Sale Agreement which changed the price of gas.

f. Husky Oil (Madura) Ltd. (Husky)

On October 30, 2007, the Company and Husky Oil entered into a Gas Sales Agreement, whereby Husky agreed to sell gas to the Company taken from the Madura BD field amounting to 20 BBTU to be distributed to the Company's domestic customers in East Java. This agreement is valid for 20 years. The gas purchases are covered by a performance bond issued by PT Bank Rakyat Indonesia (Persero) Tbk. On June 23, 2011, the Company and Husky Oil entered into the amendment of the agreement regarding certain changes, including the gas price.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

g. PT Medco E&P Indonesia (MEI)

Pada tanggal 4 Desember 2009, Perusahaan dan MEI menandatangani Perjanjian Jual Beli Gas Bumi, dimana MEI setuju untuk menjual gas kepada Perusahaan yang diambil dari *South & Central Sumatera PSC Block* sebesar 14.000 BBTU dan akan didistribusikan kepada pelanggan domestik Perusahaan di Jawa bagian Barat. Perjanjian ini berlaku untuk jangka waktu 2 tahun atau hingga kuantitas yang diperjanjikan telah tercapai mana yang terlebih dahulu. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk.

Pada tanggal 20 Juli 2011, Perusahaan dan MEI menandatangani amandemen perjanjian. Amandemen ini mengatur tentang penambahan pasokan gas, perubahan harga gas dan jangka waktu perjanjian. Perjanjian ini berlaku sampai dengan 28 Februari 2013 atau hingga kuantitas yang diperjanjikan telah tercapai mana yang lebih dahulu terpenuhi. Amendemen berlaku efektif sejak tanggal 18 Februari 2011.

h. PT Medco E&P Lematang (MEL)

Pada tanggal 4 Desember 2009, Perusahaan dan MEL menandatangani Perjanjian Jual Beli Gas Bumi, dimana MEL setuju untuk menjual gas kepada Perusahaan yang diambil dari Lapangan Singa, Lematang sebesar 53.265 BBTU Perjanjian ini berlaku hingga kuantitas yang diperjanjikan telah tercapai.

Pada tanggal 15 April 2010, Perusahaan dan MEL menandatangani amandemen atas perjanjian ini. Dimana, kedua belah pihak sepakat untuk mengubah syarat keberlakuan dan ketentuan mengenai fasilitas *commissioning*.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

g. PT Medco E&P Indonesia (MEI)

On December 4, 2009, the Company and MEI entered into a Gas Sales Purchase Agreement, whereby MEI agreed to sell gas to the Company taken from the South & Central Sumatera PSC Block amounting to 14,000 BBTU to be distributed to the Company's domestic customers in West Java. This agreement is valid for 2 years or until the contracted quantity has been delivered whichever comes first. The gas purchases payment are covered by SBLC issued by PT Bank Rakyat Indonesia (Persero) Tbk.

On July 20, 2011, the Company and MEI entered the amendment of agreement. The amendment governed the increase of gas supply, gas price, and time line of the agreement. This amendment is valid until February 28, 2013, or until the contracted quantity is delivered, whichever comes first. The effective date of this amendment is February 18, 2011.

h. PT Medco E&P Lematang (MEL)

On December 4, 2009, the Company and MEL entered into a Gas Sales Purchase Agreement, whereby MEL agreed to sell gas to the Company taken from Singa Field, Lematang, amounting to 53,265 BBTU. This agreement is valid until the contracted quantity has been delivered.

On April 15, 2010, the Company and MEL entered into an amendment of this agreement. Whereby, the above parties agreed to amend the terms and condition of commissioning facility.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

i. PT Pertiwi Nusantara Resources (PNR)

Pada tanggal 8 Desember 2009, Perusahaan dan PNR menandatangani Perjanjian Jual Beli Gas Bumi, dimana PNR setuju untuk menjual gas kepada Perusahaan yang diambil dari Lapangan Kambuna sebesar 2,19 BSCF. Perjanjian ini berlaku hingga empat tahun sejak tanggal pertama kali gas disalurkan. Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk.

Pada tanggal 5 November 2010, Perusahaan dan PNR menandatangani amandemen atas perjanjian ini. Dimana, kedua belah pihak setuju untuk mengubah ketentuan mengenai alat ukur.

Pada tanggal 30 Maret 2011, Perusahaan dan PNR menandatangani amandemen ketiga atas perjanjian ini. Berdasarkan amandemen ini, para pihak setuju untuk mengubah jumlah kontrak keseluruhan menjadi 12,86 BSCF dan memperpanjang jangka waktu perjanjian sampai dengan tanggal 16 Maret 2014.

j. PT Gresik Migas

Pada tanggal 14 Maret 2011, Perusahaan dan PT Gresik Migas (GM) menandatangani kesepakatan bersama mengenai transaksi jual beli gas bumi, dimana GM setuju untuk menjual gas kepada Perusahaan dari lapangan lepas pantai Madura Barat PSC sebesar 8.765 TBTU. Kesepakatan ini berlaku sampai dengan 6 Mei 2011 dan dapat diperpanjang sampai dengan mana yang terjadi lebih dahulu antara 31 Desember 2011 atau ditandatangani dan berlaku efektifnya Perjanjian Jual Beli Gas (PJBG). Pembayaran pembelian gas dijamin dengan SBLC yang diterbitkan oleh PT Bank Rakyat Indonesia (Persero) Tbk.

35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

i. PT Pertiwi Nusantara Resources (PNR)

On December 8, 2009, the Company and PNR entered into a Gas Sales Purchase Agreement, whereby PNR agreed to sell gas to the Company taken from Kambuna Field, amounting to 2.19 BSCF. This agreement is valid for four years, starting from the first date of gas delivered. The gas purchases are covered by SBLC issued by PT Bank Rakyat Indonesia (Persero) Tbk.

On November 5, 2010, the Company and PNR signed amendment of this agreement. Whereby, the above parties agreed to change the terms of measuring instrument.

On March 30, 2011, the Company and PNR signed third amendment of this agreement. Based on the agreement, all parties agreed to change the contract terms to 12.86 BSCF and extend the agreement until March 16, 2014.

j. PT Gresik Migas

On March 14 2011, the Company and PT Gresik Migas (GM) entered into a collective agreement regarding the natural gas sales and purchase transaction, whereby GM agreed to sell gas to the Company from West Madura Offshore PSC totalling 8,765 TBTU. This agreement is valid until May 6, 2011 and can be extended until whichever comes first between December 31, 2011 or the signing and effectivity of the Gas Sales and Purchase Agreement (GSPA). The gas purchases are covered by SBLC issued by PT Bank Rakyat Indonesia (Persero) Tbk.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)

j. PT Gresik Migas (lanjutan)

Pada tanggal 27 Desember 2011, Perusahaan dengan PT Gresik Migas (GM) menandatangani amandemen kesepakatan bersama tentang transaksi jual beli gas bumi dimana dalam amandemen ini mengubah harga gas dan memperpanjang jangka waktu perjanjian sampai dengan 31 Desember 2012.

k. PT Bayu Buana Gemilang (BBG)

Pada tanggal 30 November 2011, Perusahaan dengan PT Bayu Buana Gemilang (BBG) menandatangani Perjanjian Jual Beli Gas (PJBG) dimana BBG setuju untuk menjual gas kepada Perusahaan. Perjanjian ini berlaku sampai dengan 31 Desember 2013.

Sampai dengan tanggal 6 Maret 2012, perjanjian-perjanjian tersebut belum jatuh tempo dan belum mencapai jumlah yang diperjanjikan.

2. Perjanjian Penyaluran Gas melalui *East Java Gas Pipeline System* (EJGP)

Pada tanggal 10 Juni 2005, Perusahaan dan PT Pertamina (Persero) (Pertamina) menandatangani Perjanjian Penyaluran Gas melalui *East Java Gas Pipeline System* (EJGP), dimana Pertamina setuju memberikan jasa transportasi gas dari titik hubung antara pipa percabangan Maleo sampai titik penyerahan.

Perjanjian ini akan berakhir delapan tahun sejak tanggal mulai yang disepakati atau berakhirnya Perjanjian Penjualan Gas antara Perusahaan dan Madura Offshore PSC Contractors, mana yang lebih dahulu.

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35. SIGNIFICANT AGREEMENTS (continued)

1. Gas Sale and Purchase Agreements (GSPA) (continued)

j. PT Gresik Migas (continued)

On December 27, 2011, the Company and PT Gresik Migas (GM) entered into amendment of collective agreement regarding the natural gas sales and purchase transaction, whereby in this amendment, there are some changes of the gas price and extend the agreement until December 31, 2012.

k. PT Bayu Buana Gemilang (BBG)

On November 30, 2011, the Company with PT Bayu Buana Gemilang (BBG) entered into Gas Sales and Purchase Agreement whereby BBG agreed to sell gas to the Company. This agreement is valid until December 31, 2013.

Up to March 6, 2012, those agreements have not been expired and the contracted quantity is not fully delivered yet.

2. Transportation Gas Agreement through East Java Gas Pipeline System (EJGP)

On June 10, 2005, the Company and PT Pertamina (Persero) (Pertamina), entered into a Gas Distribution Agreement through East Java Gas Pipeline System (EJGP) whereby Pertamina agreed to provide gas transportation from link point between Maleo fork pipe to the delivery point.

This agreement will be terminated eight years after the agreed starting date or until the termination of the Gas Sales Agreement between the Company and Madura Offshore PSC Contractors, whichever date is earlier.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

2. Perjanjian Penyaluran Gas melalui *East Java Gas Pipeline System* (EJGP) (lanjutan)

Pada tanggal 11 Januari 2010, PT Pertamina (Persero) (Pertamina), PT Pertamina Gas (Pertagas) dan Perusahaan menandatangani Perjanjian Novasi atas Perjanjian EJGP dimana hak dan kewajiban Pertamina beralih ke Pertagas.

Pada tanggal 23 Desember 2010, Pertagas dan Perusahaan menandatangani Amandemen Perjanjian Penyaluran Gas melalui *East Java Gas Pipeline System* (EJPG). Dimana kedua belah pihak setuju untuk mengubah beberapa istilah dan definisi, mengubah seluruh lampiran pada perjanjian sebelumnya, ketentuan alat ukur dan tarif gas yang terukur di titik pengiriman.

3. Perjanjian Pemanfaatan Pipa Transmisi Pertagas Area Jawa Bagian Barat

Pada tanggal 22 Desember 2009, Perusahaan dan PT Pertamina Gas (Pertagas) telah menandatangani Kesepakatan Bersama Pemanfaatan Jaringan Pipa Transmisi Area Jawa Bagian Barat Ruas Tegal Gede-Nagrak-Bitung, di mana Pertagas setuju memberikan jasa transportasi gas dari stasiun kompressor di Tegal Gede sampai dengan di Serpong. Kapasitas yang disediakan untuk pengangkutan gas tersebut sebesar 40 mmscfd. Perjanjian berlaku untuk 12 bulan sejak tanggal penandatangan perjanjian.

Pada tanggal 29 Desember 2011, Perusahaan dan Pertagas menandatangani Perpanjangan Kesepakatan Bersama yang memperpanjang jangka waktu kesepakatan bersama sampai dengan 31 Desember 2012.

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35. SIGNIFICANT AGREEMENTS (continued)

2. Transportation Gas Agreement through East Java Gas Pipeline System (EJGP) (continued)

On January 11, 2010, PT Pertamina (Persero) (Pertamina), PT Pertamina Gas (Pertagas) and the Company entered into a Novation Agreement of EJGP Agreement whereby the rights and obligations of Pertamina will be transferred to Pertagas.

On December 23, 2010, Pertagas and the Company entered into an Amendment of Gas Distribution Agreement through East Java Gas Pipeline System (EJGP). Whereby the above parties agreed to change certain terms and definitions, change all attachments of previous agreement, the terms of measuring instrument and gas rate measured at the delivery point.

3. Pertagas West Java Gas Transportation Pipeline Agreement

On December 22, 2009, the Company and PT Pertamina Gas (Pertagas), entered into a Gas Distribution Agreement through West Java Tegal Gede-Nagrak-Bitung Gas Pipeline System (WJGP) whereby Pertagas agreed to provide gas transportation from compressor station in Tegal Gede to Gas Measurement Station in Serpong. The capacity provided for gas transportation amounting to 40 mmscfd. This agreement is valid for 12 months since the date of signing of the agreement.

On December 29, 2011, the Company and Pertagas entered into the amendment of Collective Agreement which extended the maturity date of the agreement until December 31, 2012.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

4. Perjanjian Pengangkutan Gas melalui Jaringan Pipa Transmisi Sumatera Selatan - Jawa Bagian Barat

Pada tanggal 15 Agustus 2011, Perusahaan dan PT PLN (Persero) telah menandatangani amandemen dan pernyataan kembali Perjanjian Pengangkutan Gas melalui Jaringan Pipa Transmisi Sumatera Selatan - Jawa Bagian Barat untuk pusat listrik Muara Tawar (sumber gas dari Jambi Merang) dari Grissik ke Muara Bekasi, dimana Perusahaan setuju memberikan jasa transportasi gas dari lapangan Pulau Gading dan Lapangan Sungai Kerawang di Grissik sampai dengan Muara Bekasi. Kapasitas yang disediakan untuk pengangkutan gas tersebut sebesar 287 mmscfd. Perjanjian berlaku untuk 9 tahun sejak tanggal penandatanganan perjanjian.

5. Perjanjian Proyek

a. Perusahaan memiliki Perjanjian Proyek dengan ADB pada tanggal 31 Oktober 1995 sehubungan dengan Proyek Transmisi dan Distribusi Gas, yang dibiayai oleh ADB, JBIC dan EIB melalui Perjanjian Pinjaman dengan Pemerintah (Catatan 18). Perjanjian Proyek menetapkan kewajiban Perusahaan sebagai agen pelaksana Proyek, yang meliputi penyediaan dan konstruksi jalur pipa transmisi antara Grissik dan Duri, jalur pipa (*"spur pipeline"*) dari Sakernan ke Batam; penyediaan dan konstruksi tambahan serta peralatan dan fasilitas yang terletak di lokasi lain; jasa konsultasi, manajemen dan keuangan, serta penguatan institusi Perusahaan dan pengembangan sumber daya manusia. Perjanjian Proyek ini berlaku sejalan dengan perjanjian pinjaman dengan ADB.

b. Pada tanggal 1 Oktober 2003, Perusahaan mengadakan Perjanjian Proyek dengan IBRD sehubungan dengan komitmen untuk menjalankan Proyek Restrukturisasi dan Penguatan Sektor Energi Jawa-Bali.

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35. SIGNIFICANT AGREEMENTS (continued)

4. Transportation Gas Agreement through South Sumatera - West Java Gas Transportation Pipeline

On August 15, 2011, the Company and PT PLN (Persero), entered into amendment and restatement of Transportation Gas Agreement through Gas Transmision Pipeline South Sumatera-West Java for power center in Muara Tawar (source of gas from Jambi Merang) from Grissik to Muara Bekasi whereby the Company agreed to provide gas transportation service from Pulau Gading field and Sungai Kenawang field in Grissik to Muara Bekasi. The capacity provided for gas transportation amounting to 287 mmscfd. This agreement is valid for 9 years since the date of signing of the agreement.

5. Project Agreement

a. The Company entered into a Project Agreement with ADB dated October 31, 1995 in connection with the Gas Transmission and Distribution Project, which is funded in part by the ADB, JBIC and EIB, through Loan Agreements with the Government (Note 18). The Project Agreement sets out the Company's obligations as the executing agent of the Project, which covers the supply and construction of the transmission pipeline between Grissik and Duri, and a spur pipeline from Sakernan to Batam; supply and construction of ancillary and offsite equipment and facilities; consulting, management and financial services, as well as institutional strengthening of the Company and human resources development. The Project Agreement has concurrent terms with the loan agreement with the ADB.

b. On October 1, 2003, the Company entered into a Project Agreement with IBRD in connection with the commitment to execute the Java-Bali Power Sector Restructuring and Strengthening Project.

35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

5. Perjanjian Proyek (lanjutan)

c. Pada tanggal 3 April 2006, Perusahaan dan Pemerintah mengadakan Perjanjian Penerusan Pinjaman No. SLA-1201/DP3/2006, di mana Pemerintah meneruskan hasil pinjaman dari IBRD kepada Perusahaan untuk membiayai Proyek Pengembangan Pasar Gas Domestik.

6. Perjanjian Kerja Sama Operasi

a. Pada tanggal 2 April 2004, Perusahaan dan PT Citraagung Tirta Jatim (CTJ) mengadakan perjanjian kerja sama operasi yang diaktakan dengan Akta Notaris No. 1 dari Notaris T. Trisnawati, S.H. Dalam Akta Notaris tersebut dinyatakan bahwa Perusahaan akan menyediakan tanah seluas sekitar 39.020 meter persegi yang terletak di Surabaya untuk di bangun pusat perbelanjaan oleh CTJ dengan nilai sekitar Rp336.245.000.000. CTJ berkewajiban untuk memberikan kompensasi kepada Perusahaan berupa pendirian bangunan dengan nilai Rp20.750.000.000, yang terdiri dari gedung kantor dan rumah dinas Perusahaan, serta pembayaran royalti sebesar Rp200.000.000 termasuk pajak penghasilan setiap tahunnya dari tanggal 20 Maret 2010 sampai dengan 20 Maret 2031.

CTJ akan diberi hak pengelolaan atas bangunan pusat perbelanjaan tersebut sejak selesainya pembangunan bangunan kompensasi atau pada tanggal 2 April 2007, mana yang tercapai lebih dulu, sampai dengan berakhirnya tahap pengelolaan atau pada tanggal berakhirnya perjanjian kerja sama operasi. Pada akhir masa pengelolaan, bangunan pusat perbelanjaan akan menjadi milik Perusahaan. Perjanjian ini berlaku selama 28 tahun dan akan berakhir pada tanggal 2 April 2032.

35. SIGNIFICANT AGREEMENTS (continued)

5. Project Agreement (continued)

c. On April 3, 2006, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-1201/DP3/2006, which provides for the Government's relending of the IBRD loan proceeds to the Company, which shall be use to finance the Domestic Gas Market Development Project.

6. Joint Operation Agreement

a. On April 2, 2004, the Company entered into a joint operation agreement with PT Citraagung Tirta Jatim (CTJ) which was notarized by Notarial Deed No. 1 of T. Trisnawati, S.H. Based on the Notarial Deed, the Company will provide its land covering 39,020 square meters located at Surabaya for CTJ to build a shopping centre with total value of approximately Rp336,245,000,000. CTJ is obliged to give compensation to the Company, in the form of building compensation with total value of Rp20,750,000,000, consisting of the Company's office building and the employee's house, and annual royalty payment amounting to Rp200,000,000 including income tax, from March 20, 2010 up to March 20, 2031.

CTJ will have the rights to operate the shopping centre from the completion date of the construction of the building compensation, or on April 2, 2007, whichever is earlier, up to the end of the operational period or the end of the joint operation agreement. At the end of the operational phase, the shopping centre will be transferred to the Company. This agreement is valid for 28 years and will expire on April 2, 2032.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

6. Perjanjian Kerja Sama Operasi (lanjutan)

Berdasarkan Akta Notaris No. 2 tanggal 2 April 2004 dari Notaris T. Trisnawati, S.H., mengenai perjanjian pengelolaan antara Perusahaan dengan CTJ, CTJ memperoleh hak pengelolaan, yang meliputi hak menguasai, memanfaatkan, menggunakan, mengelola bangunan pusat perbelanjaan, memiliki dan menikmati seluruh hasilnya, serta membuat atau melakukan semua perjanjian sewa menyewa. Apabila tahap pengelolaan telah berakhir, yaitu pada tanggal 2 April 2032, Perusahaan akan memberikan hak prioritas kepada CTJ untuk memperoleh hak pengelolaan tahap kedua dengan jangka waktu 25 tahun.

b. Pada tanggal 10 Maret 2005, Perusahaan dan PT Winatek Sinergi Mitra Bersama (WSMB) mengadakan perjanjian kerja sama operasi di mana Perusahaan akan menyediakan lahan yang terletak di Jl. Kyai Haji Zainul Arifin No. 20, Jakarta kepada WSMB untuk di bangun pusat perbelanjaan dan perkantoran, termasuk fasilitas perparkiran dan fasilitas pendukungnya, senilai sekitar Rp80.000.000.000 atau sepadan bangunan minimal 20.000 meter persegi. WSMB berkewajiban untuk memberikan kompensasi awal sebesar Rp18.935.005.000 kepada Perusahaan, berupa bangunan kompensasi seluas 12.250 meter persegi. Perusahaan akan memberikan hak pengelolaan atas bangunan kompensasi akhir berikut dengan fasilitas pendukungnya kepada WSMB.

Bangunan kompensasi akhir akan diserahterimakan kepada Perusahaan setelah berakhirnya tanggal efektif perjanjian kerja sama operasi. Perjanjian ini berlaku selama 28 tahun dan 6 bulan sejak tanggal efektif perjanjian kerja sama operasi ini. Perjanjian ini akan berlaku efektif jika beberapa ketentuan dalam perjanjian telah terpenuhi atau paling lambat tanggal 1 Juli 2005, mana yang terlebih dahulu.

35. SIGNIFICANT AGREEMENTS (continued)

6. Joint Operation Agreement (continued)

Based on the Notarial Deed No. 2 dated April 2, 2004 of T. Trisnawati, S.H. regarding operational agreement between the Company and CTJ, CTJ will have the rights to utilize, operate, manage, and earn the benefit from the shopping centre, and to enter into rental agreements. The Company will give priority to CTJ to obtain the right to operate and manage the second operational phase for 25 years at the end of the first operational phase, which is April 2, 2032.

b. On March 10, 2005, the Company entered into a joint operation agreement with PT Winatek Sinergi Mitra Bersama (WSMB), whereby the Company will provide its land located at Jl. Kyai Haji Zainul Arifin No. 20, Jakarta for WSMB to build a shopping centre and office building including parking area and other facilities, with total value of approximately Rp80,000,000,000 or equal to the value at a minimum of a 20,000 square meters building. WSMB is obliged to give initial compensation amounting to Rp18,935,005,000 to the Company, in the form of compensation building with an area of 12,250 square meters. The Company will give rights to WSMB to operate the final compensation building including the supporting facilities.

The final building compensation will be transferred to the Company at the end of the effective date of the joint operation agreement. This agreement is valid for 28 years and 6 months from the effective date of the joint operation agreement. This agreement will be effective after certain conditions are satisfied or at the latest, until July 1, 2005, whichever is earlier.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

6. Perjanjian Kerja Sama Operasi (lanjutan)

Perusahaan akan memberikan hak prioritas kepada WSMB untuk memperoleh hak pengelolaan tahap kedua dengan jangka waktu 25 tahun. Perjanjian ini telah diubah pada tanggal 28 Juli 2005 (amandemen 1).

Pada tanggal 29 November 2005, Perusahaan dan WSMB melakukan perubahan atas perjanjian kerja sama operasi (amandemen 2) diantaranya tentang luas minimal bangunan keseluruhan yang akan dibangun dari 20.000 meter persegi senilai minimal Rp80.000.000.000 menjadi 21.000 meter persegi senilai minimal Rp80.000.000.000 dan masa berlakunya perjanjian dari 28 tahun dan 6 bulan menjadi 29 tahun.

Perusahaan dan WSMB mengukuhkan secara hukum perubahan atas perjanjian kerja sama operasi (amandemen 1 dan 2) tersebut di atas dengan akta notaris Anne Djoenardi S.H., MBA No. 12 tertanggal 29 Maret 2006.

7. Pada tanggal 22 November 2006, Perusahaan dan PT Perkebunan Nusantara VII (Persero) (PT PN VII) dengan PT Bank Mandiri (Persero) Tbk (Bank Mandiri) menandatangani Perjanjian Pengelolaan Rekening Penampungan terkait dengan perjanjian ganti rugi tanah PT PN VII yang terkena jalur pipa transmisi gas bumi Perusahaan dalam rangka proyek pipa transmisi SSWJ. Dalam perjanjian ini, Perusahaan dan PT PN VII setuju untuk membuka rekening penampungan di Bank Mandiri, dimana Perusahaan harus melakukan penyetoran dengan jumlah minimal Rp4.111.399.590 pada rekening tersebut dan memberi kuasa kepada Bank Mandiri untuk melaksanakan pengelolaan dana rekening tersebut. Dana tersebut akan dipindahbukukan oleh Bank Mandiri kepada PT PN VII dalam dua tahap, yaitu:

a. Tahap pertama sebesar Rp1.152.123.022;
b. Tahap kedua sebesar Rp2.959.276.568.

Perjanjian ini berlaku sampai dengan 12 bulan sejak tanggal penandatanganan perjanjian atau sampai dengan selesainya pelaksanaan pembayaran mana yang terjadi lebih dahulu (Catatan 5).

35. SIGNIFICANT AGREEMENTS (continued)

6. Joint Operation Agreement (continued)

The Company will give priority to WSMB to obtain the right to operate and manage the second operational phase for 25 years. This agreement has been amended on July 28, 2005 (amendment 1).

On November 29, 2005, the Company and WSMB amended the joint operation agreement (amendment 2), relating to, among others, the minimum building area from 20,000 square meters with minimum total value of Rp80,000,000,000 to 21,000 square meters with minimum total value of Rp80,000,000,000 and the validity period of the agreement from 28 years and 6 months to 29 years.

The Company and WSMB legally amended the joint operation agreement above (amendment 1 and 2) with Notarial Deed No. 12 of Anne Djoenardi S.H., MBA dated March 29, 2006.

7. *On November 22, 2006, the Company and PT Perkebunan Nusantara VII (Persero) (PT PN VII) with PT Bank Mandiri (Persero) Tbk (Bank Mandiri) entered into Reserve Account Management Agreement related to compensation agreement of PT PN VII's land passed through by the Company's natural gas transmission pipeline in relation with SSWJ transmission pipeline project. Under this agreement, the Company and PT PN VII agreed to open reserve accounts in Bank Mandiri, which the Company has to transfer with minimum amount of Rp4,111,399,590 to such account and gave an authority to Bank Mandiri to maintain the funds in such account. The funds will be transferred by Bank Mandiri to PT PN VII in two phases, as follows:*

a. First phase amounting to Rp1,152,123,022;
b. Second phase amounting to Rp2,959,276,568.

This agreement is valid until 12 months since the date of signing of the agreement or until the completion of payment, whichever comes first (Note 5).

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

8. Pada tanggal 17 April 2009, Perusahaan mengadakan kesepakatan dengan PT Pertamina (Persero) dan PT Perusahaan Listrik Negara (Persero) atas ketentuan-ketentuan pokok perjanjian tentang pembentukan Perusahaan *LNG Receiving Terminal* dalam rangka pemenuhan kebutuhan LNG domestik. Besarnya permodalan dan persentase masing-masing pihak dalam perusahaan tersebut akan diatur lebih lanjut dalam Perjanjian Pemegang Saham.

Pada tanggal 4 Februari 2010, Perusahaan telah menandatangani Perjanjian Pemegang Saham Pembentukan Perusahaan *Joint Venture Floating Storage and Regasification Terminal (FSRT)* gas alam cair (LNG) dengan Pertamina. Dalam perjanjian ini, kedua belah pihak sepakat bahwa Perusahaan dan Pertamina memiliki penyertaan dalam *Joint Venture* dengan persentase kepemilikan masing-masing sebesar 40% dan 60% (Catatan 12).

9. Pada tanggal 6 Desember 2011, Hoegh LNG Limited dan PT Rekayasa Industri dalam hal ini selanjutnya disebut “Konsorsium” dan Perusahaan menandatangani *Heads of Agreement (HoA)* terkait dengan Proyek fasilitas Penyimpanan dan Regasifikasi Terapung LNG Medan.

Perjanjian ini berlaku sampai dengan mana yang terjadi terlebih dahulu antara;

a) tanggal perjanjian
b) tanggal eksekusi atas perjanjian; atau
c) tanggal dimana para pihak memberikan persetujuan secara tertulis untuk mengakhiri HoA.

Transgasindo mengadakan perjanjian-perjanjian sebagai berikut:

10. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Duri - Transgasindo

a. Perjanjian Pengalihan Aset (*Asset Transfer Agreement*), yang disahkan dengan Akta Notaris Fathiah Helmi, S.H., No. 11 pada tanggal 9 Maret 2002. Berdasarkan perjanjian ini, Perusahaan menjual aset netonya di Unit Transmisi Sumatera Tengah kepada Transgasindo. Transgasindo membayar aset neto tersebut dengan menerbitkan beberapa wesel bayar pada tingkat harga yang telah disepakati sebesar USD227.179.230.

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35. SIGNIFICANT AGREEMENTS (continued)

8. On April 17, 2009, the Company entered into an agreement with PT Pertamina (Persero) and PT Perusahaan Listrik Negara (Persero) on the basic term of agreement for the establishment of LNG Receiving Terminal Company in order to fulfill the LNG domestic needs. Total capital and percentage of ownership of each party in this company will be agreed further in a Shareholder Agreement.

On February 4, 2010, the Company signed a Shareholder Agreement for the Establishment of Joint Venture of LNG Floating Storage and Regasification Terminal (FSRT) with Pertamina. Under this agreement, both parties agreed that the Company and Pertamina have investments in the Joint Venture with percentage of ownership of 40% and 60%, respectively (Note 12).

9. *On December 6, 2011. Hoegh LNG Limited and PT Rekayasa Industri, together herein as the “Consortium” and the Company entered into Heads of Agreement related to Medan LNG Floating Storage and Regasification Facilities Project.*

This agreement is valid until on which the earlier of the following occurs:

a) the agreement date;
b) the date of execution of the agreement; or
c) the date of the parties mutually agree in writing to terminate these HoA.

Transgasindo has the following significant agreements:

10. Agreements Related to Grissik - Duri Pipeline – Transgasindo

a. Asset Transfer Agreement, which is covered by Notarial Deed No. 11 of Fathiah Helmi, S.H., dated March 9, 2002. Based on this agreement, the Company sold its net assets in the Central Sumatera Transmission Unit to the Transgasindo. Transgasindo paid the price of the net assets by issuing several promissory notes at the agreed price, which amounting to USD227,179,230.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

10. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Duri - Transgasindo (lanjutan)

b. Perjanjian Pinjam Pakai Tanah (*Borrow and Use of Land Agreement*) tanggal 9 Maret 2002, di mana Perusahaan memberikan izin kepada Transgasindo untuk menggunakan tanah yang terletak di jalur Jaringan Pipa Transmisi Grissik - Duri dan bidang tanah lainnya yang digunakan sebagai fasilitas penunjang Jaringan Pipa Transmisi Grissik - Duri demi kelangsungan kegiatan usaha penyaluran gas, tanpa pembayaran apapun.

Tanah yang dipinjam dan digunakan, kecuali Tanah Negara, masih berstatus tanah yang dikuasai dan/atau dimiliki oleh Perusahaan sampai pada saat kepemilikan dan/atau hak atas tanah tersebut diserahkan kepada Transgasindo, atau dalam hal Tanah Negara, sampai perjanjian peminjaman dan penggunaan tanah tersebut dialihkan kepada Transgasindo. Perjanjian ini berlaku selama tiga tahun atau sampai pada saat pelaksanaan penyerahan hak milik atau perjanjian pengalihan, mana yang lebih dulu, yang dapat diperpanjang sampai saat penyampaian permohonan yang tidak melebihi waktu satu bulan sebelum tanggal berakhirnya perjanjian ini.

Pada tanggal 13 September 2002, Perusahaan membuat Perubahan Perjanjian terhadap Perjanjian Pinjam Pakai Tanah (*Amendment of the Borrow and Use of Land Agreement*) dengan Transgasindo untuk memasukkan tanah, yang sertifikat tanahnya akan atau sedang diajukan oleh Perusahaan, dan Tanah Negara dengan luas sekitar 135 hektar. Setelah penyerahan semua hak atas tanah dan/atau sertifikat hak milik atas tanah (kecuali Tanah Negara), Transgasindo harus membayar harga tanah tersebut sebesar USD5.200.000 kepada Perusahaan.

35. SIGNIFICANT AGREEMENTS (continued)

10. Agreements Related to Grissik - Duri Pipeline - Transgasindo (continued)

b. Borrow and Use of Land Agreement dated March 9, 2002, whereby the Company granted permission to Transgasindo for the use of the plots of land located at the Grissik - Duri Transmission Pipeline route and other land used as supporting facility of the Grissik - Duri Transmission Pipeline for the purpose of continued gas transmission business activities, without any compensation.

The borrowed and used land, except the State Land, will still have the status of land acquired and/or owned by the Company until such time as the land title and/or rights is transferred to Transgasindo, or in respect of the State Land, until the borrow and use agreements are novated to Transgasindo. This agreement is valid for a term of the earlier three years or the execution of the deed of transfer of title and the novation agreement, which can be extended by submission of the application not later than one month prior to the expiration of this agreement.

On September 13, 2002, the Company entered into the Amendment of the Borrow and Use of Land Agreement with Transgasindo to also include the land, which land certificates will be or is being applied by the Company, and State Land, which are approximately 135 hectars. Upon transfer of all titles and/or title certificates of the land (except the State Land), Transgasindo shall pay the Company the price of the land amounting to USD5,200,000.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

10. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Duri - Transgasindo (lanjutan)

Jumlah ini akan menjadi piutang dalam bentuk dan dengan penyerahan wesel bayar kepada Perusahaan sesuai dengan Perjanjian Wesel Bayar Tanah Grissik - Duri (*Grissik - Duri Land Promissory Note Agreement*). Perjanjian ini akan berakhir pada saat pelaksanaan penyerahan hak atas tanah dan perjanjian novasi. Pada tanggal 31 Desember 2006, Transgasindo telah membukukan tanah yang sertifikat tanahnya sudah atas nama Transgasindo sejumlah USD3.485.040.

Pada tanggal 2 Juni 2004, Perusahaan membuat Perubahan Perjanjian terhadap Perjanjian Pinjam Pakai Tanah (*Amendment to Agreement on Borrow and Use of Land*) dengan Transgasindo di antaranya perubahan terhadap konsideran dengan menambah konsideran C, perubahan definisi Tanah Negara, perubahan pasal 8 mengenai jangka waktu perjanjian, perubahan pasal 9 mengenai pengakhiran perjanjian dan perubahan Lampiran A mengenai deskripsi tanah.

c. Perjanjian Novasi (*Novation Agreement*) untuk penyerahan hak dan kewajiban Perusahaan kepada Transgasindo sesuai Perjanjian Pengangkutan Gas (*Gas Transportation Agreement* atau GTA) antara Perusahaan, Perusahaan Pertambangan Minyak dan Gas Bumi Negara (PT Pertamina (Persero)) dan ConocoPhillips (Grissik) Ltd. (ConocoPhillips) tanggal 29 September 1997 dan Revisi Prosedur Penyaluran Gas (*Revised Gas Delivery Procedures*) antara Perusahaan, ConocoPhillips, Pertamina dan PT Caltex Pacific Indonesia (Caltex) tanggal 21 Desember 2000.

Perjanjian Novasi (*Novation Agreement*) untuk penyerahan hak dan kewajiban Perusahaan kepada Transgasindo sesuai dengan Perjanjian Pengangkutan Gas II (*Second Trans-Central Sumatera Gas Pipeline System Gas Transportation Agreement*) antara Perusahaan dan ConocoPhillips tanggal 21 Desember 2000.

35. SIGNIFICANT AGREEMENTS (continued)

10. Agreements Related to Grissik - Duri Pipeline - Transgasindo (continued)

This will be receivable in the form of and by delivering to the Company promissory notes pursuant to the Grissik - Duri Land Promissory Note Agreement. This agreement is valid for a term up to the execution of the deed of transfer of title and the novation agreement. As of December 31, 2006, the Transgasindo has recorded the land wherein the certificates are under the Transgasindo's name totaling to USD3,485,040.

On June 2, 2004, the Company entered into the Amendment to Agreement on Borrow and Use of Land with Transgasindo, covering among others, amendment of the recital by inserting recital C, amendment of State Land definitions, amendment of article 8 regarding term of agreement, amendment of article 9 regarding termination of the agreement and amendment of Attachment A regarding description of lot of lands.

c. Novation Agreement for the novation of the Company's rights and obligations to Transgasindo under the Gas Transportation Agreements (GTA) entered into by the Company, Perusahaan Pertambangan Minyak dan Gas Bumi Negara (PT Pertamina (Persero)) and ConocoPhillips (Grissik) Ltd. (ConocoPhillips) dated September 29, 1997 and the Revised Gas Delivery Procedures entered into by the Company, ConocoPhillips, Pertamina and PT Caltex Pacific Indonesia (Caltex) dated December 21, 2000.

Novation Agreement to novate the Company's rights and obligations to Transgasindo under the Second Trans-Central Sumatera Gas Pipeline System Gas Transportation Agreement entered into by the Company and ConocoPhillips dated December 21, 2000.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

10. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Duri - Transgasindo (lanjutan)

Berdasarkan GTA, Jaringan Pipa Transmisi Grissik - Duri yang diperoleh Transgasindo dari Perusahaan melalui Perjanjian Pengalihan Aset, digunakan untuk menyalurkan gas bumi yang dipasok oleh ConocoPhillips ke Caltex sebagai pengganti minyak mentah dari Caltex ke ConocoPhillips. Kapasitas penyaluran melalui jaringan utama Transgasindo adalah 424.000 mscf per hari. Perjanjian ini berlaku sampai dengan tahun 2021. Jika ConocoPhillips gagal menyerahkan gas sesuai ketentuan GTA di atas, ConocoPhillips akan dikenakan kewajiban *ship-or-pay,* yang mana berlaku *make-up rights,* di mana ConocoPhillips menerima pengurangan sejumlah tertentu atau sebaliknya dibayar jika kuantitas *ship-or-pay* terpenuhi. Dengan demikian, Transgasindo mencatat biaya pengangkutan yang berkaitan dengan pengaturan *ship-or-pay* ini sebagai kewajiban tergantung pada *make-up rights*.

d. Pada tanggal 12 November 2002, Perusahaan, Transgasindo, dan Transasia mengadakan Perjanjian Pengalihan Aset (*Asset Transfer Agreement*) di mana Perusahaan akan membangun, menjual, dan menyerahkan tambahan Fasilitas Kompresor Duri untuk Jaringan Pipa Transmisi Grissik - Duri dan Jaringan Pipa Transmisi Grissik - Singapura (secara bersama-sama disebut sebagai "Aset") dengan harga pembelian sebesar USD470.000.000 pada tanggal penyerahan, sesuai dengan syarat dan kondisi dan perjanjian lain antara Perusahaan dan pihak ketiga yang terkait dengan, dan yang diperlukan untuk, kepemilikan, operasi, pemeliharaan dan perbaikan aset.

35. SIGNIFICANT AGREEMENTS (continued)

10. Agreements Related to Grissik - Duri Pipeline - Transgasindo (continued)

Under the GTA's, the Grissik - Duri Transmission Pipeline, which was acquired by Transgasindo from the Company under the Asset Transfer Agreement, is used to transport the natural gas supplied by ConocoPhillips to Caltex in exchange for crude oil from Caltex to ConocoPhillips. The reserved capacity through Transgasindo's mainline is 424,000 mscf per day. This agreement is valid until 2021. If ConocoPhillips fails to deliver gas quantities under the above GTA's, ConocoPhillips shall have a ship-or-pay obligation, which is subject to make-up rights, i.e., ConocoPhillips receives a credit against certain amounts otherwise paid or owed if the ship-or-pay quantity is met. Accordingly, Transgasindo records the related toll fees from this ship-or-pay arrangement as liabilities subject to make-up rights.

d. On November 12, 2002, the Company, Transgasindo and Transasia entered into an Asset Transfer Agreement wherein the Company wishes to construct, sell, and deliver additional Duri Compression Facilities for the Grissik - Duri Pipeline and the Grissik - Singapore Pipeline (collectively referred to "Assets") at the purchase price amounting to USD470,000,000 at the transfer date, subject to the terms and conditions and any arrangements entered into by and between the Company and third parties that relate to, and are necessary for, the ownership, operation, maintenance and repair of the assets.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

11. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Singapura - Transgasindo

a. Pada tanggal 2 Juni 2004, Perusahaan mengadakan Tambahan Perjanjian terhadap Perjanjian Pengalihan Aset, pada tanggal 12 November 2002 dengan Transgasindo dan Transasia yang mengatur di antaranya pengalihan fasilitas kompresor di Duri dan pipa Grissik - Singapura pada tanggal penutupan yang sudah disepakati dan pola pembagian pendapatan antara Perusahaan dan Transgasindo sebelum periode pengalihan aset di mana semua pihak menyetujui untuk mengubah beberapa kondisi yang terdapat dalam Perjanjian Pengalihan Aset. Kepemilikan dan semua hak atas aset telah diserahterimakan dari Perusahaan ke Transgasindo pada tanggal 2 Juni 2004.

   Harga pembelian dibayar dalam dua tahapan. Tahap pertama sebesar USD189.000.000 telah dibayar secara bertahap melalui *Milestone Payment.* Tahap kedua sebesar USD281.000.000 dibayar oleh Transgasindo dengan mengeluarkan dan menyerahkan wesel bayar (Wesel Bayar Grissik - Singapura) kepada Perusahaan.

b. Pada tanggal 12 November 2002, Perusahaan mengadakan Perjanjian Kemitraan Strategis (*Strategic Partnership Agreement* atau SPA) dengan Transgasindo, Transasia, Petronas International Corporation Ltd., Conoco Indonesia Holding Ltd., SPC Indo-Pipeline Co. Ltd., dan Talisman Transgasindo Ltd. untuk menetapkan syarat dan kondisi yang mengatur operasional dan manajemen Transgasindo dan hubungan antara pemegang saham.

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35. SIGNIFICANT AGREEMENTS (continued)

11. Agreements Related to Grissik - Singapore Pipeline - Transgasindo

a. On June 2, 2004, the Company entered into Supplemental Agreement to the Asset Transfer Agreement dated November 12, 2002 with Transgasindo and Transasia covering the transfer of the Duri compression facilities and Grissik - Singapore pipeline at the closing date and the terms of revenue sharing between the Company and Transgasindo prior to asset transfer date. All parties agreed to amend certain specific conditions in the Asset Transfer Agreement. The title and all rights to the assets were transferred from the Company to Transgasindo on June 2, 2004.

   The purchase price is paid in two phases. The first phase amounting to USD189,000,000 is paid in installments by Milestone Payment. The second phase amounting to USD281,000,000 is paid by Transgasindo by executing and delivering to the Company a promissory note (Grissik - Singapore Promissory Note).

b. On November 12, 2002, the Company entered into a Strategic Partnership Agreement (SPA) with Transgasindo, Transasia, Petronas International Corporation Ltd., Conoco Indonesia Holding Ltd., SPC Indo-Pipeline Co. Ltd., and Talisman Transgasindo Ltd. to set forth the terms and conditions which will govern the operation and management of Transgasindo and the relationship of the shareholders.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

11. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Singapura - Transgasindo (lanjutan)

Masing-masing pemegang saham setuju untuk mengambil dan membayar saham, dan memberikan pinjaman pemegang saham secara proporsional (sesuai dengan komposisi pemegang saham pada saat itu) sampai jumlah maksimum sebesar USD144.000.000 sebagai *committed funding* untuk Jaringan Pipa Transmisi Grissik - Singapura dan menyediakan *contingent funding* dengan jumlah maksimum USD15.000.000, jika dipandang perlu. *Committed funding* akan tersedia setelah diterimanya pemberitahuan pendanaan dari Transgasindo. Pemberitahuan tersebut harus menyatakan apakah pendanaan berupa tambahan modal atau pinjaman pemegang saham.

Selama SPA berlaku, semua penerimaan kas Transgasindo harus dimasukkan ke dalam suatu akun arus kas umum dan akan digunakan sesuai urutan prioritas seperti telah diatur dalam SPA. Apabila Transgasindo tidak mampu memenuhi kewajiban pembayarannya seperti dinyatakan dalam SPA, setiap pemegang saham akan menyediakan dana secara proporsional (sesuai komposisi pemegang saham pada saat itu) maksimum tidak melebihi USD100.000.000 atau jumlah pokok terutang menurut Wesel Bayar Grissik - Duri dan Wesel Bayar Grissik - Singapura.

c. Pada tanggal 4 Desember 2002 dan 28 Januari 2003, Transgasindo mengadakan Perjanjian Pinjaman Pemegang Saham (*Shareholder Loan Agreement*) dengan Transasia.

Pada tanggal 2 Juni 2004, Perusahaan telah menyerahterimakan Aset (jaringan pipa Grissik - Singapura dan fasilitas kompresor Duri). Sehubungan dengan itu, telah dibuat beberapa perjanjian penting sebagai berikut:

35. SIGNIFICANT AGREEMENTS (continued)

11. Agreements Related to Grissik - Singapore Pipeline - Transgasindo (continued)

Each shareholder agreed to take up and pay for the shares, and provide shareholder loans on pro rata portion (based on their current shareholding) of up to a maximum aggregate amount of USD144,000,000 as committed funding in respect of the Grissik - Singapore Pipeline and to provide up to a maximum aggregate amount of USD15,000,000 of contingent funding, if determined necessary. The committed funding will be made available upon receipt of the funding notice from Transgasindo. The notice shall specify whether such funding shall comprise an equity contribution or a shareholder loan.

During the course of the SPA, all cash receipts of Transgasindo shall be paid into a general cash flow account and shall be applied in the order of priority as set out in the SPA. In the event that Transgasindo is unable to fulfill any of its payment obligations as set out in the SPA, each shareholder shall provide its pro rata portion (based on its then current shareholding) of up to a maximum aggregate amount of the lesser of USD100,000,000 or the total principal amount for the time being outstanding under the Grissik - Duri Promissory Notes and the Grissik - Singapore Promissory Notes.

c. On December 4, 2002 and January 28, 2003, Transgasindo entered into the Shareholder Loan Agreement with Transasia.

On June 2, 2004, the Company transferred Assets (Grissik - Singapore pipeline and Duri compression facilities). In relation with the transfer, Transgasindo has entered into several other significant agreements as follows:

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

11. Perjanjian yang Berkaitan dengan Jaringan Pipa Grissik - Singapura - Transgasindo (lanjutan)

1. Perjanjian Novasi (*Novation Agreement*) dengan Transgasindo untuk penyerahan hak dan kewajiban Perusahaan kepada Transgasindo sesuai dengan Perjanjian Pengangkutan Gas Singapura (*Singapore Gas Transportation Agreement* atau *Singapore GTA*) antara Perusahaan, ConocoPhillips (South Jambi) Ltd., ConocoPhillips (Grissik) Ltd., dan Petrochina International Jabung Ltd., tanggal 12 Februari 2001.

   Berdasarkan GTA, Jaringan Pipa Transmisi Grissik - Singapura yang diperoleh Transgasindo dari Perusahaan melalui Perjanjian Pengalihan Aset, digunakan untuk menyalurkan gas alam yang dipasok oleh ConocoPhillips dan Petrochina ke Singapura. Perjanjian ini berlaku sampai dengan tahun 2023.

   Jika ConocoPhillips dan Petrochina gagal menyerahkan gas sesuai ketentuan GTA di atas, ConocoPhillips dan Petrochina akan dikenakan kewajiban *ship-or-pay,* yang mana berlaku *make-up rights,* di mana ConocoPhillips dan Petrochina menerima pengurangan sejumlah tertentu atau sebaliknya dibayar jika kuantitas *ship-or-pay* terpenuhi.

2. Perjanjian Pinjam Pakai Tanah (*Borrow and Use of Land Agreement*) dengan Transgasindo yang meliputi bidang tanah yang berlokasi di jalur Jaringan Pipa Transmisi Grissik-Singapura dan bidang tanah lain yang digunakan sebagai fasilitas penunjang Jaringan Pipa Transmisi Grissik-Singapura. Pada tanggal 31 Desember 2011, Transgasindo telah membukukan tanah yang sertifikat tanahnya sudah atas nama Transgasindo sejumlah USD1.621.527.

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35. SIGNIFICANT AGREEMENTS (continued)

11. Agreements Related to Grissik - Singapore Pipeline - Transgasindo (continued)

1. *Novation Agreement with Transgasindo to novate the Company's rights and obligations to Transgasindo under the Singapore Gas Transportation Agreements (Singapore GTA) entered into by the Company, ConocoPhillips (South Jambi) Ltd., ConocoPhillips (Grissik) Ltd., and Petrochina International Jabung Ltd., dated February 12, 2001.*

   Under the GTA's, the Grissik-Singapore Transmission Pipeline, which was acquired by Transgasindo from the Company under the Asset Transfer Agreement, is used to transport the natural gas supplied by ConocoPhillips and Petrochina to Singapore. This agreement is valid until 2023.

   If ConocoPhillips and Petrochina fail to deliver gas quantities under the above GTA's, ConocoPhillips and Petrochina shall have a ship-or-pay obligation, which is subject to make-up rights, i.e., ConocoPhillips and Petrochina receives a credit against certain amounts otherwise paid or owed if the ship-or-pay quantity is met.

2. *Borrow and Use of Land Agreement with Transgasindo covering the plots of land located at the Grissik-Singapore Transmission Pipeline route and other land used as supporting facility of the Grissik-Singapore Transmission Pipeline. As of December 31, 2011, Transgasindo has recorded the land wherein the certificates are under Transgasindo's name totaling to USD1,621,527.*

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

12. Perjanjian penting lain yang berhubungan dengan jaringan pipa transmisi Grissik - Duri dan Grissik - Singapura

a. Perjanjian Pengangkutan Gas Grissik - Panaran (*Grissik - Panaran GTA*) dengan Transgasindo tanggal 12 Desember 2004.

Berdasarkan perjanjian tersebut, kapasitas penyaluran melalui jaringan utama Transgasindo berkisar antara 22.000 mscf per hari pada tahun 2004 sampai 63.900 mscf per hari pada akhir kontrak di tahun 2019. Perjanjian ini berlaku selama 15 tahun.

Jika Perusahaan gagal menyerahkan gas sesuai ketentuan GTA di atas, Perusahaan akan dikenakan kewajiban *ship-or-pay,* yang mana berlaku *make-up rights.*

Pada tanggal 7 Agustus 2006, Grissik - Panaran GTA antara Perusahaan dan Transgasindo ini diubah dalam hal penentuan tanggal dimulainya perjanjian ini dikarenakan Transgasindo telah memenuhi beberapa kondisi sebagaimana telah diterimanya persetujuan tarif dari BPH Migas pada tanggal 19 Agustus 2005. Tanggal dimulainya perjanjian menjadi sesuai tanggal pada saat persetujuan tarif dari BPH Migas.

Sejak tanggal 19 Agustus 2005, seluruh kondisi di dalam Grissik - Panaran GTA menjadi berlaku efektif sampai dengan berakhirnya kontrak pada 26 November 2019.

b. Perjanjian Pengangkutan Gas Grissik - Duri (Grissik - Duri pipeline GTA) dengan Transgasindo tanggal 24 Juni 2010.

Pada tanggal 24 Juni 2010, Perusahaan mengadakan Perjanjian Pengangkutan Gas (GTA) dengan Transgasindo untuk menyalurkan gas dari Grissik ke Pangkalan Kerinci, Perawang, Ukui dan Lirik. Berdasarkan perjanjian ini, kapasitas penyaluran melalui jaringan utama Transgasindo sebesar 13.284 mscf per hari. Perjanjian ini berlaku efektif sejak 1 Juni 2010 dan berlaku sampai dengan 31 Mei 2015.

35. SIGNIFICANT AGREEMENTS (continued)

12. Other significant agreements related to Grissik - Duri and Grissik - Singapore transmission pipelines

a. Grissik - Panaran Gas Transportation Agreement (GTA) with Transgasindo dated December 12, 2004.

Based on this agreement, transportation capacity through Transgasindo's mainline is ranging from 22,000 mscf per day in 2004 to 63,900 mscf per day at the end of contract in 2019. This agreement is valid for 15 years.

If the Company fails to deliver the required quantity under the above GTA, the Company shall have a ship-or-pay obligation, which is subject to make-up rights.

On August 7, 2006, the Grissik - Panaran GTA between the Company and Transgasindo was amended to define the start date since Transgasindo has fulfilled the condition precedent upon the receipt of approval letter of toll fee from BPH Migas dated August 19, 2005. The start date of the agreement shall be on the date of BPH Migas toll fee approval.

Starting August 19, 2005, all the terms and conditions of the Grissik - Panaran GTA become effective and shall continue in full force and effect until the end of the contract period, which is November 26, 2019.

b. Grissik - Duri Gas Transportation Agreement (GTA) with Transgasindo dated June 24, 2010.

On June 24, 2010, the Company entered into Gas Transportation Agreement (GTA) with Transgasindo to transport gas from Grissik to Pangkalan Kerinci, Perawang, Ukui and Lirik. Based on this agreement, the capacity of transportation through Transgasindo's mainline is ranging from 13,284 mscf per day. This agreement is effective starting on June 1, 2010 and valid until May 31, 2015.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

12. Perjanjian penting lain yang berhubungan dengan jaringan pipa transmisi Grissik - Duri dan Grissik - Singapura (lanjutan)

Jika Perusahaan gagal menyerahkan gas sesuai ketentuan GTA di atas, Perusahaan akan dikenakan kewajiban *ship-or-pay*, yang mana berlaku *make-up rights*.

c. Pada tanggal 19 Desember 2007, Transgasindo mengadakan Perjanjian Pengaliran Gas (GTA) dengan PT Energasindo Heksa Karya untuk menyalurkan gas dan Grissik ke Tempino Kecil. Perjanjian ini akan berakhir pada tanggal 31 Desember 2018.

d. Pada tanggal 31 Mei 2010, Transgasindo mengadakan Perjanjian Pengaliran Gas (GTA) dengan ConocoPhillips (Grissik) Ltd. untuk menyalurkan gas dari Grissik ke PT Caltex Pacific Indonesia (CPI). Perjanjian ini akan berakhir pada tanggal 10 Agustus 2021.

e. Pada tanggal 8 Februari 2011, Transgasindo mengadakan Perjanjian Pengaliran Gas (GTA) dengan PT Pertamina Hulu Energi Jambi Merang, Talisman (Jambi Merang) dan Pacific Oil & Gas (Jambi Merang) Ltd. untuk menyalurkan gas dari Grissik ke CPI. Perjanjian ini akan berakhir pada tanggal 31 Desember 2011.

Pada tanggal 30 Desember 2011, Transgasindo, PT Pertamina Hulu Energi Jambi Merang, Talisman (Jambi Merang) dan Pasific Oil & Gas (Jambi Merang) Ltd. menandatangani perpanjangan atas perjanjian tersebut. Perjanjian ini akan berakhir pada tanggal 31 Maret 2012.

f. Pada tanggal 4 April 2011, Transgasindo mengadakan Perjanjian Pengaliran Gas (GTA) dengan Perusahaan Daerah Pertambangan dan Energi Sumatera Selatan (PDPDE Sumatera Selatan) untuk menyalurkan gas dari PDPDE Sumatera Selatan ke PT Lontar Papyrus Pulp dan Paper Industry (LPPI). Perjanjian ini akan berakhir pada tanggal 9 Februari 2019.

35. SIGNIFICANT AGREEMENTS (continued)

12. Other significant agreements related to Grissik - Duri and Grissik - Singapore transmission pipelines (continued)

If the Company fails to deliver the required quantity under the above GTA, the Company shall have a ship-or-pay obligation, which is subject to make-up rights.

c. On December 19, 2007, Transgasindo entered into Gas Transportation Agreement (GTA) with PT Energasindo Heksa Karya to transport gas from Grissik to Tempino Kecil. This agreement is valid until December 31, 2018.

d. On May 31, 2010, Transgasindo entered into Gas Transportation Agreement (GTA) with ConocoPhillips (Grissik) Ltd. to PT Caltex Pacific Indonesia (CPI). This agreement is valid until August 10, 2021.

e. On February 8, 2011, Transgasindo entered into Gas Transportation Agreement (GTA) with PT Pertamina Hulu Energi Jambi Merang, Talisman (Jambi Merang) and Pacific Oil & Gas (Jambi Merang) Ltd to CPI. This agreement is valid until December 31, 2011.

On December 30, 2011, Transgasindo, PT Pertamina Hulu Energi Jambi Merang, Talisman (Jambi Merang) dan Pasific Oil & Gas (Jambi Merang) Ltd. signed the amendment of the above agreement. This agreement is valid until March 31, 2012

f. On April 4, 2011, Transgasindo entered into Gas Transportation Agreement (GTA) with Perusahaan Daerah Pertambangan dan Energi Sumatera Selatan (PDPDE) to deliver gas from PDPDE to PT Lontar Papyrus Pulp and Paper Industry (LPPI). This agreement is valid until February 9, 2019.

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12. Perjanjian penting lain yang berhubungan dengan jaringan pipa transmisi Grissik - Duri dan Grissik - Singapura (lanjutan)

g. Pada tanggal 1 Desember 2011, PT Pertamina Hulu Energi Jambi Merang (PHE), Talisman (Jambi Merang) Limited (Talisman) dan Pasific Oil & Gas (Jambi Merang) Ltd. (PO&G), yang selanjutnya bersama-sama disebut sebagai JOB PTJM, Perusahaan, Transgasindo, ConocoPhillips (Grissik) Ltd. (CPGL) dan PT PLN (Persero) (PLN) menandatangani Perjanjian *Swap Gas*. Dalam perjanjian ini, Perusahaan dan Transgasindo setuju untuk menyalurkan gas sehubungan dengan Perjanjian Jual Beli Gas (PJBG) antara JOB PTJM dengan PLN dan CPGL dengan PT Chevron Pasific Indonesia (CPI) dari JOB PTJM ke CPI dan dari CPGL ke PLN dengan kapasitas pengaliran sesuai dengan pasokan masing-masing pihak yang terkait.

Perjanjian ini akan berlaku sampai dengan tanggal yang lebih awal dari:

a) pembangunan dan komisioning jalur pipa lateral JOB PTJM dari fasilitas JOB PTJM di fasilitas Sungai Kenawang ke jalur pipa PGN Sumatera Selatan sampai Jawa Barat di Grissik;

b) pengakhiran CPGL-CPI ARGSEA serta CPGL-Transgasindo *Gas Transportation Agreements (GTA)* tertanggal 21 Desember 2000 dan 31 Mei 2010;

c) pengakhiran JOB PTJM-PLN *Gas Sales Agreements (GSA)* dan PGN-PLN ARG GTA; atau

d) pelaksanaan hak pengakhiran kontrak oleh suatu Pihak berdasarkan ketentuan yang disepakati dalam perjanjian ini.

35. SIGNIFICANT AGREEMENTS (continued)

12. Other significant agreements related to Grissik - Duri and Grissik - Singapore transmission pipelines (continued)

g. On December 1, 2011, PT Pertamina Hulu Energi Jambi Merang (PHE), Talisman (Jambi Merang) Limited (Talisman) and Pasific Oil & Gas (Jambi Merang) Ltd. (PO&G), hereinafter collectively referred to as JOB PTJM, the Company, Transgasindo, ConocoPhillips (Grissik) Ltd. (CPGL) and PT PLN (Persero) (PLN) entered into a Gas Swap Agreement. In this agreement, the Company and Transgasindo agreed to transport gas related to Gas Sales Agreement (GSA) between JOB PTJM with PLN and CPGL with PT Chevron Pasific Indonesia (CPI) from JOB PTJM to CPI and from CPGL to PLN with capacity to be delivered based on the gas availability from related parties.

This agreement is valid until:

a) the construction and commissioning of the JOB PTJM lateral pipeline from the JOB PTJM facilities at Sungai Kenawang to the PGN South Sumatera to West Java pipeline at Grissik;

b) the terminantion of the CPGL-CPI ARGSEA and the CPGL-Transgasindo Gas Transportation Agreements (GTA) dated December 21, 2000 and May 31, 2010;

c) the termination of the JOB PTJM-PLN Gas Sales Agreements (GSA) and the PGN-PLN ARG GTA; or

d) a Party's excercise of its termination rights under the term agreed by the parties in the agreement.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

PGASKOM mengadakan perjanjian-perjanjian sebagai berikut:

1. Pada tanggal 7 Januari 2009, berdasarkan perjanjian No.000200/PKS-PGASCOM/XII/2008, dan No.1775.A/XXX.II.S.5223/XL/XII/2008, PGASKOM mengadakan perjanjian kerjasama dengan PT Excelcomindo Pratama tentang penyediaan kapasitas jaringan telekomunikasi.

   Jangka waktu kerjasama berlaku selama 3 tahun dan dapat diperpanjang.

2. Pada tanggal 6 Maret 2009, berdasarkan perjanjian No. 000100/512/PKS-PGASCOM/III/2009 dan No. 009/GOO-GJA/OPR/09, PGASKOM mengadakan perjanjian kerjasama dengan PT Indosat Tbk untuk penyediaan kapasitas jaringan telekomunikasi.

   Perjanjian tersebut mengalami perubahan beberapa kali, terakhir berdasarkan perjanjian No. 000401.AMD/UT/PGASCOM/III/2011 dan No. 086/C00-C0F/LGL/11, pada tanggal 9 Maret 2011.

   Jangka waktu kerjasama berlaku selama 1 tahun dan dapat diperpanjang kembali.

3. Pada tanggal 24 November 2010, berdasarkan perjanjian No. 01700.AMD/UT/PGASCOM/XI/2010 dan No. 001/BWI-AMD/XI/2010, PGASKOM mengadakan perjanjian kerjasama dengan PT Bluewater Indonesia untuk penyediaan jaringan telekomunikasi.

   Jangka waktu kerjasama berlaku selama 30 bulan dan dapat diperpanjang kembali.

35. SIGNIFICANT AGREEMENTS (continued)

PGASKOM has the following significant agreements:

1. *On January 7 2009, based on agreement No.000200/PKS-PGASCOM/XII/2008, and No.1775.A/XXX.II.S.5223/XL/XII/2008, PGASKOM entered into a cooperation agreement with PT Excelcomindo Pratama to provide telecommunication leased line capacity.*

   The agreement is valid for 3 years and can be extended.

2. *On March 6 2009, based on agreement No. 000100/512/PKS-PGASCOM/III/2009 and No. 009/GOO-GJA/OPR/09, PGASKOM entered into a cooperation agreement with PT Indosat Tbk to provide telecommunication leased line capacity.*

   The Company's agreement has been amended several times, recently, based on agreement No. 000401.AMD/UT/PGASCOM/III/2011 and No. 086/C00-C0F/LGL/11, on March 9, 2011.

   The agreement is valid for 1 year and can be extended.

3. *On November 24, 2010, based on agreement No. 01700.AMD/UT/PGASCOM/XI/2010 and No. 001/BWI-AMD/XI/2010, PGASKOM entered into a cooperation agreement with PT Bluewater Indonesia to provide telecommunication network.*

   The agreement is valid for 30 months and can be extended.

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

SEI mengadakan perjanjian sebagai berikut:

Pada tanggal 19 Juli 2011, berdasarkan surat No.20649/12/DJM.E/2011, Direktorat Jenderal Minyak dan Gas Bumi Kementerian Energi dan Sumber Daya Alam menyatakan Konsorsium PT Medco CBM Lematang - PT Methanindo Energy Resources - Perusahaan sebagai Badan Usaha Tetap dalam pengusahaan Wilayah Kerja Gas Metana Batubara (GMB) Blok GMB Lematang.

Kemudian konsorsium menyampaikan surat kesanggupan melaksanakan komitmen Blok GMB Lematang dan menyampaikan bank garansi dalam menyediakan dana untuk:

- *Signature Bonus* sebesar US$1.000.000
- Jaminan Pelaksanaan (*Performance Bond*) senilai US$1.500.000 untuk membiayai komitmen pasti masa eksplorasi sebesar US$4.600.000 yang terdiri dari: G&G Study, 2 (dua) *Core Hole* dan 2 (dua) Sumur eksplorasi+*Production Test,* pada 3 tahun pertama masa *eksplorasi, y*ang berlaku sampai dengan 3 tahun setelah kontrak ditandatangani.

Kontrak ini mengatur antara lain:

- Komitmen pasti berupa G&G Study, 2 (dua) Core Hole, dan 2 (dua) Sumur Eksplorasi+*Production Test*, pada 3 tahun pertama masa eksplorasi,
- Menyetujui bagi hasil produksi antara Pemerintah dengan kontraktor sebesar 55% : 45% (*after tax*),
- Membayar *signature bonus* kepada Pemerintah Republik Indonesia sebesar US$ 1.000.000 (satu juta Dollar Amerika Serikat),
- Tidak mengalihkan, menjual dan memindahkan bagian *interest* atau *group interest* (konsorsium) di Blok GMB Lematang kepada pihak lain secara mayoritas (lebih besar dari 50%) selama 3 tahun pertama masa eksplorasi,
- Dan ketentuan lain yang tercantum dalam Kontrak Kerja Sama dan Peraturan Perundang-undangan yang berlaku.

35. SIGNIFICANT AGREEMENTS (continued)

SEI has the following significant agreement:

On July 19, 2011, based on letter No.20649/12/DJM.E/2011, Directorate General of Oil and Gas, Ministry of Energy and Natural Resources stated that the Consortium of PT Medco CBM Lematang - PT Methanindo Energy Resources - are Permanent Establishment Companies in developing of Methane Coal Gas (GMB) fieldwork in the GMB Lematang Block.

Subsequently, the consortium has provided a letter of intent for the operation of GMB Lematang Block and submitted the bank guarantee in providing funds for:

- *Signature Bonus amounting to US$1,000,000*
- *Performance Bond amounting to US$1,500,000 to finance fixed commitments for exploration phase amounting to US$4,600,000, which consists of: G&G Study, 2 (two) Core Hole and 2 (two) exploration wells+Production Test, in the first 3 years of exploration phase, which is valid until 3 years after the contract signed.*

The contract prescribes:

- *Fixed Commitments in the form of G&G Study, 2 (two) Core Hole, and 2 (two) Exploration Wells+Production Test, in first 3 years of exploration phase,*
- *Approve the production sharing results between Government and contractors at 55%: 54% (after tax),*
- *Pay signature bonus to Government of the Republic of Indonesia amounting to US$1,000,000,*
- *Shall not transfer, sell and replace part or group of interest (consortium) in GMB Lematang Block, South Sumatera to other party at major portion (more than 50%) for first 3 years of exploration phase,*
- *And other terms stated in Joint Agreement Contract and Applicable Laws and Regulations.*

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35. PERJANJIAN-PERJANJIAN PENTING (lanjutan)

SEI mengadakan perjanjian sebagai berikut (lanjutan):

Pada tanggal 22 Juli 2011, telah ditandatangani Nota Kesepakatan antara PT Medco E&P Indonesia (MEPI), PT Sugico Pendragon Energi (SUGICO) dan Perusahaan mengenai kerjasama pengembangan *Coal Bed Methane (CBM)*. Perusahaan sepakat untuk menjadi mitra MEPI dan SUGICO pada pengembangan CBM di Blok Lematang - Petar dengan kepemilikan *participating interest* sebesar MEPI: 55%, SUGICO: 40%, dan Perusahaan: 5%.

Kerjasama tersebut dituangkan dalam suatu perjanjian tersendiri yang mengatur seluruh hak dan kewajiban para pihak.

Biaya-biaya yang terkait dengan pelaksanaan PSC CBM termasuk tetapi tidak terbatas pada *signature bonus*, bank garansi atas *signature bonus* dan *performance bond* merupakan beban dan tanggung jawab setiap pihak berdasarkan bagian *participating interest* masing-masing.

Sehubungan dengan penandatanganan *Production Sharing Contract* (PSC) untuk pengusahaan Gas Metana Batubara (GMB) Area Lematang - Petar Sumatera Selatan, Perusahaan pada tanggal 22 Juli 2011 dengan surat No. 021200.S/HK.02/UT/2011 telah menunjuk PT Saka Energi Indonesia untuk menandatangani PSC dengan Pemerintah dan untuk selanjutnya mewakili Perusahaan dalam hal kerjasama pengembangan CBM di Blok Lematang - Petar.

36. IKATAN DAN KONTINJENSI

Pada tanggal 31 Desember 2011, Perusahaan dan Transgasindo memiliki kontinjensi sebagai berikut:

1. Tanah yang terletak sepanjang 536 km jalur pipa transmisi gas dari Grissik ke Duri masih dalam proses sertifikasi. Selama proses sertifikasi tanah, terdapat suatu masalah dengan beberapa warga sekitar Batanghari dan Tanjung Jabung, yang tanahnya dipakai untuk jaringan pipa Grissik - Duri, di mana mereka menuntut kompensasi tambahan.

35. SIGNIFICANT AGREEMENTS (continued)

SEI has the following significant agreements (continued):

On July 22, 2011, PT Medco E&P Indonesia (MEPI), PT Sugico Pendragon Energi (SUGICO) and the Company entered into Minutes of Understanding regarding Coal Bed Methane (CBM) development. The Company agreed to became a partner of Mitra MEPI & SUGICO to develop CBM on Lematang-Petar Block with ownership participating interest of MEPI: 55%, SUGICO: 40%, and Company: 5%.

The cooperation will be prepared in a separate agreement which regulates the rights and obligations of the parties.

The costs related to PSC CBM implementation include but not limited to signature bonus, bank guarantee for signature bonus and performance bond representing the responsibility of each parties based on their participating interest.

In relation with Production Sharing Contract (PSC) signing for Methane Coal Gas (GMB) production, Lematang - Petar Area, South Sumatera, the Company delegated PT Saka Energi Indonesia on July 22, 2011 with letter No. 021200.S/HK.02/UT/2011 to sign PSC with Government and act on be half of Company for CBM development cooperation in Lematang - Petar Block.

36. COMMITMENTS AND CONTINGENCIES

As of December 31, 2011, the Company and Transgasindo had contingencies as follows:

1. *The land covering the area along the 536 km natural gas transmission pipeline from Grissik to Duri is still in the certification process. During the land certification process, there have been disputes with several inhabitants of the land in Batanghari and Tanjung Jabung used for the Grissik - Duri pipeline, who are claiming additional compensation.*

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36. IKATAN DAN KONTINJENSI (lanjutan)

Perusahaan merupakan salah satu Tergugat pada Perkara No. 04/PDT.G/2001/PN.MBLN yang diajukan oleh warga sekitar Batanghari (Penggugat) ke Pengadilan Negeri Muara Bulian pada tanggal 19 Maret 2001, dimana gugatan para Penggugat ditolak dengan putusan pengadilan tanggal 26 Juni 2001. Penggugat mengajukan banding ke Pengadilan Tinggi Jambi dan berdasarkan putusan Pengadilan Tinggi Jambi No. 47/Pdt/2001/PT.JBI pada tanggal 27 November 2001, gugatan Pembanding ditolak pengadilan, tetapi pada tanggal 23 Januari 2002 para Penggugat mengajukan kasasi ke Mahkamah Agung. Sampai dengan tanggal 6 Maret 2012, pemeriksaan masih dilakukan oleh Mahkamah Agung.

Perusahaan juga merupakan salah satu Tergugat pada Perkara No. 06/PDT.G/2001/PN.KTL yang diajukan warga sekitar Tanjung Jabung (Penggugat) pada tanggal 15 November 2001 ke Pengadilan Negeri Kuala Tungkal. Berdasarkan putusan Pengadilan Negeri tanggal 22 April 2002, gugatan para Penggugat ditolak dan Penggugat mengajukan banding ke Pengadilan Tinggi Jambi. Berdasarkan Putusan No. 31/PDT/2002/PT.JBI, tanggal 14 Agustus 2002, Pengadilan Tinggi Jambi menguatkan putusan Pengadilan Negeri Kuala Tungkal dan para Pembanding kemudian mengajukan kasasi ke Mahkamah Agung. Sampai dengan tanggal 6 Maret 2012, pemeriksaan masih dilakukan oleh Mahkamah Agung.

2. Pada tanggal 29 September 2005, Perusahaan menerima panggilan sidang untuk Perkara No. 350/Pdt.G/2005/PN.Mdn yang diajukan oleh Damir Lubis (Penggugat) di Pengadilan Negeri Medan atas tanah dan rumah dinas milik Perusahaan yang terletak di Jl. Kom. Laut Yos Sudarso No. 269, Medan. Berdasarkan putusan perkara termaksud tertanggal 2 Oktober 2006, Majelis Hakim menolak gugatan Penggugat seluruhnya dan membebankan biaya perkara kepada Penggugat.

36. COMMITMENTS AND CONTINGENCIES (continued)

The Company is named as a Defendant in Case No. 04/PDT.G/2001/PN.MBLN which was filed by several inhabitants in Batanghari (Plaintiff) at the Muara Bulian State Court on March 19, 2001, whereby the claim of the Plaintiff was rejected based on the Court Decision dated June 26, 2001. The Plaintiff appealed to the Jambi High Court, and based on the Decision No. 47/Pdt/2001/PT.JBI of the Jambi High Court dated November 27, 2001, the appeal was rejected by the High Court. However, on January 23, 2002 the Plaintiff appealed to the Supreme Court. Up to March 6, 2012, the examination is still in progress by the Supreme Court.

The Company is also named as one of the Defendants in Case No. 06/PDT.G/ 2001/PN.KTL which was filed by some inhabitants in Tanjung Jabung (Plaintiff) on November 15, 2001 at the Kuala Tungkal State Court. Based on the decision of the State Court dated April 22, 2002, the Plaintiff's claim was rejected, and the Plaintiff appealed to the Jambi High Court. Based on Decision No. 31/PDT/2002/PT.JBI, dated August 14, 2002, the Jambi High Court affirmed the Kuala Tungkal State Court's decision, and the Plaintiff appealed to the the Supreme Court. Up to March 6, 2012, the examination is still in progress by the Supreme Court.

2. *On September 29, 2005, the Company received court's call for Case No. 350/Pdt.G/2005/PN.Mdn, filed by Damir Lubis (Plaintiff) to the Medan State Court for the land and employee's housing that belongs to the Company, located at Jl. Kom. Laut Yos Sudarso No. 269, Medan. Based on the verdict dated October 2, 2006, the State Court rejected all of the Plaintiff's claim and charged court expense to the Plaintiff.*

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36. IKATAN DAN KONTINJENSI (lanjutan)

Terhadap putusan ini, Penggugat mengajukan upaya hukum Banding ke Pengadilan Tinggi Medan pada tanggal 20 November 2006. Pada tanggal 9 Agustus 2007, Perusahaan menerima Permohonan Banding dari Penggugat No. 110/Pdt.G/2007/PT/MDN. Pengadilan Tinggi Medan menguatkan keputusan yang telah dikeluarkan oleh Pengadilan Negeri Medan.

Pada tanggal 13 Agustus 2008, Perusahaan menerima panggilan sidang untuk Perkara No. 266/PDT.G/2008/PN.MDN yang diajukan oleh Damir Lubis (Penggugat) di Pengadilan Negeri Medan atas tanah dan rumah dinas milik Perusahaan yang terletak di Jl. Kom. Laut Yos Sudarso No. 269, Medan. Pada tanggal 28 Mei 2009, Pengadilan Negeri Medan memutuskan bahwa gugatan yang diajukan Penggugat tidak dapat diterima. Sampai dengan tanggal 6 Maret 2012, tidak ada proses hukum lebih lanjut yang dilakukan oleh penggugat.

3. Pada tanggal 15 Mei 2006, Perusahaan selaku salah satu Tergugat bersama dengan Transgasindo, menerima panggilan untuk menghadiri sidang perkara perdata No. 01/Pdt.G/2006/PN.MBLN, yang diajukan Indra Kusuma dan Asmara (Penggugat) selaku pihak yang merasa belum mendapat ganti rugi tanah di Jambi pada Pengadilan Negeri Muara Bulian.

   Berdasarkan Keputusan Pengadilan Negeri Muara Bulian untuk perkara yang dibacakan pada tanggal 6 Oktober 2006, Perusahaan diminta membayar ganti rugi kepada Penggugat. Terhadap putusan ini, Perusahaan dan Transgasindo mengajukan upaya hukum Banding ke Pegadilan Tinggi Jambi. Pada tanggal 25 Juni 2007 melalui Putusan Pengadilan Tinggi Jambi No. 34/Pen/Pdt/2007/PT.JBI, Pengadilan Tinggi Jambi membatalkan Putusan Pengadilan Negeri Muara Bulian tanggal 6 Oktober 2006 No. 01/Pdt.G/2006/PN.MBLN dan memenangkan Perusahaan atas kasus ini.

   Pada tanggal 8 Oktober 2007, pihak penggugat telah mendaftarkan sengketa ini ke Mahkamah Agung Republik Indonesia. Perusahaan telah mengajukan Kontra Memori Kasasi ke Mahkamah Agung.

36. COMMITMENTS AND CONTINGENCIES (continued)

Based on this decision, the Plaintiff appealed to the Medan High Court on November 20, 2006. On August 9, 2007, the Company received Appeal Letter No. 110/Pdt.G/ 2007/PT/MDN from the Plaintiff. Medan High Court affirmed Medan State Court's Decision.

On August 13, 2008 the Company received Court's Call for Case No. 266/PDT.G/ 2008/PN.MDN, filed by Damir Lubis (Plaintiff) to the Medan State Court for the land and employee's housing that belongs to the Company, located at Jl. Kom. Laut Yos Sudarso No. 269, Medan. On May 28, 2009, the Medan State Court decided that the Plaintiff's claim can not be accepted. Up to March 6, 2012, there is no further litigation process proposed by the Plaintiff.

3. *On May 15, 2006, the Company as one of the Defendant together with Transgasindo, received court's call for case No. 01/Pdt.G/2006/PN.MBLN, filed by Indra Kusuma and Asmara (Plaintiff) to Jambi's Muara Bulian State Court for the compensation of land in Jambi.*

   Based on Muara Bulian State Court's Decision dated October 6, 2006, the Company was requested to pay the compensation to the Plaintiff. For this decision, the Company and Transgasindo appealed to the Jambi High Court. Based on decision of Jambi High Court Decision No. 34/Pen/Pdt/2007/PT.JBI on June 25, 2007, the Jambi High Court cancelled the Muara Bulian State Court's Decision No. 01/Pdt.G/2006/PN.MBLN dated October 6, 2006 and decided in favour the Company.

   On October 8, 2007, the Plaintiff has submitted appeal to the Supreme Court of Republic of Indonesia. The Company has submitted explanatory statement on appeal ("Kontra Memori Kasasi") to the Supreme Court.

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36. IKATAN DAN KONTINJENSI (lanjutan)

Pada tanggal 15 Juli 2011, Perusahaan telah menerima Putusan Mahkamah Agung Republik Indonesia yang memutuskan menolak kasasi pihak penggugat berdasarkan Surat Putusannya No. 740/K/Pdt/2009, tanggal 21 Desember 2010. Sampai dengan tanggal 6 Maret 2012, belum ada perkembangan lebih lanjut atas kasus ini.

4. Perusahaan mengalami perselisihan dengan salah satu pelanggannya, PT KHI Pipe Industries (KHI) mengenai permasalahan keterlambatan KHI dalam melaksanakan pengiriman pipa untuk proyek pipa transmisi gas bumi berdasarkan kontrak No. 002800.PK/244/UT/2005 tanggal 16 Juni 2005 (Kontrak Pagardewa - Labuhan Maringgai) dan kontrak No. 003800.PK/244/UT/2005 tanggal 29 September 2005 (Kontrak Muara Bekasi - Rawa Maju). Jumlah yang sedang diperkarakan adalah sebesar USD5.000.000.

   Sampai dengan tanggal 6 Maret 2012, tidak ada proses hukum yang dilakukan oleh KHI.

5. Perusahaan mengalami perselisihan dengan salah satu kontraktornya, Nippon Steel Corporation terkait adanya pengajuan *Variation Request* No. 002-VR-NSJ/PGN-0017 oleh Nippon Steel Corporation sebesar JPY45.332.000 atas kontrak Labuhan Maringgai Cilegon *Offshore Pipeline* No. 004600.PK/245/UT/2005, tanggal 14 Oktober 2005 dengan nilai kontrak sebesar JPY16.500.000.000. Sampai dengan tanggal 6 Maret 2012, tidak ada proses hukum yang dilakukan oleh Nippon Steel.

36. COMMITMENTS AND CONTINGENCIES (continued)

On July 15, 2011, the Company has received the Supreme Court's decision whereby the Court rejected plaintiff's appeal based on Decision Letter No. 740/K/Pdt/2009, dated December 21, 2010. Up to March 6, 2012, there is no further development on this case.

4. The Company is in dispute with one of its customers, PT KHI Pipe Industries (KHI) relating to the delay of pipe supply by KHI for pipe gas transmission project based on the agreement No. 002800.PK/244/UT/2005, dated June 16, 2005 ("Pagardewa - Labuhan Maringgai Agreement") and Agreement No. 003800.PK/244/UT/2005, dated September 29, 2005 ("Muara Bekasi - Rawa Maju Agreement"). The amount involved in the dispute amounting to USD5,000,000.

   Up to March 6, 2012, there is no legal proceedings proposed by the KHI.

5. The Company is in dispute with one of its contractors, Nippon Steel Corporation in relation to the Nippon Steel Corporation's Variation Request No. 002-VR-NSJ/PGN-0017 amounting to JPY45,332,000 for Labuhan Maringgai Cilegon Offshore Pipeline project based on the agreement No. 004600.PK/245/UT/2005, dated October 14, 2005, with contract amount of JPY16,500,000,000. Up to March 6, 2012, there is no legal proceedings proposed by the Nippon Steel.

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36. IKATAN DAN KONTINJENSI (lanjutan)

6. Perusahaan mengalami perselisihan dengan salah satu kontraktornya, CRW *Joint Operation*, sebuah kerja sama operasi yang terdiri dari PT Citra Panji Manunggal, PT Remaja Bangun Kencana Kontraktor dan PT Winatek Widita berkenaan dengan adanya keputusan *Dispute Adjudication Board* ("DAB") tanggal 25 November 2008, yang memutuskan bahwa CRW *Joint Operation* berhak menerima pembayaran dari Perusahaan sejumlah USD17.298.835 yang terkait dengan pekerjaan pemasangan pipa gas yang berlokasi di Grissik - Pagardewa, berdasarkan kontrak No. 002500.PK/243/UT/2006, tanggal 28 Februari 2006, sebagaimana terakhir diubah dengan amandemen No. 002000.AMD/HK.02/UT/2008, tanggal 24 Oktober 2008. Berdasarkan keputusan DAB tersebut, Perusahaan telah mengajukan *Notice of Dissatisfaction* sehingga CRW *Joint Operation* telah mengajukan permohonan penyelesaian melalui *International Court of Arbitration - International Chamber of Commerce* (ICC), Paris.

   Pada tanggal 24 November 2009, ICC telah memberikan putusan atas perkara ini dengan putusan sebagai berikut:
   - Meminta Perusahaan untuk membayar sebesar USD17.298.835;
   - Meminta Perusahaan untuk membayar biaya arbitrase sebesar USD215.000 termasuk menanggung bagian biaya arbitrase CRW sebesar USD215.000;
   - Meminta Perusahaan untuk membayar biaya jasa hukum dan biaya lain-lain CRW selama proses arbitrase sebesar USD428.009.

   Pada tanggal 23 Februari 2010, Perusahaan mengajukan permohonan untuk membatalkan putusan ICC dan Perintah Pelaksanaan ICC, tertanggal 7 Januari 2010 kepada Pengadilan Tinggi Republik Singapura. Atas permohonan tersebut, pada tanggal 8 April 2010, Pengadilan Tinggi telah mengeluarkan putusan yang membatalkan Putusan Arbitrase ICC.

36. COMMITMENTS AND CONTINGENCIES (continued)

6. The Company is in dispute with one of its contractors, CRW Joint Operation, which consists of PT Citra Panji Manunggal, PT Remaja Bangun Kencana Kontraktor and PT Winatek Widita, relating to Dispute Adjudication Board (DAB)'s decision, dated November 25, 2008, which decided that CRW Joint Operation has a right to receive payment from the Company amounting to USD17,298,835, in relation with gas pipeline transmission project in Grissik - Pagardewa, based on the agreement No. 002500.PK/243/UT/2006, dated February 28, 2006, which was amended with No. 002000.AMD/HK.02/UT/2008, dated October 24, 2008. Based on the DAB's decision, the Company has issued the Notice of Dissatisfaction, therefore, CRW Joint Operation has filed this case to the International Court of Arbitration - International Chamber of Commerce (ICC), Paris.

   On November 24, 2009, ICC has rendered Arbitration Verdict as follows:

   - *Required the Company to pay the amount of USD17,298,835;*
   - *Required the Company to pay arbitration fees amounting to USD215,000 and part of CRW's arbitration fees amounting to USD215,000;*
   - *Required the Company to pay CRW's law service fees and other expenses during arbitration process amounting to USD428,009.*

   On February 23, 2010, the Company has filed submissions to the High Court of Singapore to set aside the ICC Award and Order of Court to enforce ICC Award, dated January 7, 2010 to the High Court of the Republic of Singapore ("High Court"). On April 8, 2010, the High Court has issued decision to set aside the ICC Arbitration Award.

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36. IKATAN DAN KONTINJENSI (lanjutan)

Terhadap putusan Pengadilan Tinggi tersebut, pada tanggal 15 April 2010, CRW Joint Operation mengajukan banding kepada Court of Appeal Republik Singapura.

Pada tanggal 1 Desember 2010, telah dilaksanakan *hearing* terkait perkara banding tersebut di Court of Appeal Republik Singapura dan pada tanggal 13 Juli 2011, *Court of Appeal* Republik Singapura telah mengeluarkan putusan yaitu banding diberhentikan dengan biaya. Semua biaya dan pengeluaran yang terjadi sehubungan dengan arbitrase ditanggung CRW.

Pada tanggal 3 November 2011, Perusahaan menerima surat dari Sekretariat ICC International Court of Arbitration - Asia Office tertanggal 1 November 2011 yang menginformasikan adanya pengajuan kembali *Request for Arbitration* dari CRW kepada Perusahaan melalui kuasa hukum Drew & Napier LLC melalui surat tanggal 28 Oktober 2011.

Pada tanggal 30 Desember 2011, Perusahaan melalui kuasa hukumnya telah mengajukan jawaban dan tuntutan balik (*counter - claim*) melalui ICC terhadap permohonan arbitrase yang diajukan oleh CRW. Adapun dalam tuntutan balik tersebut, Perusahaan menuntut agar Majelis Arbitrase ICC melakukan evaluasi dan merevisi kewajiban yang harus dibayar oleh Perusahaan dalam perkara Arbitrase ICC tersebut.

Sampai dengan 6 Maret 2012, belum ada perkembangan lebih lanjut atas kasus ini.

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36. COMMITMENTS AND CONTINGENCIES (continued)

Based on High Court's Decision, on April 15, 2010, CRW Joint Operation appealed to the Court of Appeal of the Republic of Singapore.

On December 1, 2010, have been done appeal hearing related to the case in Court of Appeal of the Republic of Singapore and on July 13, 2011, Court of Appeal of the Republic of Singapore has rendered verdict that the appeal is dismissed with cost. All cost and disbursement incurred in the arbitration are to be borne by CRW.

On November 3, 2011, the Company received letter from Secretariat of ICC International Court of Arbitration - Asia Office dated November 1, 2011, which inform the resubmission of Request for Arbitration from CRW againts Company through legal counsel Drew & Napier LLC through letter dated October 28, 2011.

On December 30, 2011, the Company through it's legal counsel filed answer and counter - claim to ICC in relation to Request for Arbitration from CRW. On the counter - claim, the Company requested the ICC's Arbitral Tribunal to evaluate and revise the liability that should be paid by the Company in this ICC Arbitration case.

Up to March 6, 2012, there is no further development on this case.

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36. IKATAN DAN KONTINJENSI (lanjutan)

7. Perusahaan dilibatkan sebagai Tergugat I dalam Perkara No. 665/PDt.G/2010/PN.Jkt.Bar tanggal 6 Oktober 2010 yang diajukan oleh PT Indosat Tbk (Penggugat) ke Pengadilan Negeri Jakarta terkait dengan kerusakan fiber optik di Ruas Balamaja yang dilakukan oleh Perusahaan (Tergugat I) dan kontraktornya (PT Nindya Karya (Tergugat II), PT Citra Panji Manunggal (Tergugat III) dan PT Promatcon Tepatguna (Tergugat IV). Penggugat menuntut Perusahaan dan kontraktornya untuk membayar ganti rugi sebesar Rp4.065.814.002.

   Pada tanggal 26 Juli 2011, Pengadilan Negeri Jakarta Barat telah memberikan putusan atas perkara ini dengan putusan sebagai berikut:
   Dalam eksepsi, menyatakan Eksepsi yang diajukan oleh Tergugat I, II, III dan IV tidak dapat diterima. Dalam pokok perkara,
   - Menerima gugatan Penggugat untuk sebagian,
   - Menolak gugatan Penggugat untuk Tergugat I,
   - Menyatakan Tergugat II, III dan IV telah melakukan perbuatan melawan hukum,
   - Meminta Tergugat II, III dan IV membayar ganti rugi kepada Penggugat sebesar Rp2.020.144.161,
   - Meminta Tergugat II, III, dan IV untuk membayar jasa hukum sebesar Rp581.000.

   Sampai dengan tanggal 6 Maret 2012, belum ada perkembangan lebih lanjut atas kasus ini.

8. Pada tanggal 8 Oktober 2010, Perusahaan menerima surat dari Komisi Pengawas Persaingan Usaha RI (KPPU) No. 1167/AK/KTP-PL/X/2010 perihal Pemberitahuan Perkara No. 38/KPPU-L/2010. Berdasarkan surat tersebut Perusahaan ditetapkan sebagai Terlapor II karena adanya dugaan persekongkolan vertikal antara Perusahaan dengan PT Kelsri sebagai Terlapor I pada lelang *Contract Package* No. 3A Bojonegara - Cikande *Distribution Pipeline*.

36. COMMITMENTS AND CONTINGENCIES (continued)

7. The Company is named as one of the Defendant I in Case No.665/PDt.G/2010/PN.Jkt.Bar, dated October 6, 2010 filed by PT Indosat Tbk (Plaintiff) to the Jakarta State Court regarding the damage of fiber optic in Ruas Balamaja which created by the Company (Defendant I) and its contractors (PT Nindya Karya (Defendant II), PT Citra Panji Manunggal (Defendant III) and PT Promatcon Tepatguna (Defendant IV)). The Plaintiff claimed the Company and its contractors to fulfill the payment of material losses in the amount of Rp4,065,814,002.

   On July 26, 2011, West Jakarta State Court has rendered its verdict as follows:
   In the exception, it was stated that the proposed exception by Defendants I, II, III and IV is not acceptable. In the principal case:
   - *Accepted part of the Plaintiff's claim,*
   - *Rejected the Plaintiff's claim to Defendant I,*
   - *Stated that the Defendants II, III and IV have violated the law,*
   - *Required the Defendants II, III and IV to pay the compensation to Plaintiff amounting to Rp2,020,144,161,*
   - *Required the Defendants II, III and IV to pay the law service fee amounting to Rp581,000.*

   Up to March 6, 2012, there is no further development on this case.

8. On October 8, 2010, the Company received letter from Commission for Supervision of Business Competition (KPPU) No. 1167/AK/KTP-PL/X/2010 on Case Announcement No. 38/KPPU-L/2010. Based on such letter, the Company is stipulated as Indicted II for the presumption of vertical collusion between the Company with PT Kelsri as Indicted I for the Contract Package No. 3A Bojonegara - Cikande Distribution Pipeline tender.

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36. IKATAN DAN KONTINJENSI (lanjutan)

Pada tanggal 7 Maret 2011, KPPU telah memberikan putusan atas perkara ini dengan putusan sebagai berikut:

- Menyatakan bahwa Terlapor I dan II terbukti secara sah melanggar Pasal 22 Undang-Undang No. 5 Tahun 1999 tentang Larangan Praktek Monopoli dan Persaingan Usaha Tidak Sehat;
- Meminta Terlapor I untuk membayar denda sebesar Rp4.000.000.000;
- Meminta Terlapor II untuk membayar denda sebesar Rp6.000.000.000.

Pada tanggal 18 April 2011, Perusahaan mengajukan upaya hukum keberatan atas putusan KPPU ke Pengadilan Negeri Jakarta Barat. Pada tanggal 4 Januari 2012, Perusahaan memperoleh panggilan sidang No.001/pdt.P/KPPU/2011/PN.JKT.BAR yang pada pokoknya memberitahukan bahwa sidang terkait upaya hukum keberatan akan dimulai kembali pada tanggal 11 Januari 2012 di Pengadilan Negeri Jakarta Barat. Sampai dengan tanggal 6 Maret 2012, pemeriksaan masih dilaksanakan oleh Pengadilan Negeri Jakarta Barat.

9. Transgasindo dilibatkan sebagai Tergugat II dalam Perkara No. 09/Pdt.G/2009/PN.Ktl tanggal 12 Juni 2009 di Pengadilan Negeri Kuala Tungkal, Jambi yang diajukan oleh PT Tamarona Mas International (Penggugat) mengenai perselisihan antara Penggugat dengan MMC Oil & Gas Engineering SDN., BHD. (Tergugat I) selaku kontraktor EPCC dalam Proyek Station Jabung Gas *Booster*.

   Penggugat menuntut Tergugat I untuk membayar atas pekerjaan *Site Preparation and Temporary Facilities, Provision of Earthwork and Associated, Provision of Civil & Structural, Buildings and Associated Work* dan beberapa pekerjaan tambahan yang telah selesai dikerjakan oleh pihak Penggugat dengan nilai USD986.079 dan meminta kepada Pengadilan Negeri Kuala Tungkal untuk melakukan sita jaminan atas beberapa aset milik tergugat termasuk aset Transgasindo.

36. COMMITMENTS AND CONTINGENCIES (continued)

On March 7, 2011, KPPU has rendered a verdict as follows:

- *Stated that Indicted I and II have violated legitimately Article 22 of Law No. 5 Year 1999 concerning on Prohibition against Monopolistic Practices and Unfair Business Competition;*
- *Required Indicted I to pay penalty amounting to Rp4,000,000,000;*
- *Required Indicted II to pay penalty amounting to Rp6,000,000,000.*

On 18 April 2011, the Company has filed an appeal to the District Court of West Jakarta on KPPU decision. On January 4, 2012, the Company received court call No.001/pdt.P/KPPU/2011/PN.JKT.BAR which principally informed that court related to the Company's Objection will be started on January 11, 2012 in West Jakarta State Court. Up to March 6, 2012, the case is being examined by the District Court of West Jakarta.

9. Transgasindo is named as one of the Defendant II in Case No. 09/Pdt.G/2009/PN.Ktl dated June 12, 2009 filed to the Kuala Tungkal State Court, Jambi filed by PT Tamarona Mas International (Plaintiff) regarding dispute between Plaintiff with MMC Oil & Gas Engineering SDN., BHD. (Defendant I) as the EPCC contractor on Jabung Gas Booster Station Project.

   The Plaintiff claimed to the Defendant I to fulfill the payment regarding the project for Site Preparation and Temporary Facilities, Provision of Earthwork and Associated, Provision of Civil & Structural, Buildings and Associated Work and several variation order completed by the Plaintiff amounting to USD986,079 and requested the Kuala Tungkal State Court to foreclose several assets of the defendants, including Transgasindo's asset as security.

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36. IKATAN DAN KONTINJENSI (lanjutan)

Berdasarkan Putusan Sela Pengadilan Negeri Kuala Tungkal No.09/PDT.G/2009/PN/.KTL, tanggal 5 November 2009, menyatakan bahwa Pengadilan Negeri Kuala Tungkal tidak berwenang untuk memeriksa dan mengadili perkara. Berdasarkan hasil keputusan ini, pihak Penggugat mengajukan banding ke Pengadilan Tinggi Jambi pada tanggal 14 Desember 2009.

Pada tanggal 9 Juni 2010, Transgasindo menerima Putusan Pengadilan Tinggi Jambi No. 13/Pdt/2010/PT.Jbi. Berdasarkan putusan ini, Pengadilan Tinggi Jambi menguatkan Putusan Sela Pengadilan Negeri Kuala Tungkal No. 09/PDT.G/2009/PN/KTL. Penggugat kemudian mengajukan banding ke Mahkamah Agung melalui surat dengan tanggal 29 September 2010.

Pada tanggal 23 Agustus 2011, Transgasindo telah menerima putusan Mahkamah Agung Republik Indonesia dengan Surat Putusannya No. 765/K/PDT/2011, yang menolak kasasi yang diajukan oleh Penggugat.

Sampai dengan tanggal 6 Maret 2012, belum ada perkembangan lebih lanjut atas kasus tersebut.

10. Transgasindo sedang dalam sengketa dengan salah satu kontraktornya, PT Global Industries Asia Pasifik (GIAP) dalam kaitannya dengan kontrak No ISVC 008260 dengan jumlah klaim sebesar USD18.772.656 untuk EPCC Proyek Perbaikan Pipa Bawah Laut *(Offshore Pipeline Repair Project)*. Pada tanggal 24 November 2011, GIAP telah mengajukan *Statement of Case* ke Arbitrase Internasional di Singapura sedangkan pada tanggal 2 Maret 2012, Transgasindo telah mengajukan *Statement of Defence*.

    Sampai dengan tanggal 6 Maret 2012, kasus tersebut masih dalam proses penyelesaian sengketa antara pihak-pihak di Arbitrase Internasional di Singapura.

36. COMMITMENTS AND CONTINGENCIES (continued)

Based on Decision Letter of Kuala Tungkal State Court No.09/PDT.G/2009/PN/.KTL, dated November 5, 2009, stated that the Kuala Tungkal State Court has no an authority to examine and prosecute this case. Based on this decision, the Plaintiffs appealed to the Jambi High Court dated December 14, 2009.

On June 9, 2010, Transgasindo received the Jambi High Court Decision No. 13/Pdt/2010/PT.Jbi. Based on this decision, Jambi High Court affirmed Kuala Tungkal District Court's Decision No. 09/PDT.G/2009/PN/KTL. The Plaintiff then submitted an appeal to the Supreme Court through its letter dated September 29, 2010.

On August 23, 2011, Transgasindo has received the Supreme Court's Decision Letter No. 765/K/PDT/2011 whereby the Court rejected the Plaintiff's appeal.

Up to March 6, 2012, there is no further development on this case.

10. *Transgasindo is in dispute with one of its contractor, PT Global Industries Asia Pasific (GIAP) in relation to the contract No.ISVC 008260 with total claim amounting to USD18,772,656 for EPCC of Offshore Pipeline Repair Project. On November 24, 2011, GIAP has already submitted Statement of Case to International Arbitration in Singapore, while on March 2, 2012, Transgasindo has already submitted Statement of Defence.*

    Up to March 6, 2012, the case is in the process of dispute settlement between parties in the International Arbitration in Singapore.

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36. IKATAN DAN KONTINJENSI (lanjutan)

Manajemen dan konsultan hukum Perusahaan dan Transgasindo berkeyakinan bahwa kasus-kasus tersebut di atas secara sendiri-sendiri atau bersama-sama tidak akan mempunyai pengaruh yang material terhadap kondisi keuangan dan hasil operasinya. Manajemen berkeyakinan bahwa Perusahaan dan Transgasindo dapat memenangkan perkara-perkara tersebut.

Pada tanggal 31 Desember 2011, Perusahaan memiliki ikatan sebagai berikut:

11. Pada tanggal 31 Desember 2011, Perusahaan masih memiliki fasilitas pinjaman yang masih belum digunakan sesuai dengan perjanjian penerusan pinjaman yang dibiayai oleh JBIC sebesar JPY768.217.874 dan IBRD sebesar USD11.892.271.

12. Pada tanggal 2 Desember 2011, Perusahaan mengubah perjanjian fasilitas bank yang diperoleh dari The Hongkong and Shanghai Banking Corporation Ltd., Jakarta, pada tanggal 25 September 2007. Perjanjian ini merupakan fasilitas umum bank yang terdiri dari fasilitas impor, fasilitas pinjaman kredit impor, *performance bonds* dan *guarantee facility* dengan batas maksimum gabungan baru sebesar USD 40.000.000 dari nilai sebelumnya USD70.000.000. Perusahaan juga mendapatkan fasilitas *foreign exchange* sebesar USD36.500.000. Fasilitas ini akan jatuh tempo pada tanggal 30 Juni 2012. Di samping itu, Perusahaan juga wajib memelihara rasio kemampuan membayar utang minimum 1,3 kali dan rasio utang terhadap kekayaan neto maksimum sebesar 2,33 kali. Pada tanggal 31 Desember 2011, fasilitas ini belum digunakan.

13. Pada tanggal 6 Oktober 2011, Perusahaan memperpanjang perjanjian fasilitas *Non Cash Loan* yang terdiri dari *Standby Letter of Credit* (SBLC), Bank Garansi, SKBDN dan L/C Impor yang diperoleh dari PT Bank Mandiri (Persero) Tbk dengan maksimum nilai plafon sebesar USD100.000.000. Fasilitas ini akan jatuh tempo pada tanggal 26 Agustus 2012. Di samping itu, Perusahaan juga wajib memelihara rasio kemampuan membayar utang minimum 130% dan rasio utang terhadap modal maksimum sebesar 300%. Pada tanggal 31 Desember 2011, fasilitas yang belum digunakan sebesar USD74.361.250.

36. COMMITMENTS AND CONTINGENCIES (continued)

The management of the Company and Transgasindo and their legal counsels believe that the above mentioned cases individually or in the aggregate will not have any material adverse effects on the financial condition or results of operations. The management believes that the Company and Transgasindo can win these cases.

As of December 31, 2011, the Company had commitments as follows:

11. As of December 31, 2011, the Company has available loan facilities not yet drawn under the subsidiary loan agreements financed by JBIC amounting to JPY768,217,874 and IBRD amounting to USD11,892,271.

12. On December 2, 2011, the Company amended the banking facilities agreement obtained from the Hongkong and Shanghai Banking Corporation Ltd., Jakarta, on September 25, 2007. This agreement represents general banking facilities which consist of import facility, credit import loan facility, performance bonds and guarantee facility with new total combined limit of USD 40,000,000 from the old limit USD70,000,000. The Company also obtained foreign exchange facility amounting to USD36,500,000. All the facilities will mature on June 30, 2012. Further, the Company shall also maintain debt service ratio at a minimum of 1.3 times and debt to equity ratio at a maximum of 2.33 times. As of December 31, 2011, this facility has not been used.

13. On October 6, 2011, the Company extended the Non Cash Loan facility agreement which consist of Standby Letter of Credit (SBLC), Guarantee Bank, SKBDN and L/C Import obtained from PT Bank Mandiri (Persero) Tbk with a maximum limit of USD100,000,000. The facility will mature on August 26, 2012. Further, the Company shall also maintain debt service ratio at minimum of 130% and debt to equity ratio at maximum of 300%. As of December 31, 2011, the facility which has not been used amounted to USD74,361,250.

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14. Pada tanggal 22 Agustus 2011, Perusahaan mendapatkan fasilitas *Supply Chain Financing* - sub limit dari fasilitas *Non Cash Loan (NCL)* yang diperoleh dari PT Bank Mandiri (Persero) Tbk, dengan nilai plafon sebesar USD5.000.000. Fasilitas ini akan jatuh tempo pada tanggal 26 Agustus 2012. Pada tanggal 31 Desember 2011, fasilitas ini belum digunakan.

15. Pada tanggal 22 Agustus 2011, Perusahaan mendapatkan fasilitas *Treasury Line* yang diperoleh dari PT Bank Mandiri (Persero) Tbk, dengan nilai plafon sebesar USD25.000.000. Fasilitas ini akan jatuh tempo pada tanggal 26 Agustus 2012. Pada tanggal 31 Desember 2011, fasilitas ini belum digunakan.

16. Pada tanggal 19 Desember 2011, Perusahaan mengubah *Corporate Facility Agreement* dengan PT ANZ Panin Bank (Panin Bank). Panin Bank akan menyediakan fasilitas *Payment Guarantee* dengan maksimum nilai plafon baru sebesar USD75.000.000 dari nilai plafon lama sebesar USD70.000.000. Fasilitas ini akan jatuh tempo pada tanggal 28 Februari 2012. Pada tanggal 31 Desember 2011, fasilitas yang belum digunakan sebesar USD3.910.000. Sampai dengan tanggal 6 Maret 2012, amandemen perjanjian fasilitas ini masih dalam proses.

17. Pada tanggal 29 Maret 2011, Perusahaan memperpanjang perjanjian fasilitas SBLC yang diperoleh dari PT Bank Rakyat Indonesia (Persero) Tbk dengan maksimum nilai plafon sebesar USD96.244.000. Fasilitas ini akan jatuh tempo pada tanggal 10 Oktober 2011. Pada tanggal 16 Januari 2012, Perusahaan dengan PT Bank Rakyat Indonesia (Persero) Tbk menandatangani adendum perjanjian kredit dengan perubahan penambahan nilai plafon atas fasilitas Standby Letter of Credit (SBLC)/ Fasilitas Bank Garansi (merupakan sub limit fasilitas SBLC)/Penangguhan Jaminan Impor (PJI) menjadi USD130.000.000 dari nilai sebelumnya USD96.244.000. Fasilitas ini berlaku sejak tanggal 10 Oktober 2011 dan akan jatuh tempo pada tanggal 10 Oktober 2012. Pada tanggal 31 Desember 2011, fasilitas yang belum digunakan sebesar USD47.118.003.

36. COMMITMENTS AND CONTINGENCIES (continued)

14. On August 22, 2011, the Company received Supply Chain Financing Facility - sub limit from Non Cash Loan (NCL) Facility from PT Bank Mandiri (Persero) Tbk with maximum limit of USD5,000,000. This facility will mature on August 26, 2012. As of December 31, 2011, this facility has not been used.

15. On August 22, 2011, the Company received Treasury Line Facility from PT Bank Mandiri (Persero) Tbk with maximum limit of USD25,000,000. This facility will mature on August 26, 2012. As of December 31, 2011, this facility has not been used.

16. On December 19, 2011, the Company amended Corporate Facility Agreement with PT ANZ Panin Bank (Panin Bank). Panin Bank will provide Payment Guarantee with a new maximum limit of USD 75,000,000 from the previous maximum limit of USD70,000,000. The facility will mature on February 28, 2012. As of December 31, 2011, the unused facility amounted to USD3,910,000. Up to March 6, 2012, the amendment of this facility is still in process.

17. On March 29, 2011, the Company extended the SBLC obtained from PT Bank Rakyat Indonesia (Persero) Tbk with maximum limit of USD96,244,000. The facility matured on October 10, 2011. On January 16, 2012, the Company signed amendment of credit agreement with PT Bank Rakyat Indonesia (Persero) Tbk with changes in additional amount of maximum limit of Standby Letter of Credit (SBLC)/Bank Guarantee Facility (a sub limit of SBLC Facility)/the guarantees of the suspension of import (PJI) to become USD 130,000,000 from the previous amount of USD96,244,000. This facility is effective since October 10, 2011 and will mature on October 10, 2012. As of December 31, 2011, the unused facility amounted to USD47,118,003.

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18. Perusahaan mempunyai ikatan pengeluaran modal sehubungan dengan konstruksi dan pengembangan Proyek Transmisi dan Distribusi Gas yang telah diikat dengan perjanjian kontrak (Catatan 7, 8 dan 35).

19. Perusahaan mempunyai ikatan pembelian sesuai dengan Perjanjian Pembelian Gas (Catatan 35.1) dan ikatan penjualan dengan pelanggan sesuai dengan Perjanjian Jual Beli Gas.

36. COMMITMENTS AND CONTINGENCIES (continued)

18. The Company has capital expenditure commitments relating to the development and construction of Gas Transmission and Distribution Projects, which have been committed under the related contractual agreements (Notes 7, 8 and 35).

19. The Company has purchase commitments under Gas Purchase Agreements (Note 35.1) and sales commitments with customers under Gas Sales and Purchase Agreements.

37. LABA PER SAHAM

Berikut ini adalah rekonsiliasi faktor-faktor penentu perhitungan laba per saham:

37. EARNINGS PER SHARE

The following presents the reconciliation of the numerators and denominators used in the computation of earnings per share:

31 Des. 2011/*Dec. 31, 2011*

	Total Laba Tahun Berjalan Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ *Total Profit for for the Year Attributable to Owners of the Parent Entity*	Rata-rata Tertimbang Saham Biasa yang beredar/ *Weighted-Average Number of Ordinary Shares Outstanding*	Laba per Saham/ *Earnings per Share Amount*	
Dasar	5.933.063.233.665	24.241.508.196	245	*Basic*

31 Des. 2010/*Dec. 31, 2010*

	Total Laba Tahun Berjalan Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ *Total Profit for for the Year Attributable to Owners of the Parent Entity*	Rata-rata Tertimbang Saham Biasa yang beredar/ *Weighted-Average Number of Ordinary Shares Outstanding*	Laba per Saham/ *Earnings per Share Amount*	
Dasar	6.239.361.270.479	24.239.658.196	257	*Basic*

Laba per saham dilusian adalah sama dengan laba per saham dasar karena Perusahaan tidak memiliki efek berpotensi dilutif.

Diluted earnings per share is the same as basic earnings per share since the Company does not have potential dilutive effect.

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38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN

MANAJEMEN RISIKO

Liabilitas keuangan utama Kelompok Usaha meliputi pinjaman bank jangka pendek, utang usaha dan lain-lain, liabilitas yang masih harus dibayar, pinjaman jangka panjang dan utang kepada pemegang saham Entitas Anak. Tujuan utama dari liabilitas keuangan ini adalah untuk mengumpulkan dana untuk operasi Kelompok Usaha. Kelompok Usaha juga mempunyai berbagai asset keuangan seperti kas dan setara kas dan piutang usaha, yang dihasilkan langsung dari kegiatan usahanya.

Bisnis Kelompok Usaha mencakup aktivitas pengambilan risiko dengan sasaran tertentu dengan pengelolaan yang profesional. Fungsi utama dari manajemen risiko Kelompok Usaha adalah untuk mengidentifikasi seluruh risiko kunci, mengukur risiko-risiko ini dan mengelola posisi risiko. Kelompok Usaha secara rutin menelaah kebijakan dan sistem manajemen risiko untuk menyesuaikan dengan perubahan di pasar, produk dan praktek pasar terbaik.

Tujuan Kelompok Usaha dalam mengelola risiko keuangan adalah untuk mencapai keseimbangan yang sesuai antara risiko dan tingkat pengembalian dan meminimalisasi potensi efek memburuknya kinerja keuangan Kelompok Usaha.

Kelompok Usaha mendefinisikan risiko keuangan sebagai kemungkinan kerugian atau laba yang hilang, yang disebabkan oleh faktor internal dan eksternal yang berpotensi negatif terhadap pencapaian tujuan Kelompok Usaha.

Direksi menyediakan kebijakan tertulis manajemen risiko secara keseluruhan, termasuk kebijakan tertulis untuk area khusus, seperti risiko nilai tukar mata uang, risiko tingkat bunga, risiko kredit, risiko likuiditas penggunaan instrumen keuangan derivatif dan non-derivatif. Kelompok Usaha mengidentifikasi, mengevaluasi dan melakukan aktivitas lindung nilai secara ekonomis atas risiko keuangan. Masing-masing unit bisnis melaksanakan manajemen risiko berdasarkan kebijakan-kebijakan yang disetujui oleh Direksi. Komite Manajemen Risiko memonitor pelaksanaan manajemen risiko yang dilaksanakan oleh Kelompok Usaha.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

RISK MANAGEMENT

The principal financial liabilities of the Group consist of short-term bank loan, trade and other payables, accrued liabilities, long-term loans and due to shareholder of a Subsidiary. The main purpose of these financial liabilities is to raise funds fir the operations of the Group. The Group also has various financial assets such as cash and cash equivalents and trade receivables, which arised directly from their operations.

The Group's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks and manage the risk positions. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice.

The Group's aim in managing the financial risks is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Group's financial performance.

The Group defines financial risk as the possibility of losses or profits foregone, which may be caused by internal or external factors which might have negative potential impact to the achievement of the Group's objectives.

The Directors provide written policies for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, liquidity risk use of derivative financial instruments and non-derivative financial instruments. The Group identifies, evaluates and economically hedges its financial risks. Each business unit carries out the risk management based on the written policies approved by the Directors. Risk Management Committee monitors the risk management carried out by the Group.

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38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

MANAJEMEN RISIKO (lanjutan)

Manajemen risiko dilaksanakan oleh Komite Manajemen Risiko dengan kebijakan-kebijakan yang disetujui oleh Dewan Direksi. Kelompok Usaha mengidentifikasi, mengevaluasi dan melakukan aktivitas lindung nilai secara ekonomis atas risiko keuangan. Direksi menyediakan kebijakan tertulis manajemen risiko secara keseluruhan, termasuk kebijakan tertulis untuk area khusus, seperti risiko nilai tukar mata uang, risiko suku bunga, risiko kredit, risiko likuiditas, penggunaan instrumen keuangan derivatif dan non-derivatif.

Risiko yang berasal dari instrumen keuangan Kelompok Usaha adalah risiko keuangan, termasuk diantaranya adalah risiko kredit, risiko pasar dan risiko likuiditas.

a. Risiko Kredit

Risiko kredit adalah risiko kerugian keuangan yang timbul jika pelanggan Kelompok Usaha gagal memenuhi kewajiban kontraktualnya kepada Kelompok Usaha. Risiko kredit terutama berasal dari piutang usaha yang diberikan kepada pelanggan dari penjualan gas.

(i) Pengukuran risiko kredit

Estimasi terhadap eksposur kredit adalah proses yang kompleks dan memerlukan penggunaan model, dimana nilai dari suatu produk bervariasi tergantung dengan perubahan pada variabel-variabel pasar, arus kas masa depan dan rentang waktu.

Kelompok Usaha telah mengembangkan model untuk mendukung kuantifikasi dari risiko kredit. Dalam mengukur risiko kredit untuk piutang yang diberikan, Kelompok Usaha mempertimbangkan "*Probability of Default*" (PD) pelanggan atas kewajiban dan kemungkinan rasio pemulihan atas kewajiban yang telah wanprestasi ("*Loss Given Default*") (LGD). Model ini ditelaah secara rutin untuk membandingkan dengan hasil aktualnya.

LGD merupakan ekspektasi Kelompok Usaha atas besarnya kerugian dari suatu piutang pada saat wanprestasi terjadi. Hal ini dinyatakan dalam persentase kerugian per unit dari suatu eksposur. LGD biasanya

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

RISK MANAGEMENT (continued)

Risk management is carried out by Risk Management Committee under policies approved by the Board of Directors. The Group identifies, evaluates and economically hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and non-derivative financial instruments.

The risks arising from financial instruments to which the Group is exposed are financial risks, which includes credit risk, market risk and liquidity risk.

a. Credit Risk

Credit risk is the risk of suffering financial loss, when the Group's customers fail to fulfill their contractual obligations to the Group. Credit risk arises mainly from trade receivables from the sale of gas to customers.

(i) Credit risk measurement

The estimation of credit exposure is complex and requires the use of models, as the value of a product varies with changes in market variables, expected cash flows and the passage of time.

The Group has developed models to support the quantification of the credit risk. In measuring credit risk of receivables, the Group considers the "Probability of Default" (PD) by the customers on its obligations and the likely recovery ratio on the defaulted obligations (the "Loss Given Default") (LGD). The models are reviewed regularly to compare to actual results.

LGD represents the Group's expectation of the extent of loss on a receivable should default occur. It is expressed as percentage loss per unit of exposure. LGD typically varies by the type of customers.

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bervariasi sesuai dengan tipe pelanggan.

38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

MANAJEMEN RISIKO (lanjutan)

RISK MANAGEMENT (continued)

a. Risiko Kredit (lanjutan)

a. Credit Risk (continued)

(ii) Pengendalian batas risiko dan kebijakan mitigasi

(ii) Risk limit control and mitigation policies

Jaminan

Deposits

Kelompok Usaha menerapkan berbagai kebijakan dan praktik untuk memitigasi risiko kredit. Praktik yang umum dilakukan adalah dengan meminta jaminan dalam bentuk (kas atau standby L/C senilai dua bulan pemakaian gas).

The Group implements a range of policies and practices to mitigate credit risk. The most common practice of these is the taking of deposits in form of (cash or standby L/C equivalent to two months gas usage).

(iii) Penurunan nilai dan kebijakan pencadangan

(iii) Impairment and provisioning policies

Cadangan penurunan nilai yang diakui pada pelaporan keuangan hanyalah kerugian yang telah terjadi pada tanggal laporan keuangan konsolidasian (berdasarkan bukti obyektif atas penurunan nilai).

Impairment allowances are recognized for financial reporting purposes only for losses that have been incurred at the date of the consolidated financial statements (based on objective evidence of impairment).

(iv) Eksposur maksimum risiko kredit tanpa memperhitungkan jaminan

(iv) Maximum exposure to credit risk before deposit held

Eksposur risiko kredit terhadap aset pada laporan posisi keuangan konsolidasian adalah sebagai berikut:

Credit risk exposure relating to assets in the consolidated statement of financial position is as follows:

	Eksposur maksimum/ *Maximum exposure* **31 Des. 2011/ *Dec. 31, 2011***	
Piutang usaha - neto	1.990.088.296.402	*Trade receivables - net*
Piutang lain-lain - neto	53.465.009.139	*Other receivables - net*
Total	**2.043.553.305.541**	***Total***

Sehubungan dengan risiko kredit yang timbul dari aset keuangan lainnya yang mencakup kas dan setara kas dan kas yang dibatasi penggunaannya, risiko kredit yang dihadapi Kelompok Usaha timbul karena wanprestasi dari *counterparty*. Kelompok Usaha memiliki kebijakan untuk tidak menempatkan investasi pada instrumen yang memiliki risiko kredit tinggi dan hanya menempatkan investasinya pada bank-bank dengan peringkat kredit yang tinggi. Nilai maksimal eksposur adalah sebesar nilai tercatat sebagaimana diungkapkan pada Catatan 7 dan 8.

With respect to credit risk arising from the other financial assets, which comprise cash and cash equivalents and restricted cash, the Group's exposure to credit risk arises from default of the counterparty. The Group has a policy not to place investments in instruments that have a high credit risk and only put the investments in banks with a high credit ratings.The maximum exposure equal to the carrying amounts as disclosed in Notes 7 and 8.

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38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

MANAJEMEN RISIKO (lanjutan)

RISK MANAGEMENT (continued)

a. Risiko Kredit (lanjutan)

a. Credit Risk (continued)

(iv) Eksposur maksimum risiko kredit tanpa memperhitungkan jaminan (lanjutan)

(iv) Maximum exposure to credit risk before deposit held (continued)

Konsentrasi risiko aset keuangan dengan eksposur risiko kredit:

Concentration of risks of financial assets with credit risk exposure:

(a) Sektor geografis

(a) Geographical sectors

Tabel berikut menggambarkan rincian eksposur kredit Kelompok Usaha pada nilai tercatat yang dikategorikan berdasarkan area geografis pada tanggal 31 Desember 2011. Untuk tabel ini, Kelompok Usaha telah mengalokasikan eksposur area berdasarkan wilayah geografis tempat mereka beroperasi.

The following table breaks down the Group's credit exposure at their carrying amounts, as categorized by geographical region as of December 31, 2011. For this table, the Group has allocated exposures to regions based on the geographical area which activities are undertaken.

	31 Des. 2011/ *Dec. 31, 2011*		
	Jawa	**Sumatera**	
Piutang usaha - neto	1.505.225.418.650	484.862.877.752	*Trade receivables - net*
Piutang lain-lain - neto	50.331.036.743	3.133.972.396	*Other receivables - net*
Total	**1.555.556.455.393**	**487.996.850.148**	***Total***

(b) Jenis pelanggan

(b) Customer types

Tabel berikut ini menggambarkan rincian eksposur kredit Kelompok Usaha pada nilai tercatat (tanpa memperhitungan agunan atau pendukung kredit lainnya), yang dikategorikan berdasarkan operasi utama.

The following table breaks down the Group's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorized by the main operations.

	31 Des. 2011/*Dec. 31, 2011*			
	Tidak mengalami penurunan nilai/ *Non impaired*	**Mengalami penurunan nilai/ *Impaired***	**Total/ *Total***	
Distribusi	1.543.942.108.706	248.359.981.390	1.792.302.090.096	*Distribution*
Transmisi	167.409.690.684	132.632.169.356	300.041.860.040	*Transmission*
Sewa fiber optik	10.003.722.292	-	10.003.722.292	*Fiber optic rental*
Total	**1.721.355.521.682**	**380.992.150.746**	**2.102.347.672.428**	***Total***
Dikurangi:				*Less:*
Cadangan kerugian penurunan nilai	-	(112.259.376.026)	(112.259.376.026)	*Allowance for impairment losses*
Neto	**1.721.355.521.682**	**268.732.774.720**	**1.990.088.296.402**	***Net***

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38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

MANAJEMEN RISIKO (lanjutan)

b. Risiko Pasar

Kelompok Usaha memiliki eksposur terhadap risiko pasar, yaitu risiko suku bunga dan risiko mata uang asing.

Risiko tingkat bunga arus kas adalah risiko dimana arus kas masa depan dari suatu instrumen keuangan berfluktuasi karena perubahan suku bunga pasar.

Kelompok Usaha memiliki pinjaman jangka pendek dan jangka panjang dengan bunga variabel. Kelompok Usaha akan memonitor secara ketat pergerakan suku bunga di pasar dan apabila suku bunga mengalami kenaikan yang signifikan maka Perusahaan akan menegosiasikan kembali suku bunga tersebut dengan para *lender*.

Kelompok Usaha juga melakukan transaksi swap suku bunga untuk menyesuaikan risiko suku bunga yang terasosiasi dengan efek utang jangka panjang dengan tingkat bunga variable, akan tetapi tidak memberlakukan akuntansi lindung nilai.

(i) Risiko tingkat bunga

Kelompok Usaha memiliki eksposur terhadap dampak fluktuasi tingkat suku bunga pasar yang berlaku baik atas risiko nilai wajar maupun arus kas.

Tabel di bawah ini mengikhtisarkan eksposur nilai wajar instrumen keuangan Kelompok Usaha terhadap risiko tingkat bunga.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

RISK MANAGEMENT (continued)

b. Market Risk

The Group is exsposed to market risk, in particular interest rate risk and foreign currency risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's short-term and long-term loans are charged with variable interest rates. The Group will strictly monitor the market interest rates fluctuation and if the interest rates significantly increased, they will renegotiate the interest rate to the lenders.

The Group also enters into interest rates swap to match the interest rate risk associated with the variable rates long-term loans, however no hedge accounting is applied.

(i) Interest rate risk

The Group takes an exposure to the effects of fluctuations in the prevailing levels of market interest rates, both its fair value and cash flow risks.

The table below summarizes the Group's fair value exposures to interest rate risks.

	31 Des. 2011/ *Dec. 31, 2011*				
	Bunga tetap/ *Fixed rate*	Lebih dari 1 bulan sampai dengan 3 bulan/ *Over 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 1 tahun/ *Over 3 months up to 1 year*	Lebih dari 1 tahun/ *Over 1 year*	
Liabilitas keuangan					***Financial liabilities***
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	100.370.959.875	654.017.947.225	136.606.578.414	-	*Current maturities of long-term loans*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	6.394.649.099.839	2.278.226.590.390	340.499.345.607	-	*Long-term loans - net of current maturities*
Total	**6.495.020.059.714**	**2.932.244.537.615**	**477.105.924.021**	**-**	***Total***

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MANAJEMEN RISIKO (lanjutan)

b. Risiko Pasar (lanjutan)

(i) Risiko tingkat bunga

Analisa sensitivitas untuk risiko suku bunga

Pada tanggal 31 Desember 2011, jika tingkat suku bunga pinjaman meningkat/menurun sebesar 50 basis poin dengan semua variabel konstan, laba sebelum manfaat (beban) pajak untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar Rp6.338.860.267 terutama sebagai akibat kenaikan/penurunan biaya bunga atas pinjaman dengan tingkat bunga mengambang.

(ii) Risiko mata uang asing

Risiko mata uang asing adalah risiko atas perubahan nilai tukar Rupiah sebagai mata uang pelaporan terhadap mata uang asing, khususnya Dolar Amerika Serikat dan Yen Jepang. Risiko ini muncul disebabkan aset, liabilitas dan transaksi operasional Kelompok Usaha didominasi oleh mata uang asing sehingga pelemahan Rupiah terhadap mata uang asing tersebut dapat mempengaruhi pendapatan dan kinerja Kelompok Usaha.

Risiko mata uang asing adalah risiko dimana nilai wajar dari arus kas masa depan dari instrumen keuangan akan berfluktuasi yang disebabkan perubahan nilai tukar mata uang asing. Dampak fluktuasi tingkat mata uang asing Kelompok Usaha terutama berasal dari Dolar Amerika Serikat dan Yen Jepang yang didenominasi dari piutang usaha, utang usaha dan pinjaman jangka panjang.

Untuk mengatur risiko mata uang asing, Perusahaan melakukan kontrak *cross currency swap*. Kontrak ini akan dicatat sebagai transaksi bukan lindung nilai, dimana perubahan atas nilai wajar akan masuk dalam laporan laba rugi komprehensif konsolidasian tahun berjalan.

Sebagian besar pembelian gas dalam mata uang Dolar Amerika Serikat juga dijual dalam Dolar Amerika Serikat, sehingga lindung nilai atas risiko nilai tukar mata uang asing terjadi secara alami. Saat ini, liabilitas yang timbul dari pembiayaan dalam mata uang asing tidak dilindung nilai.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

RISK MANAGEMENT (continued)

b. Market Risk (continued)

(i) Interest rate risk

Sensitivity analysis for interest rate risk

As of December 31, 2011, if the interest rates of the loans have been 50 basis points higher/lower with all other variables held constant, profit before tax benefit (expense) for the year then ended would has been Rp6,338,860,267 lower/higher, mainly as a result of higher/lower interest expense on loans with floating interest rates.

(ii) Foreign exchange risk

Foreign exchange risk is the risk that arise from the changes of exchange rate of Rupiah as reporting currency against foreign currencies, especially US Dollar and Japanese Yen. Assets, liabilities and operational transactions of the Group are denominated in foreign currencies, therefore, the weakening of Rupiah will influence revenues and financial performance of the Group.

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to exchange rate fluctuations results primarily from US Dollar and Japanese Yen which denominated from trade receivables, trade payables and long-term loans.

To manage foreign exchange rate risks, the Company entered into cross currency swap contract. This contract is accounted as transaction not designated as hedge, wherein the changes in the fair value are charged or credited directly to consolidated statement of comprehensive income for the current year.

Most purchases of gas in US Dollar are also sold in US Dollar, thus naturally hedging the related foreign currency exposures. Currently, liabilities denominated in foreign currency arising from financing activities are not hedged.

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38. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

MANAJEMEN RISIKO (lanjutan)

c. Risiko Pasar (lanjutan)

(ii) Risiko mata uang asing (lanjutan)

Kelompok Usaha mempunyai aset dan liabilitas moneter dalam mata uang asing pada tanggal 31 Desember 2011 disajikan pada Catatan 40.

Analisa sensitivitas untuk risiko mata uang asing

Pada tanggal 31 Desember 2011, jika nilai tukar Rupiah terhadap mata uang asing menurun/meningkat sebanyak 10% dengan semua variabel konstan, laba sebelum manfaat (beban) pajak untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar Rp204.519.749.328, terutama sebagai akibat kerugian/keuntungan translasi kas dan setara kas, piutang usaha, utang usaha dan pinjaman dalam mata uang asing.

d. Risiko Likuiditas

Risiko likuiditas adalah risiko dimana Kelompok Usaha tidak bisa memenuhi liabilitas pada saat jatuh tempo. Kelompok Usaha melakukan evaluasi dan pengawasan yang ketat atas arus kas masuk (*cash-in*) dan kas keluar (*cash-out*) untuk memastikan tersedianya dana untuk memenuhi kebutuhan pembayaran liabilitas yang jatuh tempo. Secara umum, kebutuhan dana untuk pelunasan liabilitas jangka pendek maupun jangka panjang yang jatuh tempo diperoleh dari pelunasan piutang usaha dari pelanggan yang memiliki jangka waktu kredit satu bulan.

Tabel dibawah merupakan profil liabilitas keuangan Kelompok Usaha berdasarkan kontrak pembayaran.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

RISK MANAGEMENT (continued)

c. Market Risk (continued)

(ii) Foreign exchange risk (continued)

The Group had monetary assets and liabilities denominated in foreign currencies as of December 31, 2011 were presented in the Note 40.

Sensitivity analysis for foreign exchange risk

As of December 31, 2011, if the exchange rates of the Rupiah against foreign currencies depreciated/appreciated by 10% with all other variables held constant, profit before tax benefit (expense) for the year then ended would has been Rp204,519,749,328 lower/higher, mainly as result of foreign exchange losses/gains on the translation of cash and cash equivalents, trade receivables, trade payables and loans denominated in foreign currencies.

d. Liquidity Risk

Liquidity risk is the risk that the Group is unable to meet its obligations when they fall due. The Group evaluates and monitors cash-in flow and cash-out flow to ensure the availability of funds to settle the due obligation. In general, funds needed to settle the current and long-term liabilities are obtained from settlement of trade receivables from the customers with one month credit term.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual payments.

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

MANAJEMEN RISIKO (lanjutan) / *RISK MANAGEMENT (continued)*

d. Risiko Likuiditas (lanjutan) / ***d. Liquidity Risk (continued)***

	31 Des. 2011/ Dec.31, 2011				
	Dibawah 1 tahun/ *Below 1 year*	Lebih dari 1 tahun sampai dengan 2 tahun/ *Over 1 year up to 2 years*	Lebih dari 3 tahun/ *Over 3 years*	Total/ *Total*	
Liabilitas keuangan					***Financial liabilities***
Utang usaha	538.538.695.800	-	15.965.977.997	554.504.673.797	*Trade payables*
Liabilitas yang masih harus dibayar	470.890.817.525	119.498.028.578	64.939.895.732	655.328.741.835	*Accrued liabilities*
Utang lain-lain	180.155.441.369	3.126.809.624	5.275.227.972	188.557.478.965	*Other payables*
Utang derivatif	-	-	1.616.967.611.921	1.616.967.611.921	*Derivative payable*
Pinjaman jangka panjang	890.995.485.514	-	9.013.375.035.835	9.904.370.521.349	*Long-term loans*
Total	**2.080.580.440.208**	**122.624.838.202**	**10.716.523.749.457**	**12.919.729.027.867**	***Total***

MANAJEMEN MODAL

Kelompok Usaha bertujuan mencapai struktur modal yang optimal untuk memenuhi tujuan usaha, diantaranya dengan mempertahankan rasio modal yang sehat dan maksimilasi nilai pemegang saham.

Beberapa instrumen utang Kelompok Usaha memiliki rasio keuangan yang mensyaratkan rasio *leverage* maksimum. Kelompok Usaha telah memenuhi semua persyaratan modal yang ditetapkan oleh pihak luar.

Manajemen memantau modal dengan menggunakan beberapa ukuran *leverage* keuangan seperti rasio utang terhadap ekuitas dan *debt service ratio*. Tujuan Kelompok Usaha adalah mempertahankan rasio utang terhadap ekuitas sebesar maksimum 2,33 pada tanggal 31 Desember 2011.

Pada tanggal 31 Desember 2011, akun-akun Kelompok Usaha yang membentuk rasio utang terhadap ekuitas adalah sebagai berikut:

CAPITAL MANAGEMENT

The Group aims to achieve an optimal capital structure in pursuit of their business objectives, which include maintaining healthy capital ratios and maximizing shareholder value.

Some of the Group's debt instruments contain covenants that impose maximum leverage ratios. The Group have complied with all externally imposed capital requirements.

Management monitors capital using several financial leverage measurements such as debt to equity ratio and debt service ratio. The Group's objectives are to maintain their debt to equity ratio at a maximum of 2.33 as of December 31, 2011.

As of December 31, 2011, the Group's debt to equity ratio account is as follows:

	31 Des. 2011/ *Dec.31, 2011*	
Pinjaman jangka panjang jatuh tempo dalam satu tahun	890.995.485.514	*Current portion of long term loans*
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	9.013.375.035.835	*Long term loans - net of current maturitties*
Total	**9.904.370.521.349**	***Total***
Total ekuitas	**17.184.711.978.515**	***Total equity***
Rasio utang terhadap ekuitas	**0,58**	***Debt to equity ratio***

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39. INSTRUMEN KEUANGAN

Aset keuangan Kelompok Usaha meliputi kas dan setara kas dan setara kas, kas yang dibatasi penggunaannya, investasi jangka pendek, piutang usaha - neto dan piutang lain-lain - neto yang timbul dari kegiatan usahanya. Liabilitas keuangan Perusahaan dan entitas anak meliputi utang usaha, utang lain-lain, liabilitas yang masih harus dibayar, utang derivatif, pinjaman jangka panjang jatuh tempo dalam waktu satu tahun dan pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun yang tujuan utamanya untuk pembiayaan kegiatan usaha.

Tabel di bawah ini mengikhtisarkan nilai tercatat dan estimasi nilai wajar instrumen keuangan Kelompok Usaha yang dinyatakan dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/31 Desember 2009 :

39. FINANCIAL INSTRUMENTS

The Group's financial assets include cash and cash equivalents, restricted cash, short-term investments, trade receivables - net and other receivables - net which arise from their business operations. Their financial liabilities include trade payables, other payables, accrued liabilities, derivative payable, current maturities of long-term loans and long-term loans - net of current maturities which main purpose is to finance the business operations.

The following table sets forth the carrying values and their estimated fair values of the Group's financial instruments that are carried in the consolidated statements of financial position as of December 31, 2011, December 31, 2010 and January 1, 2010/December 31, 2009:

	31 Des. 2011/ *Dec. 31, 2011*		
	Nilai tercatat/ *Carrying amount*	**Nilai wajar/ *Fair value***	
Aset keuangan			***Financial assets***
Kas dan setara kas	10.356.369.383.888	10.356.369.383.888	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya	26.364.706.295	26.364.706.295	*Restricted cash*
Investasi jangka pendek	247.339.377.520	247.339.377.520	*Short-term investments*
Piutang usaha - neto	1.990.088.296.402	1.990.088.296.402	*Trade receivables - net*
Piutang lain-lain - neto	53.465.009.139	53.465.009.139	*Other receivables - net*
Total	**12.673.626.773.244**	**12.673.626.773.244**	***Total***
Liabilitas keuangan			***Financial liabilities***
Utang usaha	554.504.673.797	554.504.673.797	*Trade payables*
Liabilitas yang masih harus dibayar	655.328.741.835	655.328.741.835	*Accrued liabilities*
Utang lain-lain	188.557.478.965	188.557.478.965	*Other payables*
Utang derivatif	1.616.967.611.921	1.616.967.611.921	*Derivative payable*
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	890.995.485.514	890.995.485.514	*Current maturities of long-term loans*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	9.013.375.035.835	9.013.375.035.835	*Long-term loans - net of current maturities*
Total	**12.919.729.027.867**	**12.919.729.027.867**	***Total***

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39. INSTRUMEN KEUANGAN (lanjutan) / *39. FINANCIAL INSTRUMENTS (continued)*

	31 Des. 2010/ *Dec. 31, 2010*		
	Nilai tercatat/ *Carrying amount*	Nilai wajar/ *Fair value*	
Aset keuangan			***Financial assets***
Kas dan setara kas	11.065.594.698.455	11.065.594.698.455	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya	6.358.338.764	6.358.338.764	*Restricted cash*
Piutang usaha - neto	1.891.593.890.275	1.891.593.890.275	*Trade receivables - net*
Piutang lain-lain - neto	55.300.191.303	55.300.191.303	*Other receivables - net*
Total	**13.018.847.118.797**	**13.018.847.118.797**	***Total***
Liabilitas keuangan			***Financial liabilities***
Utang usaha	643.990.887.988	643.990.887.988	*Trade payables*
Liabilitas yang masih harus dibayar	702.388.957.911	702.388.957.911	*Accrued liabilities*
Utang lain-lain	224.889.254.013	224.889.254.013	*Other payables*
Utang derivatif	1.695.882.571.498	1.695.882.571.498	*Derivative payable*
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	2.045.188.653.101	2.045.188.653.995	*Current maturities of long-term loans*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	10.742.889.051.604	8.436.616.885.062	*Long-term loans - net of current maturities*
Total	**16.055.229.376.115**	**13.748.957.210.467**	***Total***

	1 Jan. 2010/ Des. 31, 2009/ *Jan. 1, 2010/ Dec. 31, 2009*		
	Nilai tercatat/ *Carrying amount*	Nilai wajar/ *Fair value*	
Aset keuangan			***Financial assets***
Kas dan setara kas	6.593.237.069.338	6.593.237.069.338	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya	36.736.067.093	36.736.067.093	*Restricted cash*
Piutang usaha - neto	1.598.477.615.784	1.598.477.615.784	*Trade receivables - net*
Piutang lain-lain - neto	60.811.440.659	60.811.440.659	*Other receivables - net*
Total	**8.289.262.192.874**	**8.289.262.192.874**	***Total***
Liabilitas keuangan			***Financial liabilities***
Pinjaman bank jangka pendek	225.600.000.000	225.600.000.000	*Short-term bank loan*
Utang usaha	828.310.747.572	828.310.747.572	*Trade payables*
Liabilitas yang masih harus dibayar	821.306.134.671	821.306.134.671	*Accrued liabilities*
Utang lain-lain	259.410.580.510	259.410.580.510	*Other payables*
Utang derivatif	1.174.924.527.400	1.174.924.527.400	*Derivative payable*
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	769.589.546.731	769.589.546.731	*Current maturities of long-term loans*
Utang kepada pemegang saham Entitas Anak jatuh tempo dalam waktu satu tahun	116.560.000.000	116.560.000.000	*Current maturities of due to shareholder of a Subsidiary*

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39. INSTRUMEN KEUANGAN (lanjutan) / *39. FINANCIAL INSTRUMENTS (continued)*

	1 Jan. 2010/ Des. 31, 2009/ *Jan. 1, 2010/ Dec. 31, 2009*		
	Nilai tercatat/ *Carrying amount*	Nilai wajar/ *Fair value*	
Liabilitas keuangan			***Financial liabilities***
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	9.971.716.709.888	9.971.716.709.888	*Long-term loans - net of current maturities*
Utang kepada pemegang saham Entitas Anak setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	633.313.721.692	633.313.721.692	*Due to shareholder of a Subsidiary - net of current maturities*
Total	**14.800.731.968.464**	**14.800.731.968.464**	***Total***

Nilai wajar aset dan liabilitas keuangan disajikan dalam jumlah di mana instrumen tersebut dapat dipertukarkan dalam transaksi kini antara pihakpihak yang berkeinginan (*"willing parties"*), bukan dalam penjualan akibat kesulitan keuangan atau likuidasi yang dipaksakan.

The fair values of the financial assets and liabilities are presented at the amounts which instrument could be exchanged in a current transaction between willing parties, not in a forced sale or liquidation.

Metode dan asumsi berikut ini digunakan untuk mengestimasi nilai wajar untuk setiap kelompok instrument keuangan yang praktis untuk memperkirakan nilai tersebut:

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

1. Kas dan setara kas, kas yang dibatasi penggunaannya, piutang usaha - neto dan piutang lain-lain - neto.

   Seluruh aset keuangan di atas merupakan aset keuangan jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat aset keuangan tersebut telah mencerminkan nilai wajar dari aset keuangan tersebut.

2. Investasi jangka pendek

   Aset keuangan di atas diukur pada nilai wajar yang memiliki kuotasi di pasar aktif.

1. Cash and cash equivalents, restricted cash, trade receivables - net and other receivables - net.

   All of the above financial assets are due within 12 months, thus the carrying value of the financial assets approximate their fair values of the financial assets.

2. Short-term investments.

   The above financial assets are measured at fair value and quoted in active market.

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39. INSTRUMEN KEUANGAN (lanjutan)

3. Utang usaha, utang lain-lain dan liabilitas yang masih harus dibayar.

   Seluruh liabilitas keuangan di atas merupakan liabilitas jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat liabilitas keuangan tersebut telah mencerminkan nilai wajar.

4. Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun dan pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun.

   Seluruh liabilitas keuangan di atas merupakan pinjaman yang memiliki suku bunga variabel dan tetap yang disesuaikan dengan pergerakan suku bunga pasar sehingga nilai tercatat kewajiban keuangan tersebut telah mendekati nilai wajar.

5. Utang derivatif

   Nilai wajar dari kewajiban keuangan ini diestimasi dengan menggunakan teknik penilaian yang wajar dengan nilai input pasar yang dapat diobservasi.

39. FINANCIAL INSTRUMENTS (continued)

3. Trade payables, other payables and accrued liabilities.

   All of the above financial liabilities are due within 12 months, thus the carrying value of the financial liabilities approximate their fair value.

4. Current maturities of long-term loans and long term loans - net of current maturities.

   All of the above financial liabilities are liabilities with floating and fixed interest rates which are adjusted in the movements of market interest rates, thus the carrying values of the financial liabilities approximate their fair values.

5. Derivative payable

   Fair value of this financial liability is estimated using appropriate valuation techniques with market observable inputs.

40. ASET DAN LIABILITAS DALAM MATA UANG ASING

Pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, aset dan liabilitas moneter Kelompok Usaha dalam mata uang asing adalah sebagai berikut:

40. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

As of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009, the Group's monetary assets and liabilities denominated in foreign currencies are as follows:

		31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Aset					***Assets***
Dalam Dolar Amerika Serikat					*In US Dollar*
Kas dan setara kas	USD	790.947.511	782.973.192	519.966.739	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya		2.553.718	350.185	3.571.576	*Restricted cash*
Investasi jangka pendek		15.680.250	-	-	*Short-term investment*
Piutang usaha - neto		166.532.471	151.290.629	127.760.776	*Trade receivables- net*
Piutang lain-lain - neto		374.380	1.193.506	1.124.831	*Other receivables - net*
Uang muka jatuh tempo dalam waktu satu tahun		71.458.832	55.103.860	57.058.821	*Current maturities of advances*

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40. ASET DAN LIABILITAS DALAM MATA UANG ASING (lanjutan)

40. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES (continued)

		31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Uang muka - setelah dikurangi dikurangi bagian jatuh tempo dalam waktu satu tahun		78.805.132	119.338.479	141.334.250	*Advances - net of current maturities*
Sub-total	USD	1.126.352.294	1.110.249.851	850.816.993	*Sub-total*
Dalam Yen Jepang					*In Japanese Yen*
Kas dan setara kas	JPY	761.451.084	221.020.040	74.362.692	*Cash and cash equivalents*
Sub-total	JPY	761.451.084	221.020.040	74.362.692	*Sub-total*
Dalam Dolar Singapura					*In Singapore Dollar*
Kas dan setara kas	SGD	31.206	16.250	-	*Cash and cash equivalents*
Piutang usaha		-	2.500	-	*Trade receivables*
Piutang lain-lain - neto		23.027	5.527	5.527	*Other receivables - net*
Sub-total	SGD	54.233	24.277	5.527	*Sub-total*
Total Aset	USD	1.126.352.294	1.110.249.851	850.816.993	*Total Assets*
	JPY	761.451.084	221.020.040	74.362.692	
	SGD	54.233	24.277	5.527	
Ekuivalen Rupiah		**10.303.085.947.376**	**10.006.802.188.290**	**8.005.280.187.208**	***Rupiah equivalents***
Liabilitas					***Liabilities***
Dalam Dolar Amerika Serikat					*In United States (USD) Dollar*
Pinjaman bank jangka pendek	USD	-	-	24.000.000	*Short-term bank loan*
Utang usaha		61.149.613	71.626.170	88.118.165	*Trade payables*
Utang lain-lain		9.272.986	12.080.589	17.396.470	*Other payables*
Liabilitas yang masih harus dibayar		16.390.885	24.191.298	17.364.870	*Accrued liabilities*
Pinjaman jangka panjang jatuh tempo dalam satu tahun		98.257.111	227.470.653	81.871.228	*Current maturities of long-term loans*
Utang kepada pemegang saham entitas anak - jatuh tempo dalam waktu satu tahun		-	-	12.400.000	*Current maturities of due to a shareholder of a Subsidiary*
Utang derivatif		178.315.793	188.620.017	124.991.971	*Derivative payable*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun		371.541.828	616.398.971	585.770.586	*Long-term loans - net of current maturities*
Utang kepada pemegang saham entitas anak - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun		-	-	67.373.800	*Due to a shareholder of a Subsidiary - net of current maturities*
Sub-total	USD	734.928.216	1.140.387.698	1.019.287.090	*Sub-total*
Dalam Yen Jepang					*In Japanese Yen*
Utang lain-lain	JPY	-	9.453.731	47.721.273	*Other payables*
Liabilitas yang masih harus dibayar		340.044.754	879.637.988	2.705.077.504	*Accrued liabilities*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun		48.319.782.127	47.156.097.513	43.903.974.083	*Long-term loans - net of current maturities*
Sub-total	JPY	48.659.826.881	48.045.189.232	46.656.772.860	*Sub-total*

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40. ASET DAN LIABILITAS DALAM MATA UANG ASING (lanjutan)

40. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES (continued)

		31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	1 Jan. 2010/ 31 Des. 2009/ *Jan. 1, 2010/ Dec. 31, 2009*	
Total Liabilitas	USD	734.928.216	1.140.387.698	1.019.287.090	*Total Liabilities*
	JPY	48.659.826.881	48.045.189.232	46.656.772.860	
Ekuivalen Rupiah		12.348.283.440.658	15.552.129.713.115	14.326.759.013.591	*Rupiah equivalents*
Total Liabilitas - Neto		**2.045.197.493.282**	**5.545.327.524.825**	**6.321.478.826.383**	***Total Liabilities - Net***

Sebagian besar pembelian gas dalam mata uang Dolar Amerika Serikat juga dijual dalam Dolar Amerika Serikat, sehingga lindung nilai atas risiko nilai tukar mata uang asing terjadi secara alami. Saat ini, liabilitas yang timbul dari pembiayaan dalam mata uang asing tidak dilindung nilai.

Most purchases of gas in US Dollar are also sold in US Dollar, thus naturally hedging the related foreign currency exposures. Currently, liabilities denominated in foreign currency arising from financing activities are not hedged.

Pada tanggal 6 Maret 2012, kurs tengah yang dikeluarkan oleh Bank Indonesia adalah Rp9.163 untuk USD1, Rp7.277,72 untuk SGD1 dan Rp112,53 untuk JPY1. Apabila kurs tersebut digunakan pada tanggal 31 Desember 2011, maka liabilitas konsolidasi neto akan turun sebesar Rp242.206.784.148.

As of March 6, 2012, the rates of exchange published by Bank Indonesia was Rp9,163 to USD1, Rp7,277.72 to SGD1 and Rp112.53 to JPY1. If such exchange rates had been used as of December 31, 2011, the net consolidated liabilities will decrease by Rp242,206,784,148.

41. INFORMASI SEGMEN USAHA

41. SEGMENT INFORMATION

Untuk kepentingan manajemen, Kelompok Usaha digolongkan menjadi unit usaha berdasarkan produk dan jasa dan memiliki tiga segmen operasi yang dilaporkan sebagai berikut:

1. Segmen distribusi gas

   Segmen distribusi gas melakukan kegiatan usaha utama Perusahaan dalam mendistribusikan gas yang dibeli dari supplier gas dan menyalurkannya kepada pelanggan industry, komersial dan rumah tangga.

2. Segmen transmisi gas

   Segmen transmisi gas melakukan kegiatan usaha dalam menyalurkan gas untuk pelanggan industri.

3. Segmen operasi lainnya

   Segmen operasional lainnya terkait dengan jasa sewa fiber optik untuk penyediaan jaringan dan jasa konstruksi dan perbaikan kepada pelanggan.

For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

1. *Gas distribution segment*

   Gas distribution segment is mainly involved in gas distribution purchased from gas suppliers and then supplies to the industrial, commercial and household customers.

2. *Gas transmission segment*

   Gas transmission segment mainly involved in gas transmission for customers.

3. *Other operations segment*

   Other operations segment provides fiber optic rental for network services and constructions and maintenance services to the customers.

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41. INFORMASI SEGMEN USAHA (lanjutan)

Manajemen memantau hasil operasi dari unit usahanya secara terpisah guna keperluan pengambilan keputusan mengenai alokasi sumber daya dan penilaian kinerja. Kinerja segmen dievaluasi berdasarkan laba segmen dan diukur secara konsisten dengan laba atau rugi operasi pada laporan keuangan konsolidasian.

Tabel berikut menyajikan informasi pendapatan dan laba dan aset dan liabilitas tertentu sehubungan dengan segmen operasi Kelompok Usaha:

41. SEGMENT INFORMATION (continued)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment income and is measured consistently with operating profit or loss in the consolidated financial statements.

The following table represents revenue and profit, and certain asset and liability information regarding the Group's operating segments:

	31 Des. 2011/*Dec. 31, 2011*				
	Distribusi/ ***Distribution***	**Transmisi/** ***Transmission***	**Operasi Lainnya/** ***Other Operations***	**Konsolidasian/** ***Consolidation***	
PENDAPATAN NETO					***NET REVENUES***
Pendapatan	17.948.279.001.412	1.683.080.022.425	175.530.020.026	19.806.889.043.863	*Revenues*
Eliminasi Pendapatan	-	(148.063.266.686)	(91.418.536.847)	(239.481.803.533)	*Revenues elimination*
Total Pendapatan Neto	17.948.279.001.412	1.535.016.755.739	84.111.483.179	19.567.407.240.330	*Total Net Revenues*
Beban segmen					*Segment expenses*
Beban pokok	7.941.814.189.116	-	-	7.941.814.189.116	*Cost of revenues*
Eliminasi beban pokok	(148.063.266.686)	-	-	(148.063.266.686)	*Cost of revenues elimination*
Gaji dan kesejahteraan karyawan	396.155.673.953	210.192.991.563	23.345.191.050	629.693.856.566	*Salaries and employees' benefits*
Penyusutan	303.612.682.106	1.354.673.389.465	20.536.712.780	1.678.822.784.351	*Depreciation*
Perbaikan dan pemeliharaan	86.225.321.030	92.290.940.069	1.278.618.463	179.794.879.562	*Repairs and maintenance*
Eliminasi biaya perbaikan dan pemeliharaan	(22.508.477.863)	(14.418.237.980)	-	(36.926.715.843)	*Repairs and maintenance expenses elimination*
Beban lain-lain	311.333.658.517	354.975.547.418	124.760.499.141	791.069.705.076	*Other expenses*
Eliminasi beban lain-lain	(37.607.211.738)	(9.288.687.092)	-	(46.895.898.830)	*Other expenses elimination*
Total Beban Segmen	8.830.962.568.435	1.988.425.943.443	169.921.021.434	10.989.309.533.312	*Total Segment Expenses*
HASIL					***RESULTS***
Laba segmen	9.117.316.432.977	(453.409.187.704)	(85.809.538.255)	8.578.097.707.018	*Segment income*
Beban Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				858.086.302.846	*Unallocated expenses of the Company and Subsidiaries*
Eliminasi biaya				(2.366.692.909)	*Expenses elimination*
Laba Operasi				7.722.378.097.081	*Operating Profit*
Pendapatan keuangan				307.175.118.588	*Finance income*
Beban keuangan				(243.930.325.301)	*Finance cost*
Rugi kurs - neto				(239.492.818.832)	*Loss on foreign exchange - net*
Bagian rugi entitas asosiasi				(6.080.189.200)	*Share in loss of associates*
Rugi perubahan nilai wajar derivatif - neto				(2.100.455.818)	*Loss on change in fair value of derivative - net*
Pendapatan lain-lain				170.359.499.293	*Other income*
Beban lain-lain				(54.119.983.509)	*Other expenses*
Laba Sebelum Manfaat (Beban) Pajak				7.654.188.942.302	*Profit Before Tax Benefit (Expense)*
Manfaat (Beban) Pajak					*Tax Benefit (Expense)*
Kini				(1.607.989.055.989)	*Current*
Tangguhan				72.009.774.710	*Deferred*
Beban Pajak - Neto				(1.535.979.281.279)	*Tax Expense - Net*
LABA TAHUN BERJALAN				**6.118.209.661.023**	***PROFIT FOR THE YEAR***

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41. INFORMASI SEGMEN USAHA (lanjutan)

41. SEGMENT INFORMATION (continued)

	31 Des. 2011/*Dec. 31, 2011*				
	Distribusi/ *Distribution*	Transmisi/ *Transmission*	Operasi Lainnya/ *Other Operations*	Konsolidasian/ *Consolidation*	
PENDAPATAN KOMPREHENSIF LAIN TAHUN BERJALAN					***OTHER COMPREHENSIVE INCOME FOR THE YEAR***
Selisih kurs karena penjabaran laporan keuangan dalam Entitas Anak - neto				35.102.493.695	*Difference in foreign currency translation of the financial statements of a Subsidiary - net*
Aset keuangan tersedia untuk dijual				10.150.870.520	*Available-for-sale financial assets*
TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK				**45.253.364.215**	***TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX***
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN				**6.163.463.025.238**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:					***TOTAL PROFIT FOR THE YEAR ATTRIBUTABLE TO:***
Pemilik entitas induk				5.933.063.233.665	*Owners of the parent entity*
Kepentingan nonpengendali				185.146.427.358	*Non-controlling interests*
Total				**6.118.209.661.023**	***Total***
TOTAL LABA KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA:					***TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:***
Pemilik entitas induk				5.964.373.177.694	*Owners of the parent entity*
Kepentingan nonpengendali				199.089.847.544	*Non-controlling interests*
Total				**6.163.463.025.238**	***Total***
ASET SEGMEN					***SEGMENT ASSETS***
Aset Segmen	3.848.326.889.793	12.570.227.033.042	214.782.860.249	16.633.336.783.084	*Segment Assets*
Aset Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				14.343.110.029.141	*Unallocated assets of the Company and Subsidiaries*
Total Aset yang Dikonsolidasikan				**30.976.446.812.225**	***Total Consolidated Assets***
LIABILITAS SEGMEN					***SEGMENT LIABILITIES***
Liabilitas Segmen	213.797.361.824	245.965.142.954	19.238.201.170	479.000.705.948	*Segment Liabilities*
Liabilitas Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				13.312.733.127.762	*Unallocated liabilities of the Company and Subsidiaries*
Total Liabilitas yang Dikonsolidasikan				**13.791.733.833.710**	***Total Consolidated Liabilities***
INFORMASI LAINNYA					***OTHER INFORMATION***
Pengeluaran Modal	**265.551.284.695**	**210.753.560.227**	**372.463.859.166**	**848.768.704.088**	***Capital Expenditures***
Penyusutan	303.612.682.106	1.354.673.389.465	20.536.712.780	1.678.822.784.351	*Depreciation*
Penyusutan Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				53.924.810.159	*Unallocated depreciation of the Company and Subsidiaries*
Total Penyusutan yang Dikonsolidasikan				**1.732.747.594.510**	***Total Consolidated Depreciation***

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41. INFORMASI SEGMEN USAHA (lanjutan) / *41. SEGMENT INFORMATION (continued)*

	31 Des. 2010/*Dec. 31, 2010*				
	Distribusi/ *Distribution*	Transmisi/ *Transmission*	Operasi Lainnya/ *Other Operations*	Konsolidasian/ *Consolidation*	
PENDAPATAN NETO					***NET REVENUES***
Pendapatan	18.055.260.649.509	1.795.952.391.618	67.509.326.800	19.918.722.367.927	*Revenues*
Eliminasi Pendapatan	-	(143.069.641.317)	(9.936.329.162)	(153.005.970.479)	*Revenues elimination*
Total Pendapatan Neto	18.055.260.649.509	1.652.882.750.301	57.572.997.638	19.765.716.397.448	*Total Net Revenues*
Beban segmen					*Segment expenses*
Beban pokok	7.366.639.860.034	-	-	7.366.639.860.034	*Cost of revenues*
Eliminasi beban pokok	(143.069.641.317)	-	-	(143.069.641.317)	*Cost of revenues elimination*
Gaji dan kesejahteraan karyawan	332.602.946.680	182.005.614.792	13.810.299.723	528.418.861.195	*Salaries and employees' benefits*
Penyusutan	254.470.799.239	1.359.292.610.927	17.477.625.070	1.631.241.035.236	*Depreciation*
Perbaikan dan pemeliharaan	36.678.170.931	70.831.490.577	326.283.888	107.835.945.396	*Repairs and maintenance*
Eliminasi biaya perbaikan dan pemeliharaan	(552.182.235)	-	-	(552.182.235)	*Repairs and maintenance expenses elimination*
Beban lain-lain	244.450.033.528	319.366.535.643	33.110.652.517	596.927.221.688	*Other expenses*
Eliminasi beban lain-lain	(5.812.321.610)	(3.251.602.500)	-	(9.063.924.110)	Other expenses elimination
Total Beban Segmen	8.085.407.665.250	1.928.244.649.439	64.724.861.198	10.078.377.175.887	*Total Segment Expenses*
HASIL					***RESULTS***
Laba segmen	9.969.852.984.259	(275.361.899.138)	(7.151.863.560)	9.687.339.221.561	*Segment income*
Beban Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				(651.934.600.626)	*Unallocated expenses of the Company and Subsidiaries*
Eliminasi biaya				320.222.817	*Expenses elimination*
Laba Operasi				9.035.724.843.752	*Operating Profit*
Pendapatan keuangan				248.716.444.072	*Finance income*
Rugi perubahan nilai wajar derivatif - neto				(561.586.461.826)	*Loss on change in fair value of derivative - net*
Beban keuangan				(371.631.844.355)	*Finance cost*
Rugi kurs - neto				(368.690.358.455)	*Loss on foreign exchange - net*
Bagian rugi entitas asosiasi				(2.189.937.749)	*Share in loss of associates*
Pendapatan lain-lain				99.508.407.910	*Other income*
Beban lain-lain				(16.677.556.103)	*Other expenses*
Laba Sebelum Manfaat (Beban) Pajak				8.063.173.537.246	*Profit Before Tax Benefit (Expense)*
Manfaat (Beban) Pajak					*Tax Benefit (Expense)*
Kini				(1.633.867.489.940)	*Current*
Tangguhan				34.093.687.002	*Deferred*
Beban Pajak - Neto				(1.599.773.802.938)	*Tax Expense - Net*
LABA TAHUN BERJALAN				**6.463.399.734.308**	***PROFIT FOR THE YEAR***
PENDAPATAN KOMPREHENSIF LAIN TAHUN BERJALAN					***OTHER COMPREHENSIVE INCOME FOR THE YEAR***
Selisih kurs karena penjabaran laporan keuangan dalam Entitas Anak - neto				(195.389.547.452)	*Difference in foreign currency translation of the financial statements of a Subsidiary - net*
TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK				**(195.389.547.452)**	***TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX***
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN				**6.268.010.186.856**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:					***TOTAL PROFIT FOR THE YEAR ATTRIBUTABLE TO:***
Pemilik entitas induk				6.239.361.270.479	*Owners of the parent entity*
Kepentingan nonpengendali				224.038.463.829	*Non-controlling interests*
Total				**6.463.399.734.308**	***Total***
TOTAL LABA KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA:					***TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:***
Pemilik entitas induk				6.081.361.774.794	*Owners of the parent entity*
Kepentingan nonpengendali				186.648.412.062	*Non-controlling interests*
Total				**6.268.010.186.856**	***Total***

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41. INFORMASI SEGMEN USAHA (lanjutan)

41. SEGMENT INFORMATION (continued)

	31 Des. 2010/*Dec. 31, 2010*				
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ASET SEGMEN					***SEGMENT ASSETS***
Aset Segmen	3.923.216.494.454	13.580.450.948.360	128.185.617.818	17.631.853.060.632	*Segment Assets*
Aset Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				14.455.577.933.441	*Unallocated assets of the Company and Subsidiaries*
Total Aset yang Dikonsolidasikan				**32.087.430.994.073**	***Total Consolidated Assets***
LIABILITAS SEGMEN					***SEGMENT LIABILITIES***
Liabilitas Segmen	188.888.719.283	244.277.370.990	24.631.668.232	457.797.758.505	*Segment Liabilities*
Liabilitas Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				16.528.678.788.612	*Unallocated liabilities of the Company and Subsidiaries*
Total Liabilitas yang Dikonsolidasikan				**16.986.476.547.117**	***Total Consolidated Liabilities***
INFORMASI LAINNYA					***OTHER INFORMATION***
Pengeluaran Modal	**690.450.595.044**	**785.511.898.895**	**460.111.051.866**	**1.936.073.545.805**	***Capital Expenditures***
Penyusutan	254.470.799.239	1.359.292.610.927	17.477.625.070	1.631.241.035.236	*Depreciation*
Penyusutan Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				48.713.289.076	*Unallocated depreciation of the Company and Subsidiaries*
Total Penyusutan yang Dikonsolidasikan				**1.679.954.324.312**	***Total Consolidated Depreciation***

	1 Jan. 2010/31 Des. 2009 *Jan. 1, 2010/Dec. 31, 2009*				
	Distribusi/ *Distribution*	Transmisi/ *Transmission*	Operasi Lainnya/ *Other Operations*	Konsolidasi/ *Consolidation*	
ASET SEGMEN	3.410.977.222.263	12.322.772.688.621	106.879.208.340	15.840.629.119.224	***SEGMENT ASSETS***
Aset Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				12.777.899.774.030	*Unallocated assets of the Company and Subsidiaries*
Total Aset yang Dikonsolidasikan				**28.618.528.893.254**	***Total Consolidated Assets***
LIABILITAS SEGMEN	120.368.549.335	580.360.803.754	6.679.677.383	707.409.030.472	***SEGMENT LIABILITIES***
Liabilitas Perusahaan dan Entitas Anak yang tidak dapat dialokasikan				15.184.694.221.451	*Unallocated liabilities of the Company and Subsidiaries*
Total Liabilitas yang Dikonsolidasikan				**15.892.103.251.923**	***Total Consolidated Liabilities***
INFORMASI LAINNYA					***OTHER INFORMATION***
Pengeluaran Modal	**133.622.366.938**	**1.011.718.733.476**	**538.610.695.603**	**1.683.951.796.017**	***Capital Expenditures***

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41. INFORMASI SEGMEN USAHA (lanjutan)

Informasi konsolidasi menurut segmen usaha adalah sebagai berikut:

41. SEGMENT INFORMATION (continued)

Consolidated information based on business segment is as follows:

	31 Des. 2011/*Dec. 31, 2011*			
Uraian	**Pendapatan Neto/ *Net Revenues***	**Nilai Tercatat Aset Segmen/ *Carrying Value of Segment Assets***	**Penambahan Aset Tetap/ *Additions to Fixed Assets***	***Descriptions***
Kantor pusat	-	-	326.088.626.530	*Head office*
SBU Distribusi Wilayah I. Jawa Bagian Barat	12.553.805.655.730	2.825.438.243.503	174.245.341.719	*SBU Distribution I. West Java*
SBU Distribusi Wilayah II. Jawa Bagian Timur	3.383.767.108.232	626.441.318.911	53.533.652.214	*SBU Distribution II. East Java*
SBU Distribusi Wilayah III. Sumatera Bagian Utara	2.037.894.703.657	420.196.237.943	37.772.290.762	*SBU Distribution III. North Sumatera*
SBU Transmisi Sumatera Jawa	15.945.430.091	7.554.373.055.015	83.796.912.877	*SBU Transmission Sumatera Jawa*
Transgasindo	1.491.882.859.441	4.992.105.067.463	126.956.647.350	*Transgasindo*
PGASKOM	82.284.671.780	96.299.689.842	34.879.648.267	*PGASKOM*
PGASSOL	1.826.811.399	46.905.100.475	10.948.992.369	*PGASSOL*
SAKA	-	38.441.408.003	546.592.000	*SAKA*
GAGAS	-	33.136.661.929	-	*GAGAS*
Total	**19.567.407.240.330**	**16.633.336.783.084**	**848.768.704.088**	***Total***

	31 Des. 2010/*Dec. 31, 2010*			
Uraian	**Pendapatan Neto/ *Net Revenues***	**Nilai Tercatat Aset Segmen/ *Carrying Value of Segment Assets***	**Penambahan Aset Tetap/ *Additions to Fixed Assets***	***Descriptions***
Kantor pusat	-	-	397.961.392.400	*Head office*
SBU Distribusi Wilayah I, Jawa Bagian Barat	12.807.001.096.006	2.945.951.854.313	596.896.902.558	*SBU Distribution I, West Java*
SBU Distribusi Wilayah II, Jawa Bagian Timur	3.444.733.620.208	577.639.867.026	85.103.343.823	*SBU Distribution II, East Java*
SBU Distribusi Wilayah III, Sumatera Bagian Utara	1.833.942.634.756	422.606.742.964	8.450.348.663	*SBU Distribution III, North Sumatera*
SBU Transmisi Sumatera Jawa	-	8.003.594.739.610	127.343.894.566	*SBU Transmission Sumatera Jawa*
Transgasindo	1.622.466.048.840	5.553.874.238.901	658.168.004.329	*Transgasindo*
PGASKOM	57.572.997.638	91.236.772.251	59.697.815.033	*PGASKOM*
PGASSOL	-	36.948.845.567	2.451.844.433	*PGASSOL*
Total	**19.765.716.397.448**	**17.631.853.060.632**	**1.936.073.545.805**	***Total***

	1 Jan. 2010/31 Des. 2009/*Jan. 1, 2010/Dec 31, 2009*			
Uraian	**Pendapatan Neto/ *Net Revenues***	**Nilai Tercatat Aset Segmen/ *Carrying Value of Segment Assets***	**Penambahan Aset Tetap/ *Additions to Fixed Assets***	***Descriptions***
Kantor pusat	-	-	526.990.900.464	*Head office*
SBU Distribusi Wilayah I, Jawa Bagian Barat	11.598.299.580.163	2.539.242.251.069	107.333.101.561	*SBU Distribution I, West Java*
SBU Distribusi Wilayah II, Jawa Bagian Timur	3.281.480.418.822	553.779.488.631	22.290.252.313	*SBU Distribution II, East Java*
SBU Distribusi Wilayah III, Sumatera Bagian Utara	1.509.342.002.933	346.146.513.746	3.999.013.064	*SBU Distribution III, North Sumatera*
SBU Transmisi Sumatera Jawa	-	8.737.547.158.665	8.095.269.072	*SBU Transmission Sumatera Jawa*
Transgasindo	1.614.754.935.607	3.560.226.004.024	1.003.623.464.404	*Transgasindo*
PGASKOM	20.402.000.000	68.533.637.239	11.619.795.139	*PGASKOM*
PGASSOL	-	35.154.065.850	-	*PGASSOL*
Total	**18.024.278.937.525**	**15.840.629.119.224**	**1.683.951.796.017**	***Total***

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42. PERISTIWA SETELAH PERIODE PELAPORAN

Perusahaan

1. Pada tanggal 12 Januari 2012, Perusahaan dan PT Walinusa Energi (WNE) menandatangani Perjanjian Jual Beli Gas (PJBG) dimana WNE setuju untuk menjual gas kepada Perusahaan sebesar 10.474 TBTU. Perjanjian ini berlaku sampai dengan 31 Desember 2013.

2. Pada tanggal 25 Januari 2012, Perusahaan, PT Rekayasa Industri (Rekind) dan Hoegh LNG Limited (Hoegh) menandatangani *Umbrella Agreement* terkait dengan Proyek Fasilitas Penyimpanan dan Regasifikasi Terapung (FSRT) LNG Medan. Perjanjian ini berlaku sampai dengan 1 September 2013.

3. Pada tanggal 25 Januari 2012, Perusahaan dan PT Rekayasa Industri (Rekind) menandatangani Perjanjian Rekayasa, Pengadaan, Konstruksi, Instalasi dan Komisioning (EPCIC) atas Sistem Pipa untuk Proyek Fasilitas Penyimpanan dan Regasifikasi Terapung LNG Medan. Dalam perjanjian ini, Rekind setuju untuk melaksanakan pembagunan *mooring system*, sistem pipa dan stasiun gas terkait dengan proyek FSRT LNG Medan. Perjanjian ini berlaku sampai dengan 10 Maret 2014.

4. Pada tanggal 25 Januari 2012, Perusahaan, dan Hoegh LNG Limited (Hoegh) menandatangani perjanjian sewa, operasi dan pemeliharaan atas proyek FSRT LNG Medan. Dalam perjanjian ini, Hoegh bersedia untuk menyediakan kapal FSRT untuk jangka waktu selama 20 tahun.

5. Pada tanggal 7 Februari 2012, Perusahaan dengan PT Inti Daya Latu Prima (IDLP) menandatangani Perjanjian Jual Beli Gas dimana IDLP setuju untuk menjual gas kepada Perusahaan sebesar 1,25 BBTUD sejak tanggal 1 Juni 2012 atau tanggal lain yang disepakati oleh para pihak dan 5 BBTUD sejak 1 Juli 2012 sampai dengan 9 Februari 2019. Perjanjan ini berlaku sampai dengan 9 Februari 2019.

42. EVENTS AFTER THE REPORTING PERIOD

The Company

1. *On January 12, 2012, the Company entered into Gas Sales and Purchase Agreement with PT Walinusa Energi (WNE), whereby WNE agreed to sell gas to the Company totalling 10,474 TBTU. This agreement is valid until December 31, 2013.*

2. *On January 25, 2012, the Company, PT Rekayasa Industri (Rekind) and Hoegh LNG Limited (Hoegh) entered into Umbrella Agreement related to Medan LNG Floating Storage and Regasification Facilities (FSRT) Project. This agreement is valid until September 1, 2013.*

3. *On January 25, 2012, the Company and PT Rekayasa Industri (Rekind) entered into Engineering, Procurement, Construction, Installation and Commisioning (EPCIC) of the Pipeline System for Medan LNG Floating Storage and Regasification Facilities Project Agreement. In this agreement, Rekind agreed to build mooring system, pipeline system and gas station related to Medan LNG FSRT. This agreement is valid until March 10, 2014.*

4. *On January 25, 2012, the Company and Hoegh LNG Limited (Hoegh) entered into lease, operation and maintenance agreement for Medan LNG FSRT project. In these agreement, Hoegh agreed to provide FSRT vessel for 20 years.*

5. *On February 7, 2012, the Company entered into Gas Sales and Purchase Agreement with PT Inti Daya Latu Prima (IDLP), whereby IDLP agreed to sell gas to the Company totaling to 1.25 BBTUD starting from June 1, 2012 or other date agreed by the both parties and totaling to 5 BBTUD, starting from July 1, 2012 until February 9, 2019. This agreement is valid until February 9, 2019.*

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42. PERISTIWA SETELAH PERIODE PELAPORAN (lanjutan)

Perusahaan (lanjutan)

6. Pada tanggal 16 Februari 2012, Perusahaan menerima surat dari Menteri Keuangan Republik Indonesia Direktorat Jenderal Pajak No. S-00065/RKAP/WPJ.19/KP.0303/2012 mengenai besarnya angsuran PPh Pasal 25 tahun 2012 dengan angsuran per bulan sebesar Rp138.750.147.272.

7. Pada tanggal 17 Februari 2012, Perusahaan dengan PT Indogas Karya Dwiguna (IKD) menandatangani Perjanjian Jual Beli Gas dimana IKD setuju untuk menjual gas kepada Perusahaan sebesar 20 BBTU dimulai pada tanggal 31 Maret 2012 atau tanggal lain yang disepakati oleh para pihak sampai dengan 24 bulan selanjutnya.

8. Pada tanggal 5 Maret 2012, Perusahaan melaksanakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). Berdasarkan Risalah RUPSLB, pemegang saham memutuskan hal-hal sebagai berikut:
   a. Menyetujui pemberhentian sementara Bapak Michael Baskoro Palwo Nugroho sebagai Direktur Pengusahaan sebagaimana dimaksud dalam:
      - Keputusan Dewan Komisaris No. Kep-01/DKOM/2012, tanggal 17 Januari 2012 tentang pemberhentian sementara Bapak Michael Baskoro Palwo Nugroho sebagai Direktur Pengusahaan; dan
      - Surat pemberitahuan dari Dewan Komisaris No. 02/D-KOM/2012, tanggal 17 Januari 2012.

      Pemegang saham memberhentikan Bapak Michael Baskoro Palwo Nugroho dari jabatannya sebagai Direktur Pengusahaan terhitung sejak ditutupnya rapat.

   b. Memberikan kewenangan kepada Direksi untuk menetapkan lebih lanjut mengenai pengalokasian tugas-tugas Direktur Pengusahaan serta melaporkannya kepada Dewan Komisaris.

42. EVENTS AFTER THE REPORTING PERIOD (continued)

The Company (continued)

6. *On February 16, 2012, the Company received a letter from the Ministry of Finance of Republic of Indonesia, Directorate General of Taxation No. S-00065/RKAP/WPJ.19/KP.0303/2012 regarding the installment amount of Income Tax Article 25 for fiscal year 2012 with monthly installment of Rp138,750,147,272.*

7. *On February 17, 2012, the Company entered into Gas Sales and Purchase Agreement with PT Indogas Karya Dwiguna (IKD), whereby IKD agreed to sell gas to the Company totaling to 20 BBTU, starting from March 31, 2012 or the date agreed by the both parties until 24 months later.*

8. *On March 5, 2012, the Company had an Extraordinary General of Shareholders' Meeting (EGSM). Based on EGSM, the shareholders decided the following matters:*
   a. *Affirms the temporary discharge of Mr. Michael Baskoro Palwo Nugroho as the Director of Operation as referred in:*
      - *The Resolution of the Board of Commissioners No. Kep-01/SKOM/2012, dated on January 17, 2012, regarding the temporary discharge of Mr. Michael Baskoro Palwo Nugroho as the Director of Operation, and*
      - *The notification letter from the Board of Commissioners No. 02/D-KOM/2012 dated January 17, 2012.*

      The shareholders discharge Mr. Michael Baskoro Palwo Nugroho from his position as the Director of Operation starting from the closing of the meeting.

   b. *Authorizes the Board of Directors to further determine the allocation of duties of the Director of Operation and report it to the Board of Commissioners.*

The original consolidated financial statements included herein are in the Indonesian language.

42. PERISTIWA SETELAH PERIODE PELAPORAN (lanjutan)

Perusahaan (lanjutan)

9. Tahap penyelesaian proyek SSWJ dan PDJB adalah sebagai berikut:

a. Proyek SSWJ

Sampai dengan tanggal 6 Maret 2012, persentase penyelesaian proyek jaringan pipa transmisi Sumatera Selatan - Jawa Barat (SSWJ) dengan aspek penyelesaian fisik*) sebagai berikut:

- Jalur Cilegon - Serpong: 64,79% (tidak diaudit);

Sampai dengan tanggal 6 Maret 2012, jumlah estimasi biaya proyek SSWJ adalah sebesar USD1.633.179 atau setara dengan Rp14.837.427.642 (dengan menggunakan asumsi kurs Rp9.085 untuk USD1).

Sampai dengan 31 Desember 2011, jumlah realisasi biaya proyek SSWJ I dan SSWJ II masing-masing sebesar Rp5.593.469.219 dan Rp7.887.112.297. Dengan demikian, persentase penyelesaian proyek SSWJ I dan SSWJ II dibandingkan dengan jumlah estimasi biaya proyek adalah sebesar 90% dan 99% (tidak diaudit).

b. Proyek Distribusi Jawa Barat (PDJB)

Sampai dengan tanggal 6 Maret 2012, persentase penyelesaian PDJB dengan aspek penyelesaian fisik*), adalah sebagai berikut:

1. Pembiayaan dari International Bank for Reconstruction and Development (IBRD):

   a. Paket 1, 4 dan paket 7 terkait dengan pembelian mesin dan konstruksi untuk jaringan pipa distribusi ("EPC") dengan rincian penyelesaian fisik masing-masing sebesar:

   - Paket 1: 100% (tidak diaudit);
   - Paket 4: 0% (tidak diaudit);
   - Paket 7 Lot 1: 100% (tidak diaudit); dan

42. EVENTS AFTER THE REPORTING PERIOD (continued)

The Company (continued)

9. The percentage of completion of SSWJ and PDJB projects are as follows:

a. SSWJ Project

Up to March 6, 2012, the percentage of physical completion) of the South Sumatera - West Java (SSWJ) pipeline transmission project consists of:*

- *Cilegon - Serpong pipeline: 64.79% (unaudited);*

Up to March 6, 2012, total estimated cost of SSWJ projects amounting to USD1,633,179 or equivalent to Rp14,837,427,642 (with exchange rate assumption of Rp9,085 to USD1).

Up to December 31, 2011, the realization of project costs for SSWJ I and SSWJ II are Rp5,593,469,219 and Rp7,887,112,297, respectively. Therefore, the percentage of project completion for SSWJ I and SSWJ II compared to total estimated project costs are 90% and 99% (unaudited).

b. West Java Distribution Project (PDJB)

Up to March 6, 2012, the percentage of completion) of PDJB with physical completion aspect, are as follows:*

1. International Bank for Reconstruction and Development (IBRD) financing:

   a. Package 1, 4 and package 7 are related to engineering procurement and construction (EPC) with physical completion as follows:

   - *Package 1: 100% (unaudited);*
   - *Package 4: 0% (unaudited);*
   - *Package 7 Lot 1: 100% (unaudited); and*

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Perusahaan (lanjutan)

b. Proyek Distribusi Jawa Barat (PDJB) (lanjutan)

- Paket 7 Lot 2: 100% (tidak diaudit); dan
- Paket 7 Lot 4: 100% (tidak diaudit); dan
- Paket 7 Lot 5: 100% (tidak diaudit); dan
- Paket 7 Lot 6: 100% (tidak diaudit); dan

b. Paket lainnya terkait dengan pekerjaan jasa lainnya dengan rincian penyelesaian fisik masing-masing sebesar:

- Jasa inspeksi pihak ketiga: 100% (tidak diaudit);
- Proyek konsultan manajemen 100% (tidak diaudit); dan

2. Dana Perusahaan:

a. Paket 8B, paket 19, 21 dan paket 23 terkait dengan pekerjaan Konstruksi Jaringan Pipa (''PCC'') dengan rincian penyelesaian fisik masing-masing sebesar:

- Paket 8B: 100% (tidak diaudit);
- Paket 19: 100%, Lirik Ukui : 100% (tidak diaudit);
- Paket 21: 100% (tidak diaudit).
- Paket 23: 84% (tidak diaudit).

b. Paket lainnya terkait dengan pekerjaan jasa lainnya dengan rincian penyelesaian fisik masing-masing sebesar:

- Konsultan hukum II: 100% (tidak diaudit).
- PMC CNG : 100% (tidak diaudit).
- PMC TGE - PROSYS : 85% (tidak diaudit).

42. EVENTS AFTER THE REPORTING PERIOD (continued)

The Company (continued)

b. West Java Distribution Project (PDJB) (continued)

- *Package 7 Lot 2: 100% (unaudited); and*
- *Package 7 Lot 4: 100% (unaudited); and*
- *Package 7 Lot 5: 100% (unaudited); and*
- *Package 7 Lot 6: 100% (unaudited); and*

b. Other packages are related to other services with physical completion as follows:

- *The third parties inspection services: 100% (unaudited);*
- *Project management consultant: 100% (unaudited); and*

2. The Company's financing:

a. Package 8B, package 19, 21 and package 23 are related to Pipeline Construction Contractor (PCC) with physical completion as follows:

- *Package 8B: 100% (unaudited);*
- *Package 19: 100%, Lirik Ukui : 100% (unaudited);*
- *Package 21: 100% (unaudited).*
- *Package 23: 84% (unaudited).*

b. Other packages are related to other services with physical completion as follows:

- *Law consultant II: 100% (unaudited).*
- *PMC CNG : 100% (unaudited).*
- *PMC TGE - PROSYS : 85% (unaudited)*

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42. PERISTIWA SETELAH PERIODE PELAPORAN (lanjutan)

Perusahaan (lanjutan)

b. Proyek Distribusi Jawa Barat (PDJB) (lanjutan)

Sampai dengan tanggal 6 Maret 2012, jumlah estimasi biaya PDJB adalah sebesar USD231.597.773 atau setara dengan Rp2.153.859.291.458 (dengan menggunakan asumsi kurs Rp9.300 untuk 1USD) meliputi paket yang dibiayai oleh IBRD sebesar USD71.868.984 atau setara dengan Rp668.381.551.680 dan paket yang dibiayai oleh dana Perusahaan sebesar USD159.728.789 atau setara dengan Rp1.485.477.739.778.

Adapun jumlah realisasi biaya atas PDJB sampai dengan 31 Desember 2011 masing-masing untuk paket yang dibiayai oleh IBRD dan dana Perusahaan adalah sebesar Rp582.873.305.623 dan Rp1.315.721.607.924. Dengan demikian, persentase penyelesaian PDJB masing-masing untuk kedua pembiayaan paket tersebut dibandingkan dengan jumlah estimasi biaya proyek terkait adalah masing-masing sebesar 87% dan 89% (tidak diaudit).

*) Aspek persentase penyelesaian fisik di atas merupakan persentase rata-rata dari pengadaan bahan material proyek dan penyelesaian konstruksi.

Entitas Anak

1. Pada tanggal 7 Februari 2012, Transgasindo dengan PT Perusahaan Listrik Negara (Persero) (PLN) menandatangani Perjanjian Pengangkutan Gas (GTA) - Payo Selincah. Dalam perjanjian ini, Transgasindo setuju untuk menyalurkan gas untuk PLN dari PT Energasindo Heksa Karya (EHK). Kapasitas untuk pengangkutan gas tersebut dengan *Daily Contracted Quantity* (DCQ) sebesar 25.000 mmBTu per hari. Perjanjian ini berlaku sampai dengan tahun 2019.

42. EVENTS AFTER THE REPORTING PERIOD (continued)

The Company (continued)

b. West Java Distribution Project (PDJB) (continued)

Up to March 6, 2012, total estimated cost of PDJB amounting to USD231,597,773 or equivalent to Rp2,153,859,291,458 (with exchange rate assumption of Rp9,300 to USD1) which consists of packages under IBRD's financing amounting to USD71,868,984 or equivalent to Rp668,381,551,680 and the Company's financing amounting to USD159,728,789 or equivalent to Rp1,485,477,739,778.

The realization costs of PDJB as of December 31, 2011 for packages under IBRD's and the Company's financing are Rp582,873,305,623 and Rp1,315,721,607,924, respectively. Therefore, the percentage of completion PDJB both for those packages compared to total estimated project costs are 87% and 89% (unaudited), respectively.

**) The above percentages of physical completion represent average percentage from procurement of project raw materials and construction completion.*

Subsidiary

1. On February 7, 2012, Transgasindo with PT Perusahaan Listrik Negara (Persero) (PLN) entered into Gas Transportation Agreement (GTA) - Payo Selincah. In this agreement, Transgasindo agreed to transport gas to PLN from PT Energasindo Heksa Karya (EHK). The capacity of gas transportation with Daily Contracted Quantity (DCQ) totaling to 25,000 mmBTu per day. This agreement is valid until 2019.

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42. PERISTIWA SETELAH PERIODE PELAPORAN (lanjutan)

Entitas Anak (lanjutan)

2. Pada tanggal 8 Februari 2012, Transgasindo dengan PT Perusahaan Listrik Negara (Persero) (PLN) menandatangani Perjanjian Pengangkutan Gas (GTA) - Rengat. Dalam perjanjian ini, Transgasindo setuju untuk menyalurkan gas untuk PLN dari EHK. Kapasitas untuk pengangkutan gas tersebut dengan *Daily Contracted Quantity* (DCQ) sebesar 3.200 mmBTu per hari. Perjanjian ini berlaku sampai dengan 2019.

42. EVENTS AFTER THE REPORTING PERIOD (continued)

Subsidiary (continued)

2. On February 8, 2012, Transgasindo with PT Perusahaan Listrik Negara (Persero) (PLN) entered into Gas Transportation Agreement (GTA) - Rengat. In this agreement, Transgasindo agreed to transport gas to PLN from EHK. The capacity of gas transportation with Daily Contracted Quantity (DCQ) amounting to 3,200 mmBTu per day. This agreement is valid until 2019.

43. REKLASIFIKASI AKUN

Akun-akun tertentu dalam laporan keuangan konsolidasian tahun 2010 dan laporan posisi keuangan tanggal 1 Januari 2010/31 Desember 2009 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan konsolidasian tahun 2011, sebagai berikut:

43. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the 2010 consolidated financial statements and statement of financial position as of January 1, 2010/ December 31, 2009, have been reclassified to conform with the presentation of accounts in the 2011 consolidated financial statements, as follows:

Dilaporkan sebelumnya/ *As previously reported*	**Diklasifikasikan Kembali/ *As reclassified***	**Total/ *Amount***	**Alasan/ *Reason***
31 Desember 2010/ *December 31, 2010*			
Hak minoritas atas aset neto entitas anak/ *Minority interest in net assets of subsidiaries*	Ekuitas - kepentingan nonpengendali/ *Equity - non-controlling interests*	1.232.381.430.192	Reklasifikasi untuk menyesuaikan dengan persyaratan penyajian dalam PSAK 4 (Revisi 2009)/*Reclassification to conform with the presentation requirement of PSAK 4 (Revised 2009)*
1 Januari 2010/31 Desember 2009/ *January 1, 2010/December 31, 2009*			
Hak minoritas atas aset neto entitas anak/ *Minority interest in net assets of subsidiaries*	Ekuitas - kepentingan nonpengendali/ *Equity - non-controlling interests*	1.045.733.018.130	Reklasifikasi untuk menyesuaikan dengan persyaratan penyajian dalam PSAK 4 (Revisi 2009)/*Reclassification to conform with the presentation requirement of PSAK 4 (Revised 2009)*

The original supplementary information included herein are in the Indonesian language.

Informasi berikut adalah laporan keuangan tersendiri PT Perusahaan Gas Negara (Persero) Tbk, entitas induk, yang merupakan informasi tambahan dalam laporan keuangan konsolidasian PT Perusahaan Gas Negara (Persero) Tbk dan Entitas Anak tanggal-tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/ 31 Desember 2009 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010.

The following information is the separate financial statements of PT Perusahaan Gas Negara (Persero) Tbk, a parent entity, which is presented as supplementary information to the consolidated financial statements of PT Perusahaan Gas Negara (Persero) Tbk and Subsidiaries as of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 and the years ended December 31, 2011 and 2010.

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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
PARENT ENTITY STATEMENTS OF FINANCIAL POSITION
December 31, 2011 and 2010 and January 1, 2010/December 31, 2009
(Expressed in Rupiah, Unless Otherwise Stated)

	31 Dec. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010* (Disajikan kembali- Catatan 1/ *As Restated- Note 1)*	1 Jan. 2010/ 31 Dec. 2009 *Jan. 1, 2010 Dec. 31, 2009* *) (Disajikan Kembali- Catatan 1/ *As Restated- Note 1)*	
ASET				***ASSETS***
ASET LANCAR				***CURRENT ASSETS***
Kas dan setara kas	9.560.078.517.102	10.184.864.446.273	6.055.246.439.731	*Cash and cash equivalents*
Kas yang dibatasi penggunaannya	23.271.950.457	3.209.827.138	3.163.251.095	*Restricted cash*
Investasi jangka pendek	247.339.377.520	-	-	*Short-term investment*
Piutang usaha - setelah dikurangi cadangan kerugian penurunan nilai sebesar Rp88.809.407.058 pada tanggal 31 Desember 2011, sebesar Rp98.602.984.407 pada tanggal 31 Desember 2010 dan Rp30.551.944.176 pada tanggal 1 Januari 2010/31 Desember 2009	1.738.170.536.980	1.678.808.068.584	1.430.064.861.127	*Trade receivables - net of allowance for impairment losses of Rp88,809,407,058 as of December 31, 2011, Rp98,602,984,407 as of December 31, 2010 and Rp30,551,944,176 as of January 1, 2010/December 31, 2009*
Piutang lain-lain - neto	51.853.212.123	45.445.190.511	59.175.626.613	*Other receivables-net*
Piutang dari Entitas Anak	67.483.538.884	69.397.511.623	259.934.509.314	*Receivable from Subsidiaries*
Persediaan - neto	11.615.456.547	13.827.625.713	13.891.460.310	*Inventories - net*
Uang muka jatuh tempo dalam waktu satu tahun	915.303.351.389	754.759.235.208	785.508.063.517	*Current maturities of advances*
Beban dibayar di muka	33.775.113.167	39.750.668.984	27.820.952.166	*Prepaid expenses*
Total Aset Lancar	**12.648.891.054.169**	**12.790.062.574.034**	**8.634.805.163.873**	***Total Current Assets***
ASET TIDAK LANCAR				***NON-CURRENT ASSETS***
Uang Muka - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	714.604.936.976	1.072.972.264.689	1.328.541.947.368	*Advances - net of current maturities*
Aset pajak tangguhan - neto	185.243.955.052	140.517.766.455	111.745.334.897	*Deferred tax assets - net*
Penyertaan saham	1.347.293.719.980	1.057.003.719.980	857.003.719.980	*Investment in shares of stock*
Piutang *promissory notes*	872.236.554.474	1.111.446.507.114	1.419.841.163.056	*Promissory notes receivables*
Piutang dari Anak Perusahaan	-	-	949.818.840.312	*Receivables from Subsidiaries*
Aset tetap - setelah dikurangi akumulasi penyusutan Rp5.984.001.849.902 pada tanggal 31 Desember 2011, Rp4.854.515.822.268 pada tanggal 31 Desember 2010, dan Rp3.612.986.539.356 pada tanggal 1 Januari 2010/31 Desember 2009	11.673.767.105.994	12.213.799.852.631	12.580.537.962.143	*Fixed assets - net of accumulated depreciation of Rp5,984,001,849,902 as of December 31, 2011, Rp4,854,515,822,268 as of December 31, 2010 and Rp3,612,986,539,356 as of January 1, 2010/December 31, 2009*
Taksiran tagihan pajak	87.806.440.601	-	621.639.128.978	*Estimated claims for tax refund*
Beban ditangguhkan - neto	8.451.344.789	7.369.896.980	4.816.254.298	*Deferred charges - net*
Lain-lain	38.125.306.299	22.997.257.790	7.804.561.293	*Others*
Total Aset Tidak Lancar	**14.927.529.364.165**	**15.626.107.265.639**	**17.881.748.912.325**	***Total Non-Current Assets***
TOTAL ASET	**27.576.420.418.334**	**28.416.169.839.673**	**26.516.554.076.198**	***TOTAL ASSETS***

*) Setelah penyesuaian transisi sehubungan dengan penerapan awal PSAK No. 50 (Revisi 2006) dan PSAK No. 55 (Revisi 2006)

**) After transition adjustment on the initial implementation of PSAK No. 50 (Revised 2006) and PSAK No. 55 (Revised 2006)*

The original supplementary information included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
LAPORAN POSISI KEUANGAN
ENTITAS INDUK (lanjutan)
31 Desember 2011 dan 2010
dan 1 Januari 2010/31 Desember 2009
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
PARENT ENTITY STATEMENTS OF
FINANCIAL POSITION (continued)
December 31, 2011 and 2010
and January 1, 2010/December 31, 2009
(Expressed in Rupiah, Unless Otherwise Stated)

	31 Dec. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010* (Disajikan kembali- Catatan 1/ *As Restated- Note 1)*	1 Jan. 2010/ 31 Dec. 2009 *Jan. 1, 2010 Dec. 31, 2009* *) (Disajikan Kembali - Catatan 1/ *As Restated - Note 1)*	
LIABILITAS DAN EKUITAS				***LIABILITIES AND EQUITY***
LIABILITAS JANGKA PENDEK				***CURRENT LIABILITIES***
Utang usaha	554.504.673.797	643.990.887.988	828.310.747.572	*Trade payables*
Liabilitas yang masih harus dibayar	544.319.180.957	560.655.336.314	732.211.526.775	*Accrued liabilities*
Utang lain-lain	112.468.521.481	159.748.813.922	148.941.372.817	*Other payables*
Utang pajak	167.323.482.806	304.109.382.798	647.736.094.129	*Taxes payable*
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	413.732.327.505	1.571.978.116.647	769.589.546.731	*Current maturities of long-term loans*
Utang kepada entitas anak	24.106.978.513	30.215.584.669	29.364.709.538	*Payable to subsidiaries*
Total Liabilitas Jangka Pendek	**1.816.455.165.059**	**3.270.698.122.338**	**3.156.153.997.562**	***Total Current Liabilities***
LIABILITAS JANGKA PANJANG				***NON-CURRENT LIABILITIES***
Utang derivatif	1.616.967.611.921	1.695.882.571.498	1.174.924.527.400	*Derivative payables*
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	7.718.730.342.382	8.996.126.967.873	9.971.716.709.888	*Long-term loans - net of current maturities*
Liabilitas diestimasi atas imbalan kerja	585.373.602.408	410.546.941.621	276.740.240.662	*Estimated liabilities for employees' benefits*
Pendapatan diterima di muka	32.695.573.145	34.178.508.908	37.402.594.000	*Unearned income*
Total Liabilitas Jangka Panjang	**9.953.767.129.856**	**11.136.734.989.900**	**11.460.784.071.950**	***Total Non-Current Liabilities***
TOTAL LIABILITAS	**11.770.222.294.915**	**14.407.433.112.238**	**14.616.938.069.512**	***TOTAL LIABILITIES***
EKUITAS				***SHAREHOLDERS' EQUITY***
Modal saham - nilai nominal Rp100 per saham				*Share capital Par value Rp100 per share*
Modal dasar - 70.000.000.000 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 69.999.999.999 Saham seri B				*Authorized - 70,000,000,000 shares share which consist of 1 Series A Dwiwarna share and 69,999,999,999 Series B share*
Modal ditempatkan dan disetor penuh - 24.241.508.196 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 24.241.508.195 saham Seri B	2.424.150.819.600	2.424.150.819.600	2.424.150.819.600	*Issued and fully paid - 24,241,508,196 shares which consist of 1 Series A Dwiwarna share and 24,241,508,195 Series B shares*
Modal saham diperoleh kembali	(2.501.246.250)	(2.501.246.250)	(2.501.246.250)	*Treasury stock*
Modal disetor lainnya	1.709.790.833.464	1.709.790.833.464	1.709.790.833.464	*Other paid-in capital*
Saldo laba				*Retained earnings*
Dicadangkan	7.009.383.145.502	4.763.213.088.130	2.427.650.973.042	*Appropriated*
Tidak dicadangkan	3.767.759.176.200	4.226.618.707.838	4.453.060.102.177	*Unappropriated*
Komponen ekuitas lainnya	897.615.394.903	887.464.524.653	887.464.524.653	*Other components of equity*
TOTAL EKUITAS	**15.806.198.123.419**	**14.008.736.727.435**	**11.899.616.006.686**	***TOTAL EQUITY***
TOTAL LIABILITAS DAN EKUITAS	**27.576.420.418.334**	**28.416.169.839.673**	**26.516.554.076.198**	***TOTAL LIABILITIES AND EQUITY***

*) Setelah penyesuaian transisi sehubungan dengan penerapan awal PSAK No. 50 (Revisi 2006) dan PSAK No. 55 (Revisi 2006)

*) *After transition adjustment on the initial implementation of PSAK No. 50 (Revised 2006) and PSAK No. 55 (Revised 2006)*

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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
LAPORAN LABA RUGI KOMPREHENSIF ENTITAS INDUK
Tahun yang Berakhir pada Tanggal-Tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
PARENT ENTITY STATEMENTS OF COMPREHENSIVE INCOME
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
PENDAPATAN NETO	17.991.412.897.709	18.085.677.350.971	***NET REVENUES***
BEBAN POKOK PENDAPATAN	(7.941.814.189.116)	(7.366.639.860.034)	***COST OF REVENUES***
LABA BRUTO	**10.049.598.708.593**	**10.719.037.490.937**	***GROSS PROFIT***
BEBAN USAHA			***OPERATING EXPENSES***
Distribusi dan transportasi	(1.799.949.623.606)	(1.706.637.265.922)	*Distribution and transmission*
Umum dan administrasi	(1.240.305.930.773)	(1.004.207.557.988)	*General and administrative*
Total Beban Usaha	**(3.040.255.554.379)**	**(2.710.844.823.910)**	*Total Operating Expenses*
LABA OPERASI	**7.009.343.154.214**	**8.008.192.667.027**	***OPERATING PROFIT***
Pendapatan keuangan	355.453.947.900	442.704.315.735	*Finance income*
Pendapatan dividen	129.087.216.796	-	*Dividend income*
Rugi kurs - neto	(241.960.885.868)	(279.973.315.424)	*Loss on foreign exchange - net*
Beban keuangan	(187.579.399.896)	(261.126.730.177)	*Finance cost*
Rugi perubahan nilai wajar derivatif - neto	(2.100.455.818)	(561.586.461.826)	*Loss on change in fair value of derivative - net*
Pendapatan lain-lain	153.550.998.913	94.763.505.700	*Other income*
Beban lain-lain	(50.903.424.797)	(14.885.956.213)	*Other expenses*
LABA SEBELUM MANFAAT (BEBAN) PAJAK	**7.164.891.151.444**	**7.428.088.024.822**	***PROFIT BEFORE TAX BENEFIT (EXPENSE)***
MANFAAT (BEBAN) PAJAK			***TAX BENEFIT (EXPENSE)***
Kini	(1.429.115.601.200)	(1.454.258.354.400)	*Current*
Tangguhan	44.726.188.597	28.772.431.558	*Deferred*
Beban Pajak - Neto	**(1.384.389.412.603)**	**(1.425.485.922.842)**	***Tax expense, net***
LABA TAHUN BERJALAN	**5.780.501.738.841**	**6.002.602.101.980**	***PROFIT FOR THE YEAR***
PENDAPATAN KOMPREHENSIF LAIN TAHUN BERJALAN			***OTHER COMPREHENSIVE INCOME FOR THE YEAR***
Aset keuangan tersedia untuk dijual	10.150.870.520	-	*Available-for-sale financial assets*
TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK	**10.150.870.520**	**-**	***TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX***
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN	**5.790.652.610.256**	**6.002.602.101.980**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***

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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
LAPORAN PERUBAHAN EKUITAS ENTITAS INDUK
Tahun yang Berakhir pada Tanggal-Tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
PARENT ENTITY STATEMENTS OF CHANGES IN EQUITY
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

				Saldo Laba/*Retained Earning*		Komponen Ekuitas Lainnya/*Other Components of Equity*						
	Modal Saham Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital Stock*	Modal Saham Diperoleh Kembali/ *Treasury Stock*	Modal Disetor Lainnya/ *Other Paid in Capital*	Dicadangkan/ *Appropriated*	Tidak Dicadangkan/ *Unappropriated*	Selisih Transaksi Restrukturisasi Entitas Sepengendali/ *Difference Arising from Restructuring Transaction among Entities under Common Control*	Selisih Kurs karena Penjabaran Laporan Keuangan Entitas Anak/ *Difference in Foreign Currency Transaction of the Financial Statements of a Subsidiary*	Aset Keuangan yang Tersedia untuk Dijual/ *Available for-sale Financial Assets*	Selisih Transaksi Perubahan Ekuitas Anak Perusahaan/ *Difference Arising from Transactions Resulting in Changes in the Equity of a Subsidiary*	*Total Komponen Ekuitas Lainnya/ Total Other Components of Equity*	Jumlah Ekuitas/ *Total Equity*	
Saldo pada tanggal 1 Januari 2010/31 Desember 2009 (Dilaporkan sebelumnya)	2.424.150.819.600	(2.501.246.250)	1.709.790.833.464	2.427.650.973.042	5.595.183.813.218	(314.889.945.926)	(30.877.300.140)	-	(76.427.556.755)	(422.194.802.821)	11.732.080.390.253	*Balance as of January 1, 2010/December 31, 2009 (As previously reported)*
Penyesuaian bersih yang timbul dari penerapan Pernyataan Standar Akuntansi Keuangan ("PSAK") No. 55 (Revisi 2006), "Instrumen Keuangan: Pengakuan dan Pengukuran"	-	-	-	-	(51.387.767.052)	-	-	-	-	-	(51.387.767.052)	*Net adjustment arising from adoption of Statement of Financial Accounting Standard ("PSAK") No. 55 (Revised 2006), "Financial Instruments: Recognition and Measurement"*
Penyesuaian penyertaan saham pada Entitas Anak dan Entitas Asosiasi sehubungan dengan penerapan PSAK No. 4 (Revisi 2009)	-	-	-	-	(1.090.735.943.989)	1.202.354.470.579	30.877.300.140	-	76.427.556.755	1.309.659.327.474	218.923.383.485	*Adjustments to investments in shares of stock of Subsidiaries and Associates in relation to adoption of PSAK No. 4 (Revised 2009)*
Saldo pada tanggal 1 Januari 2010/31 Desember 2009 (Disajikan kembali)	**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**2.427.650.973.042**	**4.453.060.102.177**	**887.464.524.653**	**-**	**-**	**-**	**887.464.524.653**	**11.899.616.006.686**	***Balance as of January 1, 2010/December 31, 2009 (As restated)***
Laba tahun berjalan	-	-	-	-	6.239.361.270.479	-	-	-	-	-	6.239.361.270.479	*Profit for the year*
Pendapatan komprehensif lain tahun berjalan	-	-	-	-	-	-	-	-	-	-	-	*Other comprehensive income for the year*
Total pendapatan komprehensif tahun berjalan	-	-	-	-	6.239.361.270.479	-	-	-	-	-	6.239.361.270.479	*Total comprehensive income for the year*
Penyesuaian penyertaan saham pada Entitas Anak dan Entitas Asosiasi sehubungan dengan penerapan PSAK No. 4 (Revisi 2009)	-	-	-	-	(236.759.168.499)	-	-	-	-	-	(236.759.168.499)	*Adjustments to investments in shares of stock of Subsidiaries and Associates in relation to adoption of PSAK No. 4 (Revised 2009)*
Disajikan kembali	-	-	-	-	6.002.602.101.980	-	-	-	-	-	6.002.602.101.980	*As restated*
Pembayaran dividen	-	-	-	-	(3.737.755.293.823)	-	-	-	-	-	(3.737.755.293.823)	*Payment of dividends*
Dana untuk program kemitraan	-	-	-	-	(62.290.434.963)	-	-	-	-	-	(62.290.434.963)	*Funds for partnership program*
Dana untuk program bina lingkungan	-	-	-	-	(93.435.652.445)	-	-	-	-	-	(93.435.652.445)	*Funds for community development*
Pencadangan saldo laba untuk cadangan tujuan	-	-	-	2.310.108.340.381	(2.310.108.340.381)	-	-	-	-	-	-	*Appropriation for specific reserve*
Pencadangan saldo laba untuk cadangan wajib	-	-	-	25.453.774.707	(25.453.774.707)	-	-	-	-	-	-	*Appropriation for mandatory reserve*
Saldo pada tanggal 31 Desember 2010 (Disajikan kembali)	**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**4.763.213.088.130**	**4.226.618.707.838**	**887.464.524.653**	**-**	**-**	**-**	**887.464.524.653**	**14.008.736.727.435**	***Balance as of December 31, 2010 (As restated)***
Laba tahun berjalan	-	-	-	-	5.780.501.738.841	-	-	-	-	-	5.780.501.738.841	*Profit for the year*
Pendapatan komprehensif lain tahun berjalan	-	-	-	-	-	-	-	10.150.870.520	-	10.150.870.250	10.150.870.250	*Other comprehensive income for the year*
Total pendapatan komprehensif tahun berjalan	-	-	-	-	5.780.501.738.841	-	-	10.150.870.520	-	10.150.870.250	5.790.652.609.091	*Total comprehensive income for the year*
Pembayaran dividen	-	-	-	-	(3.743.616.762.287)	-	-	-	-	-	(3.743.616.762.287)	*Payment of dividends*
Dana untuk program kemitraan	-	-	-	-	(124.787.225.410)	-	-	-	-	-	(124.787.225.410)	*Funds for partnership program*
Dana untuk program bina lingkungan	-	-	-	-	(124.787.225.410)	-	-	-	-	-	(124.787.225.410)	*Funds for community development*
Pencadangan saldo laba untuk cadangan tujuan	-	-	-	2.246.170.057.372	(2.246.170.057.372)	-	-	-	-	-	-	*Appropriation for specific reserve*
Pembayaran dividen dari Entitas Anak	-	-	-	-	-	-	-	-	-	-	-	*Payment of dividends by a Subsidiary*
Saldo 31 Desember 2011	**2.424.150.819.600**	**(2.501.246.250)**	**1.709.790.833.464**	**7.009.383.145.502**	**3.767.759.176.200**	**887.464.524.653**	**-**	**10.150.870.520**	**-**	**897.615.394.903**	**15.806.198.123.419**	***Balance as of December 31, 2011***

The original supplementary information included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
LAPORAN ARUS KAS ENTITAS INDUK
Tahun yang Berakhir pada Tanggal-Tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
PARENT ENTITY STATEMENTS OF CASH FLOWS
Years Ended
December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

	31 Des. 2011/ *Dec. 31, 2011*	31 Des. 2010/ *Dec. 31, 2010*	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan dari pelanggan	17.714.548.585.219	17.850.839.082.898	*Receipts from customers*
Penerimaan dari penghasilan bunga	368.337.565.952	292.763.275.120	*Receipts from interest income*
Penerimaan dari Entitas Anak	63.781.138.746	259.462.786.974	*Receipts from Subsidiaries*
Pembayaran kepada pemasok	(7.712.824.282.102)	(7.195.282.481.830)	*Payments to suppliers*
Pembayaran pajak penghasilan setelah dikurangi penerimaan dari tagihan pajak	(1.808.349.428.030)	(1.300.275.227.273)	*Payments for income taxes net-of receipts from claims for tax refund*
Pembayaran untuk beban operasi dan aktivitas operasi lainnya	(557.048.194.768)	(749.386.288.654)	*Payments for operating expenses and other operating activities*
Pembayaran kepada manajemen dan karyawan	(411.005.758.571)	(427.409.809.562)	*Payments to management and employees*
Pembayaran bunga	(195.413.497.196)	(279.134.309.202)	*Payments for interest*
Kas neto yang diperoleh dari aktivitas operasi	**7.462.026.129.250**	**8.451.577.028.471**	***Net cash provided by operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITIES***
Penambahan aset tetap	(511.641.493.086)	(440.461.962.434)	*Additions to fixed assets*
Penambahan investasi jangka pendek	(303.296.256.250)	-	*Additions to short-term investment*
Penambahan penyertaan saham	(220.000.000.000)	(200.000.000.000)	*Increase in investment in shares of stock*
Pengurangan kas yang dibatasi penggunaannya	(20.066.582.320)	46.576.042	*Addition to (deduction from) restricted cash*
Penambahan biaya ditangguhkan	(8.114.560)	(2.423.426.347)	*Increase in deferred charges*
Penerimaan *Promissory Notes* dan piutang dari entitas anak	78.055.677.809	1.104.364.036.922	*Receipt from Promissory Notes and receivables from subsidiaries*
Kas neto yang diperoleh dari (digunakan untuk) aktivitas investasi	**(976.956.768.407)**	**461.525.224.183**	***Net cashprovided by (used in) investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Hasil pinjaman utang	1.938.317.540	-	*Proceeds from loan borrowings*
Pembayaran dividen	(3.374.261.414.664)	(3.495.358.711.863)	*Payments of dividends*
Pembayaran pinjaman	(3.129.088.627.419)	(741.028.801.346)	*Payments of loans*
Pembayaran dividen interim	(263.485.084.590)	(247.244.488.099)	*Payments of interim dividends*
Pembayaran untuk program kemitraan dan bina lingkungan	(249.574.450.820)	(155.726.087.408)	*Payments for partnership and community development program*
Penerimaan (pembayaran) dari derivatif	(102.788.262.253)	9.132.619.134	*Receipts (payments) of derivative*
Kas neto yang digunakan untuk aktivitas pendanaan	**(7.117.259.522.206)**	**(4.630.225.469.582)**	***Net cash used in financing activities***
Pengaruh perubahan kurs neto dari kas dan setara kas	7.404.232.192	(153.258.776.530)	*Net effects foreign exchange differences from cash and cash equivalents*
KENAIKAN (PENURUNAN) NETO KAS DAN SETARA KAS	**(624.785.929.171)**	**4.129.618.006.542**	***NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL TAHUN	**10.184.864.446.273**	**6.055.246.439.731**	***CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR***
KAS DAN SETARA KAS AKHIR TAHUN	**9.560.078.517.102**	**10.184.864.446.273**	***CASH AND CASH EQUIVALENTS AT END OF YEAR***

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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
CATATAN ATAS LAPORAN KEUANGAN TERSENDIRI
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(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)

1. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING

Dasar penyusunan laporan keuangan tersendiri entitas induk

Laporan keuangan tersendiri entitas induk disusun sesuai dengan Pernyataan Standar Akuntansi Keuangan (“PSAK”) No. 4 (Revisi 2009), “Laporan Keuangan Konsolidasian dan Laporan Keuangan Tersendiri” yang diterapkan secara retrospektif sejak tanggal 1 Januari 2011.

PSAK No. 4 (Revisi 2009) mengatur dalam hal entitas memilih untuk menyajikan laporan keuangan tersendiri maka laporan tersebut hanya dapat disajikan sebagai informasi tambahan dalam laporan keuangan konsolidasian. Laporan keuangan tersendiri adalah laporan keuangan yang disajikan oleh entitas induk yang mencatat investasi pada entitas anak, entitas asosiasi, dan pengendalian bersama entitas berdasarkan kepemilikan ekuitas langsung bukan berdasarkan pelaporan hasil dan aset neto *investee*.

Kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan tersendiri entitas induk adalah sama dengan kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian sebagaimana diungkapkan dalam Catatan 2 atas laporan keuangan konsolidasian, kecuali untuk penyertaan pada entitas anak dan entitas asosiasi.

Sesuai dengan PSAK No. 4 (Revisi 2009), Perusahaan mengubah pencatatan penyertaan pada entitas anak dan entitas asosiasi dari sebelumnya dicatat dengan menggunakan metode ekuitas menjadi metode biaya. Perubahan ini diterapkan secara retrospektif sejak 1 Januari 2010. Sehubungan dengan perubahan tersebut, Perusahaan menyajikan kembali laporan keuangan tersendiri entitas induk yang dilaporkan sebelumnya dan mengungkapkan tambahan laporan posisi keuangan tersendiri entitas induk periode awal komparatif yaitu 1 Januari 2010/ 31 Desember 2009 sebagaimana dipersyaratkan oleh PSAK No. 1 (Revisi 2009).

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
SEPARATE NOTES TO THE PARENT ENTITY FINANCIAL STATEMENTS
As of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 and Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the separate financial statements the parent entity

The separate financial statements of the parent entity are prepared in accordance with the Statement of Financial Accounting Standards (“PSAK”) No. 4 (Revised 2009), “Consolidated and Separate Financial Statements” which was adopted retrospectively since January 1, 2011.

PSAK No. 4 (Revised 2009) regulates that when an entity elected to present the separate financial statements, such financial statements should be presented as supplementary information to the consolidated financial statements. Separate financial statements are those presented by a parent, in which the investments are accounted for on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees.

Accounting policies adopted in the preparation of the parent entity separate financial statements are the same as the accounting policies adopted in the preparation of the consolidated financial statements as disclosed in Note 2 to the consolidated financial statements, except for investments in subsidiaries and associates.

In accordance with PSAK No. 4 (Revised 2009), the Company changed the accounting for investments in subsidiaries and associates from previously using equity method to cost method. Such change was applied retrospectively since January 1, 2010. In relation to such change, the Company restated its previously reported parent entity separate financial statements and presented the parent entity separate statement of financial position at the beginning of the earliest comparative period, which is January 1, 2010/December 31, 2009 in accordance with the requirement of PSAK No. 1 (Revised 2009).

The original supplementary information included herein are in the Indonesian language.

PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
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PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
SEPARATE NOTES TO THE PARENT ENTITY FINANCIAL STATEMENTS
As of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009 and Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)

1. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (lanjutan)

Dasar penyusunan laporan keuangan tersendiri entitas induk (lanjutan)

Tabel berikut menyajikan dampak perubahan metode tersebut:

Untuk tahun yang berakhir pada tanggal 31 Desember 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation of the separate financial statements the parent entity (continued)

The following table shows the impact on the changes in the method:

For the year ended December 31, 2010

	Dilaporkan Sebelumnya/ *As Previously Reported*	Disajikan Kembali/ *As Restated*	
ASET			***ASSETS***
Penyertaan saham, neto	2.128.842.163.885	1.057.003.719.980	*Investments in shares of stock, net*
Total Aset	28.276.006.129.002	28.416.169.839.673	*Total Assets*
EKUITAS			***EQUITY***
Saldo laba, awal tahun			*Retained earnings, beginning of year*
Tidak dicadangkan	5.595.183.813.218	4.453.060.102.177	*Unappropriated*
Saldo laba, akhir tahun			*Retained earnings, end of year*
Tidak dicadangkan	5.554.113.820.326	4.226.618.707.838	*Unappropriated*
Total Ekuitas	13.868.573.016.764	14.008.736.727.435	*Total Equity*
LABA RUGI			***PROFIT AND LOSS***
Pendapatan (Beban) Lain-lain - Neto	(682.399.570.887)	919.158.739.386	*Other Income (Expenses) - Net*
Laba tahun berjalan	6.239.361.270.479	6.002.602.101.980	*Profit for the year*

Untuk tahun yang berakhir pada tanggal 1 Januari 2010/31 Desember 2009

For the year ended January 1, 2010/December 31, 2009

	Dilaporkan Sebelumnya/ *As Previously Reported*	Disajikan Kembali/ *As Restated*	
ASET			***ASSETS***
Penyertaan saham, neto	1.645.652.919.698	857.003.719.980	*Investments in shares of stock, net*
Total Aset	26.297.630.692.713	26.516.554.076.198	*Total Assets*
EKUITAS			***EQUITY***
Saldo laba, awal tahun			*Retained earnings, beginning of year*
Tidak dicadangkan	117.091.796.612	(129.417.515.159)	*Unappropriated*
Saldo laba, akhir tahun			*Retained earnings, end of year*
Tidak dicadangkan	5.595.183.813.218	4.453.060.102.177	*Unappropriated*
Total Ekuitas	11.732.080.390.253	11.899.616.006.686	*Total Equity*
LABA RUGI			***PROFIT AND LOSS***
Pendapatan (Beban) Lain-lain - Neto	992.080.010.089	679.988.170.227	*Other Income (Expenses) - Net*
Laba tahun berjalan	6.229.043.496.319	5.916.950.656.457	*Profit for the year*

Penyertaan saham pada entitas anak dan entitas asosiasi dicatat pada biaya perolehan. Entitas induk mengakui dividen dari entitas anak dan entitas asosiasi pada laporan laba rugi dalam laporan keuangan tersendiri ketika hak menerima dividen ditetapkan.

Invesments in shares of stock of subsidiaries and associates are accounted for at acquisition cost. The parent entity recognizes dividend from subsidiaries and associate in profit or loss in its separate financial statements when its right to receive the dividend is established.

The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
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Pada Tanggal 31 Desember 2011 dan 2010
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dan Tahun yang Berakhir
Pada Tanggal-tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, Kecuali Dinyatakan Lain)**

***PT PERUSAHAAN GAS NEGARA (PERSERO) Tbk
SEPARATE NOTES TO THE PARENT ENTITY FINANCIAL STATEMENTS
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and January 1, 2010/December 31, 2009
and Years Ended
December 31, 2011 and 2010
(Expressed in Rupiah, Unless Otherwise Stated)***

2. PENYERTAAN SAHAM PADA ENTITAS ANAK DAN ENTITAS ASOSIASI

Informasi mengenai entitas asosiasi yang dimiliki Perusahaan diungkapkan dalam Catatan 1.d atas Laporan Keuangan Konsolidasian.

Pada tanggal 31 Desember 2011 dan 2010 dan 1 Januari 2010/31 Desember 2009, entitas induk memiliki penyertaan saham pada entitas anak dan entitas asosiasi berikut:

2. INVESTMENTS IN SHARES OF STOCK OF SUBSIDIARIES AND ASSOCIATES

Information pertaining to associates owned by the Company is disclosed in Note 1.d to the Consolidated Financial Statements.

As of December 31, 2011 and 2010 and January 1, 2010/December 31, 2009, parent entity has the following invesments in shares of stock of subsidiaries and associates:

31 Des. 2011/*Dec. 31, 2011*

Nama Entitas/ *Entity Name*	**Persentase kepemilikan/ *Percentage of ownership***	**Biaya perolehan 1 Jan. 2011/ *Acquisition cost Jan. 1, 2011***	**Penambahan/ *Additions***	**Pengurangan/ *Deduction***	**Biaya Perolehan 31 Des. 2011/ *Carrying value Dec. 31, 2011***
Entitas Anak/*Subsidiaries*					
PT Transportasi Gas Indonesia (Transgasindo)	59,87%	752.058.711.000	-	-	752.058.711.000
PT PGN Euro Finance 2003 (PGNEF)	100,00%	8.980	-	-	8.980
PT PGAS Telekomunikasi Nusantara (PGASKOM)	99,93%	68.950.000.000	-	-	68.950.000.000
PT PGAS Solution (PGASSOL)	99,91%	34.970.000.000	-	-	34.970.000.000
PT Saka Energi Indonesia	99,00%	-	37.620.000.000	-	37.620.000.000
PT Gagas Energi Indonesia	99,00%	-	32.670.000.000	-	32.670.000.000
Entitas Asosiasi/*Associates*					
PT Nusantara Regas	40,00%	200.000.000.000	220.000.000.000	-	420.000.000.000
PT Gas Energi Jambi	40,00%	1.000.000.000	-	-	1.000.000.000
PT Banten Gas Synergi	1,00%	25.000.000	-	-	25.000.000
Total/*Total*		**1.057.003.719.980**	**290.290.000.000**	**-**	**1.347.293.719.980**

31 Desember 2010/*December 31, 2010*

Nama Entitas/ *Entity Name*	**Persentase kepemilikan/ *Percentage of ownership***	**Nilai tercatat 1 Jan. 2010/ *Carrying value Jan. 1, 2010***	**Penambahan/ *Additions***	**Pengurangan/ *Deduction***	**Nilai tercatat 31 Des. 2010/ *Carrying value Dec. 31, 2010***
Entitas Anak/*Subsidiaries*					
PT Transportasi Gas Indonesia (Transgasindo)	59,87%	752.058.711.000	-	-	752.058.711.000
PT PGN Euro Finance 2003 (PGNEF)	100,00%	8.980	-	-	8.980
PT PGAS Telekomunikasi Nusantara (PGASKOM)	99,93%	68.950.000.000	-	-	68.950.000.000
PT PGAS Solution (PGASSOL)	99,91%	34.970.000.000	-	-	34.970.000.000
Entitas Asosiasi/*Associates*					
PT Nusantara Regas	40,00%	-	200.000.000.000	-	200.000.000.000
PT Gas Energi Jambi	40,00%	1.000.000.000	-	-	1.000.000.000
PT Banten Gas Synergi	1,00%	25.000.000	-	-	25.000.000
Total/*Total*		**857.003.719.980**	**200.000.000.000**	**-**	**1.057.003.719.980**

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2. PENYERTAAN SAHAM PADA ENTITAS ANAK DAN ENTITAS ASOSIASI (lanjutan)

2. INVESTMENTS IN SHARES OF STOCK OF SUBSIDIARIES AND ASSOCIATES (continued)

1 Januari 2010/31 Desember 2009/
January 1, 2010/December 31, 2009

Nama Entitas/ ***Entity Name***	**Persentase kepemilikan/** ***Percentage of ownership***	**Nilai tercatat 1 Jan. 2009/** ***Carrying value Jan. 1, 2009***	**Penambahan/** ***Additions***	**Pengurangan/** ***Deduction***	**Nilai tercatat 1 Jan. 2010/** ***Carrying value Jan. 1, 2010***
Entitas Anak/*Subsidiaries*					
PT Transportasi Gas Indonesia (Transgasindo)	59,87%	752.058.711.000	-	-	752.058.711.000
PT PGN Euro Finance 2003 (PGNEF)	100,00%	8.980	-	-	8.980
PT PGAS Telekomunikasi Nusantara (PGASKOM)	99,93%	68.950.000.000	-	-	68.950.000.000
PT PGAS Solution (PGASSOL)	99,91%	34.970.000.000	-	-	34.970.000.000
Entitas Asosiasi/*Associates*					
PT Gas Energi Jambi	40,00%	1.000.000.000	-	-	1.000.000.000
PT Banten Gas Synergi	1,00%	25.000.000	-	-	25.000.000
Total/*Total*		**857.003.719.980**	**-**	**-**	**857.003.719.980**

Additional Financial Information

DISCLOSURE OF ANY TAX DISPUTES

In 2011, PGN did not have any tax dispute either with Directorate of Taxation or with any other parties.

ACCOUNTING POLICY ON FIXED ASSETS

Pursuant to PSAK No.16 (2007 Revision) paragraph 29 "An entity must adopt either the cost model or revaluation model as an accounting policy and to apply such policy to the entire fixed assets within the group." PGN chooses the cost model as its accounting policy for all of its fixed assets.

A fixed asset that qualifies as an asset will initially be recognized as acquisition price. Acquisition price is defined by all cost incurred during the acquisition of such asset to the point it is ready for its intended use, which include :

a. Acquisition cost, which the price paid for an asset which includes all duty and tax that may not be credited after any discounts. The purchase of an asset in currency other than the functional currency will be initially booked based on the functional currency with prevailing exchange rate at the time of purchase

b. All cost attributed directly for transporting of such asset to the location in the form and condition for ready use in accordance to management criteria
c. Initial estimate for transporting and unloading of the fixed asset and restoration of location in which the asset is located inline with its use. The initial estimate for transporting and unloading will be calculated based on the current price estimate that will be disbursed by the company for the unloading and/or restoration at the end of life of such asset.

The cost of procuring a fixed asset will be recognized as an asset only and only when:

1. The Company in the future will benefit economically from the asset; and
2. The cost of procuring an asset can be accurately determined. The value of the procured fixed asset that is wholly owned and can be capitalized as a fixed asset must be, or in excess of Rp.10,000,000 (ten million Rupiah) per unit.

METHODS AND ASSUMPTION IN DISCLOSING FAIR VALUES OF A FIXED ASSET

For measurement following the initial recognition, PGN uses cost model for all its fixed assets. By applying this model, fixed assets are stated at cost less accumulated depreciation and impairment losses.

At the initial recognition as fixed asset, the amount that can be depreciated is the acquisition cost less the estimated remaining useful lives of the asset.

In the event of any expense incurred in the useful lives of the assets recognized as asset, such expense will be imposed to the amount being depreciated and will effect to the total depreciation cost at the time when the expense is incurred and the following period.s

Depreciation of asset begin when the asset is ready to be used for its intended purposes, i.e when the asset is at its required location or condition so that it is ready to be used in accordance to management's intention.

A fixed asset is depreciated in line with its defined useful life. The useful life of a fixed asset is reviewed at least at each financial period end.

A fixed asset is depreciated using depreciation method that reflect the pattern of use of the asset's benefit.

Depreciation method selected is used consistently unless there is a condition which required a change in the use of the asset's benefit. PGN uses two depreciation method :

a. Straight-line method, a method of allocating expenses that incurred constantly every year over the useful life of the asset
b. Double-declining method, a method of allocating expenses by using a ixed percentage of the book value of the asset at the beginning of year

Fixed asset may experience impairment loss which affected by an over-capacity usage, technical obsolescence, unused in operational activities or for some other reason.

An impairment of a fixed asset is evaluated through the following stages:

1. Identifying indication of impairment on any asset or unit which generate cash
2. Evaluating whether the indicated asset is impaired
3. If any such indication exists, the asset will undergo an impairment testing
4. If the carrying amount of the asset exceeds its recoverable amount, impairment losses is recognized by the Company
5. At the end of reporting period, PGN will evaluate any indication of impairment loss or if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized or if the carrying amount of the asset has increased to its recoverable amount.

PGN Head Office
Jakarta

Corporate Information

Corporate Information

transforming to become a world class energy company

2003

Initial Public Offering

Jakarta Stock Exchange

Surabaya Stock Exchange

2007

Gas-In Pagardewa & Grissik

SSWJ transmission pipeline project

2011

establishment of SiNERGI and GoENERGI

expanding business to upstream and downstream sectors

BRIEF HISTORY

PT Perusahaan Gas Negara (Persero) Tbk, more usually referred to as PGN, or by its stock code at the Indonesia Stock Exchange of 'PGAS', is a state-owned company that has been leading the way in Indonesia's gas industry since 1859, when it went by the name of Firma L.I. Enthoven & Co.

On 13 May 1965, pursuant to Government Regulation No.19/1965, the Company was designated a state company and known as Perusahaan Gas Negara (PGN). The subsequent issuance of Government Regulation No. 2 year 1984 changed the Company's legal status from State Company (PN) to Public Corporation ("Perum").

The Company's status later changed again, from Perum to that of Limited Liability Company owned by the State, following the issuance of Government Regulation No. 3 year 1994 and the Company's Deed of Establishment No. 48 dated 30 May 1996, drawn up before notary public Adam Kasdarmaji, S.H. The Company's change of status was accompanied by a broadening of the scope of its business to incorporate not just natural gas distribution but transmission as well, for which PGN functioned as a transporter.

To guide the development of the transmission business, PGN has formulated a blueprint for the development of an Indonesian Integrated Natural Gas Transmission Pipeline Network. In 1998 PGN successfully completed the Grissik – Duri Transmission Pipeline, which was followed by the establishment of a subsidiary for the transmission business, PT. Transportasi Gas Indonesia. PGN's successful development of the Grissik-Duri transmission pipeline opened the way for the development of the Grissik – Batam – Singapore transmission pipeline, which officially commenced operations in a ceremony attended by the President of Indonesia and the Prime Minister of Singapore on 4 August 2003. This route is the first international transmission pipeline network Indonesia, and also marks the first step towards the development of an interconnected Trans ASEAN Gas Pipeline network.

In line with its change of status to a public company, the Company's Articles of Association were amended on 4 November 2003. In 2003, the Company, through its subsidiary PGN Euro Finance 2003 Limited (PGNEF), listed USD 150 million of Guaranteed Notes, scheduled to mature in 2013, with Singapore Exchange Securities Trading Limited. In 2004, the Company, again through PGNEF, listed USD 125 million of Guaranteed Notes due in 2014.

On 5 December 2003, the Company received a declaration of effectiveness from the Capital Market Supervisory Agency to make its initial public offering of 1,296,296,000 shares, consisting of 475,309,000 shares from the divestment of the shares of the Government of the Republic of Indonesia, the Company's shareholder, and 820,987,000 new shares. As of that time, the Company has been officially known as PT Perusahaan Gas Negara (Persero) Tbk. The Company's shares were listed on the Jakarta Stock Exchange and the Surabaya Stock Exchange on 15 December 2003, with the stock code PGAS. By becoming a public company and by implementing the values of its corporate culture, SMILE (Satisfaction, Morale, Integrity, Leadership, Entrepreneurship), PGN was able to achieve its vision of becoming a "leading public company as an energy provider in the natural gas business".

In line with its current vision, the Company has continued to spread its wings by developing the South Sumatra-West Java Transmission Pipeline Mega Project, better known as the SSWJ. On11 March 2007, the Company successfully conducted a Gas-In (first gas chanelling), which was followed by the commercialization of gas from Pertamina's Pagardewa gas field through the South Sumatra-West Java pipeline to the Company's customer in Cilegon (PT Krakatau Daya Listrik). On18 October 2007, the Company did a further Gas-In followed by commercialization from the ConocoPhillips field in Grissik to West Java through the South Sumatra-West Java transmission pipeline network. As the next step, on 25 October 2007 the State Minister for SOEs in Grissik officially opened this section of the transmission pipeline. In the same year the Company also established a subsidiary to operate in the telecommunications business, PT PGAS Telekomunikasi Nusantara.

Pursuant to the provisions of Law No. 40 year 2007 regarding Limited Liability Companies, and in connection with a stock split, the Company's Articles of Association underwent their most recent amendment by Deed No. 50 dated 13 June 2008 jo. Deed No. 8 dated 2 July 2008.

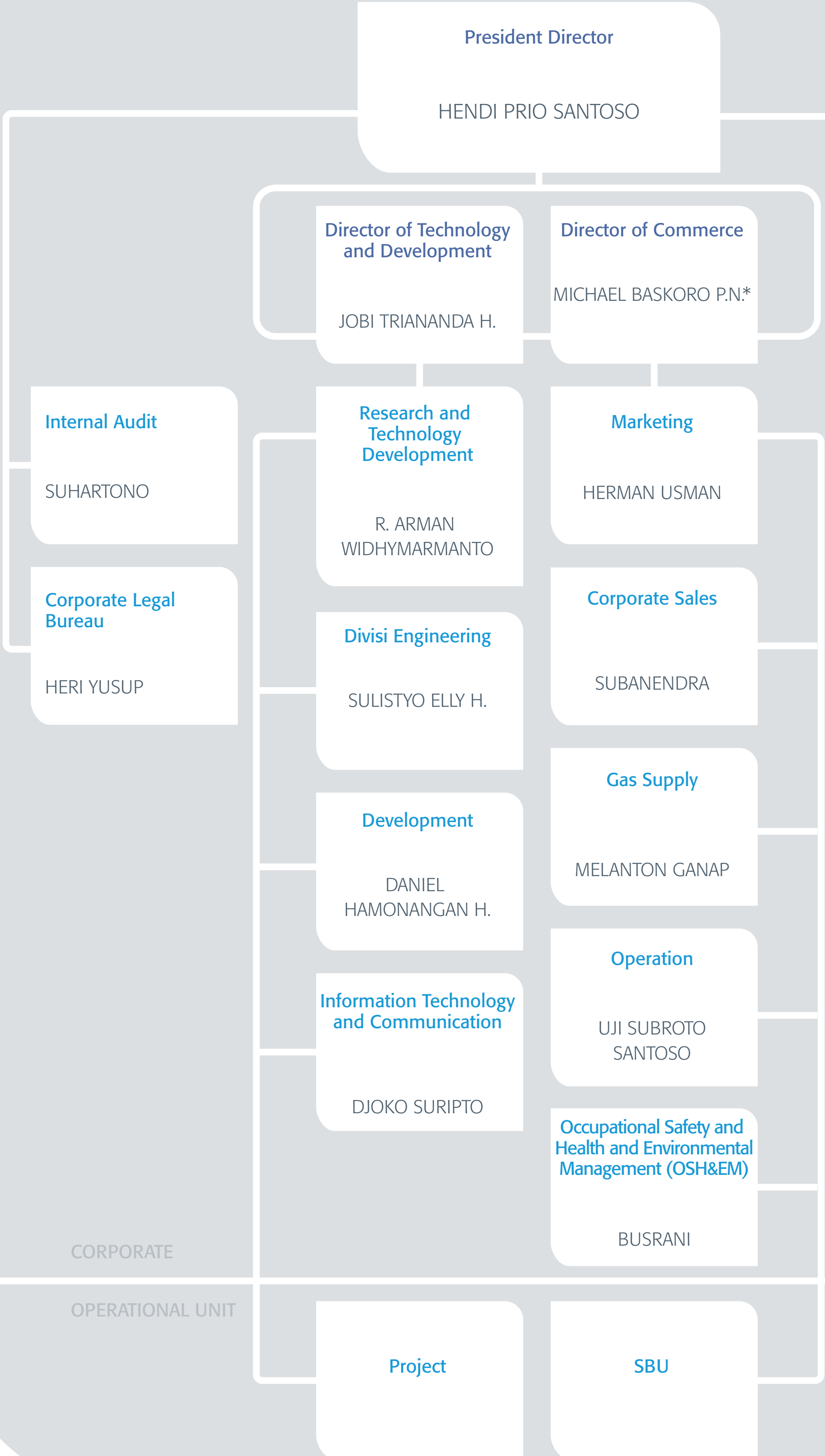
On 24 December 2009, PGN redeemed the Guaranteed Notes I and II worth USD 150 million and USD 125 million previously issued by PGNEF. The bonds were redeemed at par value prior to the due dates of both bonds, which were 10 September 2013 and 24 February 2014, respectively.
In 2009, to increase the Company's value-added for stakeholders and to emphasize the new direction of its business, the Company formulated a new vision, that of "becoming a world-class company in the natural

gas business". PGN's reformulated corporate values, referred to as ProCISE (Professionalism, Continuous Improvement, Integrity, Safety, Excellent Service) support this new corporate vision.

To optimize the Company's accumulated strengths and competencies by taking advantage of opportunities to develop the business and realize PGN's vision, the Company established another subsidiary, PT PGAS Solution, in 2009. PT PGAS Solution operates in the services, maintenance, trading and construction sectors.

The Company now has three majority-owned subsidiaries and one joint venture subsidiary in the LNG business, which is 60% owned by Pertamina and 40% by PGN. The Company also has a minority stake in two affiliated companies, which operate in the trading, transportation services, construction and mining sectors.

Organization Structure
PT Perusahaan Gas Negara (Persero) Tbk.



- **Director of Finance** — M. RIZA PAHLEVI
  - Budgeting — NOOR DIANA P.
  - Treasury — SITTI NURHAFNI
  - Accounting — TOTO PURNOMO
  - Corporate Finance — WIBISONO
  - Corporate Social Responsibility — ENIK INDRIASTUTI
- **Director of Human Resources and General Affair** — EKO SOESAMTO TJIPTADI
  - Organizational Development — SURJADI
  - Human Resources — BASKARA A. WIBAWA
  - Logistic — ISMET S.A. PANE
  - General Affairs and Security — WAHYU IRIANTO
  - Management Aset — ROSICHIN
- **Director of Planning and Risk Management** — M. WAHID SUTOPO
  - Strategic Planning — DWIKA AGUSTIANTO
  - Business Development and Portfolio Management — SRI BUDI MAYANINGSIH
  - Transformation and Performance Control — WILLY ROSWALDI
  - Risk Management — HARIMANTO
- **Corporate Secretary** — HERI YUSUP

By : 31 December 2011
* No longer served as a director since March 5, 2012

Subsidiaries and Affiliated Companies

Company	Company's Address	Subsidiary / Affiliated Company	Ownership	Line of Business	Company's Profile
PT Transportasi Gas Indonesia (TGI)	Kompleks PGN, Gedung B, Lantai 2 Jl. K.H. Zainul Arifin No. 20, Jakarta 11140 Telp. +62 21 6385 4383 Fax. +62 21 633 1061 Web: www.tgi.co.id	Subsidiary	- Perseroan – 59,87% - Transasia Pipeline Company Pvt. Ltd. - 40% - Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0,13%	Gas Transportation	TRANSGASINDO was established on 1 February 2002. Currently TRANSGASINDO owns and operates the 1.006 km long Grissik- Duri and Grissik-Singapore transmission pipeline networks which have a combined capacity of 835 MMSCFD
PGN Euro Finance 2003 Limited (PGNEF)	C/o Citco (Mauritius) Limited 9th Floor, Medine Mews La Chaussée Street Port Louis, Mauritius	Subsidiary	Perseroan (the Company) – 100%	Finance	PGNEF was established in Mauritius in connection with the issue of Guaranteed Notes worth USD 150 million and USD 125 million. Both Guaranteed Notes had a tenor of 10 years and were listed on the Singapore Stock Exchange Securities Trading Ltd. in 2003 and 2004. On 24 December 2009, the USD 150 Million and USD 125 Million Guaranteed Notes were redeemed prior to maturity i.e. 10 September 2013 and 24 February 2014.
PT PGAS Telekomunikasi Nusantara (PGASCOM)	Wisma 77 Lantai 19 Jl. Letjend. S. Parman Kav. 77 Slipi, Jakarta Barat 11410 Telp. +62 21 5366 0445 Fax. +62 21 5367 0080 Web: www.pgascom.co.id	Subsidiary	-Perseroan (the Company) – 99,93% - Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0,07%	Telecommunication	PGASCOM was established on 10 January 2007. PGASCOM currently owns the Company's exclusive right to operate and manage the Company's fiber optic network from the Indonesia-Singapore border (96 core), Batam-Jambi-Grissik (24 core), and Grissik Pagardewa- Terbanggi-Labuhan Maringgai (24 core). On 5 March 2009, PGASCOM was licensed by the Ministry of Communications and Informatics as a Closed Fixed Network Operator, and since then PGASCOM has serviced 3 telecommunications operators. In 2010, PGASCOM plans to enter the international telecommunications market in Singapore.

Company	Company's Address	Subsidiary / Affiliated Company	Ownership	Line of Business	Company's Profile
PT PGAS Solution (PGAS Solution)	Kompleks PGN, Gedung C, Lantai 4 Jl. K.H. Zainul Arifin No. 20 Jakarta 11140 Telp. +62 21 6385 4557/72/06 Fax. +62 21 6385 4534 Web: www.pgas-solution.co.id	Subsidiary	- Perseroan (the company) – 99,91% - Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0,085%	(Engineering)	PGAS Solution was established on 6 August 2009 and operates in the services, repair, trade and construction businesses.
PT Saka Energi Indonesia	Kompleks PT Perusahaan Gas Negara (Persero) Tbk. Jl. K.H. Zainul Arifin No. 20, Jakarta 11140 Telp. +62 21 6334838	Subsidiary	- Perseroan (the company)– 99% - PT PGAS Solution – 1%	Bidang Hulu (Upstream Business)	PT Saka Energi Indonesia was established on 27 June 2011, involves in the business and investment in upstream sector covering exploration, exploitation and a business expansion in oil, natural gas and geothermal and coal bed methane (CBM).
PT Gagas Energi Indonesia	Kompleks PT Perusahaan Gas Negara (Persero) Tbk. Jl. K.H. Zainul Arifin No. 20, Jakarta 11140 Telp. +62 21 6334838	Subsidiary	- Perseroan (the company)– 99% - PT PGAS Solution – 1%	Bidang Hilir (Downstream Business)	PT Gagas Energi Indonesia was established on 27 June 2011 involves in the business of processing, transporting, storage, oil and gas trading
PT Nusantara Regas	Wisma Nusantara, Lantai 19 Jl. M.H. Thamrin No. 59 Jakarta 10350 Telp. +62 21 3159543/44 Fax. +62 21 315 9525	Affiliate	- PT Pertamina (Persero) – 60% - Perseroan (the company) – 40%	Floating Storage and Regasification Terminal ("FSRT") Facilitiest	PT Nusantara Regas (Nusaregas) was established on 14 April 2010. It is a joint venture of PT Pertamina (Persero) and PGN. Nusaregas involves in devevelopment and operation of FSRT facilities including LNG purchasing and marketing of FSRT operation and related business. Nusaregas is currently developing first FSRT in Indonesia with capacity of 500 MMScfd.
PT Gas Energi Jambi (GEJ)	Jl. Jend. A. Yani No. 17 Telanaipura, Jambi Telp. +62 741 670 207 Fax. +62 741 670 207	Affiliate	- Perseroan (the company) – 40% - PT Wahana Catur Mas – 40% - PT Jambi Indoguna Internasional – 10% - PT Bukaka Corporindo – 10%	Trade, Cosntruction and Services Business	GEJ operates in the trade, construction and services businesses by distributing gas, contracting in the gas mining sector, and doing business in support facilities for gas mining and construction companies, as well as other support equipment.
PT Banten Gas Synergi (BaGS)	Kantor Taman E3.3 Unit D6 Kawasan Mega Kuningan Lot 8.6-8.7 Setiabudi, Jakarta 12950 Telp. +62 21 5794 8870/71 Fax. +62 21 5794 8870/71	Affiliate	- PT Banten Global Synergi – 99% - Perseroan (the company) – 1%	Services, transportation trade and mining business	BaGS operates in the services, transportation, trade and mining businesses.

Notes:
All subsidiaries and affiliated are operational with the ezception of GEJ

Profiles of the Board of Commissioners

KIAGUS AHMAD BADARUDDIN
Commissioner

An Indonesian citizen, born in Palembang on 29 March 1957 (55 years old). He was appointed as a Commissioner of the Company on 31 May 2007. He was the Chairman of the Nomination Committee from 5 July 2007 up to 19 June 2008 and has been chaired the Remuneration and Nomination Committee since June 2008. He holds an MSc in Economics from the University of Illinois, USA (1991), and graduated from Sriwijaya State University, Palembang, with a degree in Economics in 1986. He has been the career official at the Department of Finance since 1977, serving various head positions, among others: The Head of Planning and Finance Bureau at the Anti Corruption Commission in 2004, Director of Treasury System from 2006 to June 2008, Director of Budget Implementation from June 2008 up to June 2009 and Secretary of Directorate General of Treasury since June 2009.

TENGKU NATHAN MACHMUD
President Commissioner and Independent Commissioner

An Indonesian citizen, born in Haarlem, Noord Brabant, the Netherlands on 1 March 1935 (77 years old). He has been President Commissioner as well as an Independent Commissioner of the Company since 31 May 2007. He obtained his PhD in Law from the University of Leiden, the Netherlands in 2000, a Master's Degree in Management from the Massachusetts Institute of Technology (MIT) in Cambridge, USA, in 1979 and graduated with a degree in Law from the University of Indonesia in 1958. He worked for PT Shell Indonesia from 1958-1966 with his last position as Secretary to the Board of Directors. He then worked for Arco from 1969 until 1995, by which time he was President and General Manager as well as CEO of Arco Indonesia. He served as a Director and Commissioner at PT Tripolyta in 1995-1998 and as a nonexecutive director for Osprey Maritime Limited in 1998-2000. Since his retirement in 1995, he has used his time to teach at business schools in Jakarta, and has also been a partner in the legal consultants' firm Hakim and Partners in Jakarta since March 2006. He was awarded the Satyalencana Pembangunan medal for service to the state for initiating community development on Pagerungan Island in the Kangean Islands.

PUDJA SUNASA
Commissioner

An Indonesian citizen, born in Cirebon on 11 February 1952 (60 years old). He was reappointed as a Commissioner of the Company on 6 April 2011 and as Chair of the Remuneration and Nomination Committee, member of the Insurance and Business Risk Committe and member of the GCG Committee on 19 April 2011. He was graduated from Institute of Technology Bandung with a degree in Petroleum Engineering in 1980. He was previously the Commissioner of the Company from 2002 to 2008. His career began as Head of General Bureau at the Ministry of Energy and Mineral Resources from 2001 to 2004 and Inspector I at the Ministry of Energy and Mineral Resources from 2004 to 2007. He has been the Inspector General of Energy and Mineral Resources since 2007.

MEGANANDA DARYONO
Commissioner

An Indonesian citizen, born in Bukit Tinggi on 20 January 1952 (60 years old). He was appointed as a Commissioner of the Company on 6 April 2011 and as Chair of the Insurance and Business Risk Committe and member of the GCG Committee on 19 April 2011. He was graduated from the University of Padjajaran Bandung with a degree in Economics in 1980 and earned a Master's in Business Administration from Pace University, USA in 1988. He began his career as Director of Finance and Director of Marketing PT Perkebunan Nusantara III (Persero) from 1996 to 1998 and President Director of PT Perkebunan Nusantara III (Persero) from 2001 to 2003. He was an Assistant to Deputy of Minister of State Owned Enterprise in Plantation I from 2005 to 2010. He has been the Deputy to Minister of State Owned Enterprise in Primarily Industry since 2011.

WIDYA PURNAMA
Independent Commissioner

An Indonesian citizen, born in Pare-Pare on 26 July 1954 (56 years old). He was appointed as Independent Commissioner of the Company on 6 April 2011 and as member of the GCG Committe and thr Insurance and Business Risk Committee on 19 April 2011 . He was graduated from the University of Sepuluh November Institute of Technology, Surabaya with a degree in Electrical Engineering and earned a Master's in Management from Bandung Institute of Technology. He was previously the President Director of PT Indosat, Tbk from 2002 to 2004 and the President Director of Pertamina (Persero) from 2004 to 2006.

Profiles of the Board of Directors

MOCHTAR RIZA PAHLEVI TABRANI
Director of Finance

An Indonesian citizen, born in Jakarta on 25 July 1968 (42 years old). He was appointed as Director of Finance on 20 June 2008. Prior to this he had served as Acting Head of the Corporate Finance Division and Coordinator of Investor Relations since February 2008, and as an Expert Advisor on Corporate Finance and Investor Relations to the President Director since May 2007. He graduated with a degree in Geological Engineering from Trisakti University, Jakarta in 1994 and earned his MBA Finance from Cleveland State University, USA, in 1997. From 1997 to 1999 her served on the Senior Staff of PT Bhakti Investama Tbk, then from 1999 to 2001 as Senior Manager at PT Bahana Securities, from 2001 to April 2007 as Vice President of PT Anugra Capital, and from 2006 until April 2007 as Vice President of PT Alpha Energy.

HENDI PRIO SANTOSO
President Director

An Indonesian citizen, born in Jakarta on 5 February 1967 (45 years old). He was appointed as Director of Finance of the Company on 31 May 2007, and became President Director on 13 June 2008. He graduated with degrees in finance and economics from the University of Houston, Texas, and in economics from the University of Texas, Austin, USA. Immediately prior to joining the Company, he was Director of Investment Banking at PT JP Morgan Securities Indonesia from 2004 to 2007. He began his career at Bank Niaga (1990-1991) and then at Citibank NA, Indonesia (1991-1996). In 1996 he was appointed as Vice President of PT Perdana Multi Finance, then as Director of Development of PT Perdana Inti Investama (1996-1998). From 1998 to 2001 he was an Associate Director at PT Bahana Securities, before becoming a Director of PT Anugra Cipta Investa from 2001 to 2004.

EKO SOESAMTO TJIPTADI
Director of Human Resources and General Affairs

An Indonesian citizen, born in Solo on 22 March 1959 (53 years old). He was appointed as Director of General Affairs and Human Resources Development on 6 April 2011. He was graduated from the University of Indonesia with a degree in Mechanical Engineering in 1986. He previously was the Deputy of Prevention at the Corruption Eradication Commission (KPK). He began his career as Senior Partner Consultant in Education, Research and Analysis in PT Bank Agro from 2001 to 2002 and Expert Staff of Director of Compliance in Management and HR Management from 2002 to 2004. He was the Director of Education and Public Service of the Corruption Eradication Commission (KPK) from 2004 to 2008.

M. WAHID SUTOPO
Director of Investment Planning and Risk Management

An Indonesian citizen, born in Jakarta on 17 June 1969 (41 years old). He was graduated from ITB in 1993 with a degree in Electrical Engineering and earned a Master's in Management (Executive Program) in International Business from the Indonesian Institute of Management Development (IPMI Business School) in Jakarta in 2002.

He was appointed as CDirector of Investment Planning and Risk Manaagement on 6 April 2011. He has been the Corporate Secretary since January 2009 and Head of the Investor Relations Division since November 2008. From 2006 until October 2008, he was Senior Vice President & Group Head of Revenue Assurance at PT Indosat Tbk. Between 2001 and 2006 he served as Vice President & Division Head of Investor Relations at PT Indosat Tbk.

MICHAEL BASKORO PALWO NUGROHO
Director of Commerce

An Indonesian citizen, born in Tokyo on 9 July 1960 (50 years old). He was appointed as Director of Development on 31 May 2007 and then as Director of Commerce on 20 June 2008. He graduated from the University of Indonesia with a degree in Gas and Petrochemical Engineering in 1985 and earned a Master's in Management from the University of Indonesia in 1990. He began his career at the Company as Assistant I at the Information Center in 1985, and served as Acting Head of the Information Systems Development Division in 1990, Project Manager for the Trans South Sumatra-West Java Project in 1996, Head of the Palembang Regional Office (1997), head of the Transmission Division, Directorate of Business (1998), General Manager of UTST Jambi (2000) and as Director of Engineering at PT Transportation Gas Indonesia from 2002 to 2007. This recipient of the Satya Lencana Wirakarya award completed the Lemhanas Short Course (XIV) in 2006 and has participated in various training and informal courses on information systems, the gas business, management and leadership.

JOBI TRIANANDA HASJIM
Director of Technology and Development

An Indonesian citizen, born in Bandung on 6 April 1964 (48 years old). He was appointed as Director of Technology and Development on 6 April 1964. He was graduated from the University of Trisakti Jakarta with a degreee in Mechanical Engineering in 1988 and earned his MSc Mechanics of Material from the University of Strathclyde Glasgow in 1995. He began his career at the Company as General Manager of SBU Region I from 2008 to 2010, Head of SBU Area I in 2010 and as the Company's Project Cordinator of Natural Gas pipeline Network in 2010.

Profiles of Member of Committees

Audit Committee

TJAHJANTO BUDISATRIO

Member of the Audit Committee

An Indonesian citizen, born in Jakarta on 19 January 1965 (47 years old). A member of the Audit Committee since 1 March 2007. He was a research assistant at the Indonesian Institute of Management Development from 1987 to 1988 and an Assistant lecturer at the Faculty of Economics, University of Indonesia (FEUI) from 1987 to 1992. He has been a member of lecturer in the FEUI since 1992. He holds a Master in Economics from the Australian National University, and is currently doing doctoral studies at FEUI, focusing on Industrial Economics. He was Head of the Research and Consultation Division at the FEUI Institute of Management from 2000 to 2001 and served as Deputy Head of the Institute from 2001 to 2004. He was seconded to the investment Coordinating Board (BKPM) as head of the Data Analysis Division from 2007 to 2008. Since 2008 he has been a Director for business activities at the University of Indonesia.

TENGKU NATHAN MACHMUD

Chairman of the Audit Committee

Complete biography refer to Board of Commissioners Biography Section

IMBUH SULISTTYARINI

Member of the Audit Committee

An indonesian citizen, born in Kebumen on 12 March 1971 (41 years old). A member of the Audit Committee since 1 April 2007. She has been a lecturer at FEUI since 1997, a consultant at the FEUI Institute of Management since 1997 and a staff member at BHMN, University of Indonesia, since 2007. She was appointed as deputy head of the SMEs Center at FEUI in February 2008. Since 2007, She was the member of Malcolm Baldridge Criteria Examiner for Performance Excellence for Indonesia Quality Award. She holds a Master's in Accountancy from the University of Indonesia.

SHALAHUDDIN HAIKAL

Member of the Audit Committee

An Indonesian citizen, born in Yogyakarta on 14 April 1964 (48 years old). A member of the Audit Committee since 1 June 2008. He worked as an analyst for PT Danareksa Sekuritas, PT Inter-Pacific Securities and PT Bahana Securities. He has been a lecturer at the Department of Management, Faculty of Economics at the University of Indonesia. He earned his LL.M from the School of Law, Faculteit der Rechtsgeleerdheid at Erasmus University, Rotterdam in 2005, specializing in Corporate Law, and holds postgraduate degrees in Management Accounting (1992) and a degree in Management (1989) from the University of Indonesia.

M. SLAMET WIBOWO

Member of the Audit Committee

An Indonesian citizen, born in Jakarta on 28 October 1964 (46 years old). A member of the Audit Committee since 1 April 2007. His various positions include accountant/consultant with Hanadi Sudjendro KPMG, Public Accountants, The Flagler Management Group and G. Fraley CPA. He became an Assistant Lecturer at the Faculty of Economics, University of Indonesian in 1987. He holds a Diplôme Européen de 3ème Cycle MATIS from the Conférence Universitaire de Suisse Occidentale and the Conférence Universitaire Rhône-Alpes as well as a Diplôme d'Etudes Approfondies (DEA) from the Université Pierre Mendes France in Grenoble, France in Management Information Systems and an MBA from the University of Missouri, Kansas City, USA.

Remuneration and Nomination Committee

TENGKU NATHAN MACHMUD
Member of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

PUDJA SUNASA
Chairman of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

KIAGUS AHMAD BADARUDDIN
Member of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

Insurance and Business Risk Committee

KIAGUS AHMAD BADARUDDIN
Member of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

MEGANANDA DARYONO
Chairman of the Insurance & Business Risk Committee

Complete biography refer to Board of Commissioners Biography Section

Insurance and Business Risk Committee

WIDYA PURNAMA
Member of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

PUDJA SUNASA
Member of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

Good Corporate Governance Committee

MEGANANDA DARYONO
Member of the Good Corporate Governance Committee

Complete biography refer to Board of Commissioners Biography Section

KIAGUS AHMAD BADARUDDIN
Chairman of the Remuneration & Nomination Committee

Complete biography refer to Board of Commissioners Biography Section

Good Corporate Governance Committee

WIDYA PURNAMA
Member of the Good Corporate Governance Committee

Complete biography refer to Board of Commissioners Biography Section

PUDJA SUNASA
Member of the Good Corporate Governance Committee

Complete biography refer to Board of Commissioners Biography Section

Profile of the Corporate Secretary

HERI YUSUP
Sekretaris Perusahaan

Indonesian citizen, born in Bandung on 8 February 1963 (49 years old). He graduated from University of Padjajaran Bandung in 1981 with a degree in law and earned a Master degree from Widener University School in 1999. Appointed as the Corporate Secretary in December 2011. He began his career at the Company as Assistant II Legislation and Control Administration (1991), Senior Assistant - Contracts, Legal and Public Relations Division (1993), Legal Assistance Department, Legal and Public Relations Division (1997), Advisor II Legal Department (2002), Advisor I and Senior Advisor II Legal Department (2004), Head of Legal Department (2005), Head of Legal Department and Corporate Secretary (2008) and Head of Corporate Legal Bureau (2009).

Profile of the Head of Internal Audit

SUHARTONO
Head of Internal Audit

An Indonesian citizen, born in Semarang on 7 September 1956 (54 years old). He graduated with a degree in Law from Gadjah Mada University in 1982. He was appointed as Head of the Company's Internal Audit Unit on 24 January 2003. He began his career at the Company as Assistant I, General Affairs Division in 1985, and subsequently served as Controller of Personnel, Administration and Internal Audit procedures of the IAU in 1989, Head of Administration at PGN's Surabaya branch (1991), Head of the Surabaya Branch (1992), Head of the Legal Office (1993), Head of the HR Division (1996), Head of the Legal and Public Relations Division (1999), and Coordinator of the Legal Division (2002). He was awarded the Satya Lencana Wirakarya award by the President of the Republic of Indonesia in 2002, and completed the Lemhannas Special Joint Leadership Course for SOEs (IX) in 2000 and the Advanced Leadership Program in 2007. He has also been active in the Internal Audit Unit Communication Forum (FKSPI) at the Commissariat of Energy and Mineral Resources since 2004 has chaired the Forum for the last three years (since 2007).

PGN'S SUBSIDIARIES

PGN and its subsidiaries have shifted from a mutually dependent relationship to a more synergistic model to ensure that the subsidiaries are aligned with and support the achievement of PGN's objectives, not only in terms of operational activities but in business development as well.

1. PT Transportasi Gas Indonesia
2. PGASCOM
3. PGAS Solution
4. PT Saka Energi Indonesia ("SiNERGI") – Anak Perusahaan di Sektor Hulu
5. PT Gagas Energi Indonesia ("GoENERGI") – Anak Perusahaan di Sektor Hilir

1. PT Transportasi Gas Indonesia

Scope of Business

PT Transportasi Gas Indonesia (TGI) owns and operates the Grissik – Duri and Grissik – Singapore transmission pipeline networks, which extend for more than 1,000 km and have a transportation capacity of 835 MMSCFD. As well as transporting natural gas to domestic customers in Sumatra and Batam, TGI also distributes natural gas to the international market in Singapore.

The composition of the Board of Commissioners and Board of Directors at the end of 2011 was as follows:

President Commissioner : Hendi Prio Santoso
Commissioner : Jim W. Taylor
Commissioner : DR. Shi Boqing
Commissioner : Eddy Hariono
Commissioner : Jobi Triananda Hasjim
President Director : M. Arsyad Rangkuti
Director of Finance and Administration : Mangatas Panjaitan
Director of Engineering : M. Komaruddin
Director of Operations : Mohd. Adid Mohd. Salleh
Director of Business Development : Bob Johns

In 2011, TGI transported 811 MMScfd of natural gas, or more than in 2010, when it transported a total of 804 MMScfd. A total of 377 MMScfd of gas was transported through the Grissik – Duri pipeline, while the volume on the Grissik – Singapore pipeline reached 434 MMScfd. A total of 296,811,675 MMscf of natural gas was transported in 2011 compared to 293,441,172 MMscf in 2010. Utilization of the Grissik – Duri pipeline in 2011 reached 88.4%, while for the Grissik – Singapore pipeline it was 93.3%.

FINANCIAL HIGHLIGHTS in million USD

Description	2011	2010
Revenues	189.1	194.3
Income/Loss from Operations	56.3	59.3
Total Assets	755.9	812.1
Total Liabilities	365.1	453.9
Total Equity	390.8	358.2

2. PT PGAS Telekomunikasi Nusantara ("PGASCOM")

PT PGAS Telekomunikasi Nusantara (PGASCOM) obtained a license to operate a National Scale Closed Fixed Network (JARTAPTUP) from the Minister of Communications and Informatics on 5 March 2009 and a Landing Rights license on 22 March 2010. PGASCOM's subsidiary, PTI, received a Service Based Operator (SBO License) on 21 January 2010.

The scope of PGASCOM's activities includes providing fiber optic-based telecommunications network services and end to end network services, with both national and international coverage. It also delivers internet services, network access point services, and content related to telecommunications services.

PGASCOM also provides consulting and management services related to telecommunications and multimedia. PGASCOM offers design, engineering and construction services for telecommunications and informatics facilities and infrastructure, and procurement of telecommunications facilities, including the supply and procurement of telecommunications infrastructure.

In addition, PGASCOM provides operation, maintenance and repair management services for telecommunications facilities and infrastructure and supporting facilities, multimedia, and other informatics systems.

At the end of 2011, the composition of the Board of Commissioners and Board of Directors of PGASCOM was as follows:

President Commissioner	: M. Wahid Sutopo
Commissioner	: Harry Zacharias
Commissioner	: Wibisono
President Director	: Yoyo W. Basuki
Director of Finance	: Thohir Nur Ilhami

FINANCIAL HIGHLIGHTS in million Rupiah

Description	2011	2010
Revenues	86,898	60,649
Operating Expenses	(83,900)	(43,352)
Income/Loss from Operations	2,998	17,297
Comprehensive Income/Loss	12,375	18,768
Total Assets	120,500	115,732
Total Liabilities	24,481	32,088
Total Equity	96,019	83,644

3. PT Saka Energi Indonesia

Scope of Business

Engages in upstream business and investment, including exploration, exploitation and the development of businesses in the oil and natural gas, geothermal, coal bed methane (CBM) and other energy sectors.

The composition of the Board of Commissioners and Board of Directors of SiNERGI at the end of 2011 was as follows:

President Commissioner	: Tn. M. Riza Pahlevi Tabrani
Commissioner	: Ny. Sri Budi Mayaningsih
President Director	: Tn. Thorkild Juul Dam
Director	: Ery Surya Kelana

FINANCIAL HIGHLIGHTS in million Rupiah

Description	2011
Revenues	-
Operating Expenses	(458)
Income/Loss from Operations	(458)
Comprehensive Income/Loss	167
Total Assets	38,983
Total Liabilities	816
Total Equity	38,167

4. PT PGAS Solution

Scope of Business

Provides engineering, EPCC Contractor and O&M services, and engages in Trading. In the engineering services business, PGAS Solution offers consulting services, front end engineering design, basic design, and surveying. As an EPCC Contractor, PGAS Solution provides detailed design, engineering construction, technical inspection, procurement, and commissioning services. PGAS Solution's O&M services include pipeline operation, station facility operation, AMR operation, and system integrity services. With regard to trading, PGAS Solution provide services as agent of valve manufacturer and agent of IT technology.

In 2011, the composition of the Board of Commissioners and Board of Directors of PGAS Solution was as follows:

President Commissioner	: Eko Soesamto Tjiptadi
Commissioner	: Paul Hahijary
Commissioner	: Rosichin
President Director	: Erlangga
Director of Engineering and Operations	: Djoko Saputro
Director of Finance and Administration	: Erning Laksmi W.
Director of Commerce	: Hari Pratoyo

In 2011, PGAS Solution successfully completed several projects in engineering, O&M, EPC Contractor, and trading.

FINANCIAL HIGHLIGHTS in million Rupiah

Description	2011	2010
Revenues	88,632	6,860
Operating Expenses	(76,785)	(10,363)
Income/Loss from Operations	11, 847	(3,503)
Comprehensive Income/Loss	9,972	(1,036)
Total Assets	50,242	38,590
Total Liabilities	6,014	4,334
Total Equity	44,228	34,256

5. PT Gagas Energi Indonesia

Scope of Business

The scope of work of PT Gagas Energi Indonesia (GoENERGI) includes the further processing and/or storage of oil and natural gas, geothermal, methane gas, coal (CBM) and other energy products. GoENERGI also engages in the trading of such products. In addition, GoENERGI also engages in the design, procurement, construction and development of gas transportation modes, including CNG, LNG, and other modes.

The composition of the Board of Commissioners and Board of Directors of GoENERGI at the end of 2011 was as follows:

FINANCIAL HIGHLIGHTS PT GAGAS ENERGI INDONESIA in million Rupiah

Income/Loss	2011
Revenues	-
Operating Expenses	(566)
Income/Loss from Operations	(566)
Comprehensive Income/Loss	(171)
Total Assets	33,278
Total Liabilities	449
Total Equity	32,829

Panaran Sation, Batam
PT Transportasi Gas Indonesia Facility, A Subsidiary of PT PGN

Names and Addresses of Institutions and/or Professions supporting the Capital Market

SHARE REGISTER

PT Datindo Entrycom
Wisma Dinners Club Amex
Jl. Jend. Sudirman Kav. 34–35
Jakarta 10220
T. (6221) 5709009
F. (6221) 5709020

PUBLIC ACCOUNTANT

Purwantono, Suherman & Surja
(Member firm of Ernst & Young Global Limited)
Indonesian Stock Exchange Building Tower 2, 7th Floor
Jl. Jend. Sudirman Kav. 52–53
Jakarta 12190, Indonesia
T. (62-21) 52895000
F. (62-21) 52894100
www.ey.com/id

CREDIT RATINGS

Standard & Poor's
Prudential Tower
30 Cecil Street, Singapore
T. (65) 6438 2881
F. (65) 6438 2321

Moody's Asia Pacific Limited
2510 One International Finance Center
1 Harbour View Street,
Central, Hong Kong
T. (852) 29161173
F. (852) 25090165

COMPANY INDEPENDENT ACCOUNTANT

The Company has appointed an external auditor in line with the resolution of Annual General Meeting of Shareholders of PT Perusahaan Gas Negara (Persero) Tbk on 27 June 2011, which approved the appointment of Public Accountants Purwantono, Suherman & Surja, a member firm of Ernst & Young Global Limited, to review the Semester I Financial Statement and audit the Financial Statement for fiscal year 2011 based on the recommendation of the Board of Commissioners. Purwantono, Suherman & Surja is registered with Bapepam. The total fee for the Audit of the Consolidated Financial Statements for 2011 was Rp2,365,000,000 (including OPE and VAT).

Public Accountants Purwantono, Suherman & Surja , a member firm of Ernst & Young Global Limited, has been the Company's auditor since fiscal year 2010. They have completed their tasks independently, in accordance with the professional standards for Public Accountants, the work contract and the agreed audit scope. Public Accountants Purwantono, Suherman & Surja do not provide any other consultancy services to PGN. The accountant who has signed the Independent Auditor's Report for 2011 is Indrajuwana Komala Widjaya.

Addresses of Head Office, SBUs, Subsidiaries and Affiliates

HEAD OFFICE
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
T. (62-21) 633 4838, 633 4848, 633 4861
F. (62-21) 633 3080
PO BOX 1119 JKT
www.pgn.co.id

CONTACT CENTER
PT Perusahaan Gas Negara (Persero) Tbk
0800 1500 645
(62-21) 633 3000
contact.center@pgn.co.id
www.pgn.co.id
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
PO BOX 1119 JKT

SBU DISTRIBUSI AREA I
Jl. M.I. Ridwan Rais No.8
Jakarta 10110, Indonesia
T. (62-21) 345 2147, 350 2127,
351 3453-55
F. (62-21) 381 1891, 351 3458

SALES AND SERVICE AREA JAKARTA - BOGOR
Jl. MA Salmun No 41
Bogor 16114, Indonesia
T. (62-251) 8316 600, 8322 682
F. (62-251) 8320 168

Jl. Anyer No. 8, Menteng
Jakarta 10310, Indonesia
T. (62-21) 315 0361, 392 6948-50,
392 3890, 392 4910 (hunting)
F. (62-21) 392 4909

SALES AND SERVICE AREA BANTEN
Jl. Pahlawan Seribu
Kavling Komersil Blok AH No. 2
Sektor IIB BSD
Tangerang, Indonesia
T. (62-21) 5380035
F. (62-21) 5384414

SALES AND SERVICE AREA BEKASI – KARAWANG
Jl. K.H. Noer Alie No.15 Kalimalang
Bekasi, Indonesia
T. (62-21) 8895 0515, 8847 275
F. (62-21) 8895 1029
Jl. Ahmad Yani No.54 Karangpawitan
Karawang, 41315, Indonesia
T. (62-267) 845 4081–84
F. (62-267) 845 4085

SALES AND SERVICE AREA CIREBON
Jl. Veteran No.2
Cirebon 45124, Indonesia
T. (62-231) 203 323, 204 486
F. (62-231) 205 046

SALES AND SERVICE AREA PALEMBANG
Jl. Merdeka No.10 B Bukit Kecil
Palembang 30135, Indonesia
T. (62-711) 357 527
F. (62-711) 357 607

SBU DISTRIBUSI AREA II
Jl. Pemuda No. 56-58
Surabaya 60271, Indonesia
T. (62-31) 5490 555 (hunting)
F. (62-31) 5490 333

SALES AND SERVICE AREA SURABAYA
Jl. Pemuda No. 56–58
Surabaya 60271, Indonesia
T. (62-31) 5490 555 (hunting)
F. (62-31) 5453 608

SALES AND SERVICE AREA SIDOARJO - MOJOKERTO
Jl. Jaksa Agung Suprapto No. 17
Sidoarjo 61218, Indonesia
T. (62-343) 8050 999
F. (62-343) 8956 782

SALES AND SERVICE AREA PASURUAN - PROBOLINGGO
Jl. Raya Rembang Industri Raya
Kompleks PIER
Rembang Pasuruan, Indonesia
T. (62-343) 744 440
F. (62-343) 728 293

SBU DISTRIBUSI AREA III
Jl. Imam Bonjol No. 15
Medan 20112, Indonesia
T. (62-61) 453 8655
F. (62-61) 415 2396

SALES AND SERVICE AREA MEDAN
Jl. Imam Bonjol No. 15
Medan 20112, Indonesia
T. (62-61) 661 3495
F. (62-61) 661 6649

SALES AND SERVICE AREA BATAM
Gedung Batam Centre
Jl. Engku Putri Batam Centre
Batam Indonesia
T. (62-778) 467 299
F. (62-778) 467 399

SALES AND SERVICE AREA PEKANBARU
Jl. Jend. Sudirman No. 470 F
Pekanbaru Riau, Indonesia
T. (62-761) 661 3495
F. (62-761) 661 6649

SBU TRANSMISI SUMATERA - JAWA
Wisma 77 Lt. 3, Jl. S. Parman Kav. 77
Jakarta Barat, Indonesia
T. (62-21) 536 3069
F. (62-21) 536 3058

PT TRANSPORTASI GAS INDONESIA
Gedung B, Lt 2,3,4
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
T. (62-21) 6385 4383, 6385 4452, 6385 4458
F. (62-21) 633 1061

PT PGAS TELEKOMUNIKASI NUSANTARA
Wisma 77 Lt. 19
Jl. S. Parman Kav. 77
Jakarta Barat, Indonesia
T. (62-21) 5366 0444 / 445
F. (62-21) 5367 0080

PT PGAS SOLUTION
Gedung C, Lt. 4
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
T. (62-21) 6385 4557, 6385 4572, 6385 4506
F. (62-21) 6385 4534

PT SAKA ENERGI INDONESIA
Gedung A, Lt. Dasar
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
T. (62-21) 6385 4557, 6385 4572, 6385 4506
F. (62-21) 6385 4534

PT GAGAS ENERGI INDONESIA
Gedung Graha PGAS, Lt. 7
Jl. K.H. Zainul Arifin No. 20
Jakarta 11140, Indonesia
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F. (62-21) 6385 4534

PT NUSANTARA REGAS
Wisma Nusantara Lt. 19
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Glossary

AMDAL	Abbreviation of "Analisis Mengenai Dampak Lingkungan" analysis study regarding environmental impact, environment management plan and environment monitoring plan.
Bapepam - LK	Abbreviation of "Badan Pengawas Pasar Modal - Lembaga Keuangan" the Indonesian Capital Market Supervisory Agency as denoted in Law No 8 year 1995.
BBL	Barrel, of volume unit that ussualy measured for fuel oil. 1 barrel = 159 litre.
BBM	Abbreviation of " Bahan Bakar Minyak", a term used to mention fuel oil.
BCF	Billion Cubic Feet, a volume unit that used to measure natural gas volume.
BEI	Abbreviation of "Bursa Efek Indonesia", The Indonesia Stock Exchange.
BEJ	Abbreviation of "Bursa Efek Jakarta", The Jakarta Stock Exchange.
BES	Abbreviation of "Bursa Efek Surabaya", The Surabaya Stock Exchange.
BOE	Barrels of Oil Equivalent, is a unit which is used to convert natural gas unit to its equivalent oil unit. (1 BOE = 6 MCF)
BP Migas	Abbreviation of "Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi", the execution Body for Upstream Oil and Gas Business Activities, is a governmenr body that was established based on Oil and Gas Law juncto Government Regulation No 42 year 2002 in order to control upstream business activities on oil and gas.
BPH Migas	Abbreviation of "Badan Pengatur Hilir Minyak dan Gas Bumi", the Regulation Body for Downstream Oil and Gas Business Activities. A government body that was established based on Oil and Gas Law juncto Government Regulation No 67 year 2002 juncto Presidencial Decree No 86 year 2002, to control and supervise supply and distribution of natural gas and it's transportation through pipelines in downstream business activity.
BSCF	Billion Standard Cubic Feet
BTU	British Thermal Unit, is a caloric unit which is used to measure gas energy.
BUMN	Abbrevation of "Badan Usaha Milik Negara" or State Owned Enterprises as denoted in Law No 19 year 2003.
CF	Cubic Feet, a volume unit used to measure natural gas. 1CF = 0,028m3
CNG	Compressed Natural Gas
Distribusi **Distribution**	Activity of natural gas distribution through pipelines
DOH	Abbrevation of "Daerah Operasi Hulu" the upstream operation region.
ESA	Employee Stock Allocation, a program aimed to provide opportunnity to all employee to own the Company's shares.
Hilir **Downstream**	Downstream, business activiities which are cored or based on production, transportation, storage and/or commercial activities.
Hulu **Upstream**	Upstream, business activities which are cored or based on exploration and exploitation activities.
IBRD	International Bank of Recontruction and Development
IPO	Initial Public Offering is a shares offering to the public as stipulated in the Law No 8 year 1994.

JBIC	Japan Bank for International Cooperation (Previously Export-Import Bank of Japan).
KSEI	PT Kustodian Sentra Efek Indonesia, The Indonesian Central securities Depository.
LC	Letter of Credit, is a paymet method for export/import transaction.
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas, which consist of prophane ad buthane gas.
MCF	Million Cubic Feet
MMBBL	Million Barrel
MMBOE	Million Barrels of Oil Equivalent
MMBTU	Million British Thermal Unit
MMCFD	Million Cubic Feet Per Day, is unit to measure gas volume not considering temperature and pressure.
MMSCF	Million Standard Cubic Feet, is a standard to measure gas volume which was adjusted with certain temperatur and pressure which equal to 1,000 MMBTU.
MMSCFD	Million Standard Cubic Feet Per Day, is standard unit which id used in this Annual Report.
MSCF	Thousand Standard Cubic Feet.
Pemasok Producer	Supplier, gas producer which has objective to produce oil and gas in certain area, which has activities to find oil and gas reserves, drilling, refinery and other supporting activities.
Perseroan Company	PT Perusahaan Gas Negara (Persero) Tbk.
PSC	Production Sharing Contract in exploration and exploitation of oil and gas.
PSI	Pounds per Square Inch is a unit to measure gas pressure, 1 bar = 14,5 PSI.
RUPS	Abbreviation of “Rapat Umum Pemegang Saham” Annual General Meeting of Shareholders.
RUPSLB	Abbreviation of “ Rapat Umum Pemegang Saham Luar Biasa” or Extraordinary General Meeting of Shareholders.
TCF	Trillion Cubic Feet
TGI	PT Transportasi Gas Indonesia (Transgasindo) is a subsidiary of the Company with ownership of 59.75% and it has gas transportation business activity.
Transmisi Transmission	Gas Transmission activity from its source or it’s storage through its transmission pipelines.
UU Migas	Law No 22 year 2001 of The Republic of Indonesia regarding oil and natural gas.

Bapepam-Lk No. X.K.6 Cross Reference

Criteria	Description	Page
I. General		
1. Written in good and correct Indonesian, and it is recommended to present the report in English as well.		V
2. Printed with good quality, using readable type and size of font.		V
3. Corporate identity should be stated clearly.	Company name and year of annual report on: 1. Front cover 2. Side cover 3. Back cover 4. Every page	V
4. Posted in the Company's website		V
II. Financial Highlights		
1. Financial information in comparative form over a period of five financial years or since operation commence date if company has been operational less than five years.	Information covers at least: 1. Sales/operating income 2. Profit (loss) 3. Comprehensive total profit (loss) 4. Profit (loss) per share	10
2. Financial information in comparative form over a period of five financial years or since operation commencement date if company has been operational less than five years.	Information includes: 1. Net working capital 2. Total investment in other entities 3. Total assets 4. Total liabilities 5. Total equity	10
3. Financial ratios in comparative form over a period of five financial years or since operation commencement date if company has been operational less than five years.	Information includes five general ratios that are relevant to company's business.	11
4. Share price information in tables and graphs.	Information, presented in tables and graphs, includes: 1. Highest share price 2. Lowest share price 3. Closing share price 4. Share transaction volume for every quarter in the last two fiscal years (if any)	13
5. Information on outstanding bonds, sukuk and convertible bonds in the last two fiscal year.	Information includes: 1. Total outstanding bonds/sukuk/convertible bonds 2. Coupon rate 3. Maturity date 4. Bond/sukuk rating	13
III. Board of Director's Reports		
1. Board of Commissioners' Report	Includes the following: 1. Evaluation of the Board of Directors' performance in managing the company 2. Assessment of the company's prospects presented by the Board of Directors 3. Committees under the supervision of the Board of Commissioners 4. Changes in the composition of the Board of Commissioners (if any)	38-43
2. Board of Directors' Report	Includes the following: 1. Analysis of the company's performance, including strategic policy, comparison of targets and results, and constraints faced 2. Business prospects 3. Good corporate governance practice 4. Changes in the composition of the Board of Directors (if any)	44-51

Criteria	Description	Page
3. Signature of members of the Board of Directors and Board of Commissioners.	Includes the following items: 1. Signatures are set on a separate page. 2. Statement that the Board of Directors and the Board of Commissioners are fully responsible for the accuracy of the annual report. 3. Signed by all members of the Board of Commissioners and Board of Directors, stating their names and titles/positions. 4. A written explanation in a separate letter from each member of the Board of Commissioners or Board of Directors who refuses to sign the annual report, or written explanation in a separate letter from the other members in the event that there is no written explanation provided by the said member.	220
IV. Company Profile		
1. Name and full address of the company	Information includes the name and address, post code, telephone and fax numbers, email address and website.	26, back cover
2. Brief history	Includes: date/year of establishment, name and change of name of the company (if any)	227-229
3. Line of business	Description includes: 1. The line of business as stated in the articles of association; and 2. An explanation of the products or services	27 55
4. Organization structure	In the form of a chart, showing names and positions	230
5. Vision and mission	Description includes: 1. Corporate vision and mission; and 2. Statement that the vision and mission have been approved by the Board of Commissioners and Board of Directors	32-33
6. Identity and brief CVs of the members of the Board of Commissioners	Information includes: 1. Name 2. Position (including any positions in other companies or institutions) 3. Age 4. Education 5. Work experience 6. Date of appointment to the Board of Commissioners	234-235
7. Identity and brief CVs of the members of the Board of Directors	Information includes: 1. Name 2. Position (including any positions in other companies or institutions) 3. Age 4. Education 5. Work experience 6. Date of appointment to the Board of Directors	236-237
8. Number of employees (2-year comparison) and description of competency development (e.g. employee education and training)	Information includes: 1. Number of employees at each level of the organization 2. Number of employees at each education level 3. Employee training completed, reflecting the equal opportunities available to all employees 4. Total costs incurred	160-171
9. Shareholder composition	Includes: 1. Names of shareholders who own 5% or more of the shares 2. Names of Directors and Commissioners who own shares 3. The category of public shareholders who each own less than 5% of the shares, and the percentage of their ownership	175-177
10. Subsidiaries and/or affiliates	Information includes: 1. Names of subsidiaries and/or affiliates 2. Percentage of share ownership 3. Core business of subsidiaries and/or affiliates 4. Operating status of subsidiaries and/or affiliates (operational or non-operational)	232-233

Criteria	Description	Page
11. Share listing chronology	Includes: 1. Share listing chronology 2. Corporate actions affecting total number of shares 3. Changes in the total number of shares from initial listing to the end of the fiscal year 4. Name of exchange(s) where the shares are listed	178
12. Listing chronology of other securities	Includes: 1. Listing chronology of other securities 2. Corporate actions affecting total number of other securities 3. Changes in the total number of other securities from initial listing to the end of the fiscal year 4. Name of exchange(s) where the other securities are listed 5. Securities rating	N.A
13. Names and addresses of capital market institutions and professionals	Information includes: 1. Name and address of the Share Registrar 2. Name and address of the Public Accountant firm 3. Name and address of the Rating agency	250
14. Awards and/or certification received by the company at both national and international levels	Information includes: 1. Names of awards and/or certificates 2. Year awarded 3. Awarding or certifying authority or institution 4. Validity (for certificates)	16-17
15. Names and addresses of subsidiaries and/or branch offices or representative offices (if any)		469-471
V. Management's Analysis and Discussion of the Company's Performance		
1. Review of operations per business segment	Contains an explanation of: 1. Production/business activity; 2. Increase/decrease in production capacity; 3. Sales/operating income; 4. Profitability of each business segment presented in the financial statement (if any)	 54-63 84
2. Description of financial performance	Comparative analysis of financial performance in current and previous years (in narrative and table form), covering at least: 1. Current assets, non-current assets, and total assets 2. Current liabilities, non-current liabilities, and total liabilities; 3. Sales/operating income, expenses and profit (loss) 4. Other comprehensive income, and total comprehensive profit (loss) 5. Cash flow	75 84 89-90 76-77, 79, 81, 82 91
3. Discussion and analysis of loan repayment ability and collectability of receivables	Explanation of: 1. Loan repayment ability, both short-term and long-term 2. Collectibility of receivables	 91 94
4. Discussion of capital structure and capital structure policy	Explanation of: 1. Capital structure 2. Capital structure policy	 94 95
5. Discussion of material commitments for capital expenditure	Explanation of: 1. The purpose of the commitments 2. Expected sources of funds to honor the commitment 3. Currency 4. Planned actions to hedge against foreign currency risks Note: if the company has no commitments for capital expenditure, this should be stated	95

Criteria	Description	Page
6. If the financial statement discloses a material increase or decrease in net sales/income, a discussion of the extent to which such changes can be related to the total goods or services sold, and/or the presence of new products or services	Explanation of: 1. the amount of the increase/decrease in net sales or income 2. Causes of any material increase/decrease in net sales or income in relation to the total goods or services sold, and/or the presence of new products or services	76
7. Discussion of the impact of price changes on net sales/ income and profit for the last two years or since the company commenced operations, if the company has been operating for less than two years	State whether or not there is such disclosure	64-65
8. Material information and facts subsequent to the date of the accountant's report	Description of significant events after the date of the accountant's report, including the effects on the company's future performance and business risk Note: if there were no significant events subsequent to the date of the accountant's report, this should be stated	95
9. Description of the company's business prospects	Description of the company's prospects in relation to the industry and the economy in general, with supporting quantitative data from reliable sources	68
10. Description of marketing aspects	Description of the marketing of the company's products and/or services, including marketing strategies and market share	67
11. Description of the dividend policy, the total cash dividend per share and the total dividend per year declared and paid for the last two fiscal years	Description includes: 1. Total dividend 2. Total dividend per share 3. Payout ratio For each year Note: if no dividend was paid, state the	95-96
12. Use of the proceeds from the public offering (if the company is still required to make such a report)	Description of: 1. Total proceeds, 2. Planned use of funds, 3. Details of fund utilization, 4. Balance of funds, and 5. Date of GMS approval for revised fund utilization (if any)	96
13. Material information on investment, expansion, divestment, acquisition or restructuring of debt/capital	Description of: 1. Purpose of transaction; 2. Value of transaction or amount restructured; 3. Source(s) of funds Note: if there was no such transaction, this should be stated	96, 107
14. Information on material transactions involving a conflict of interest and/or a transaction with affiliated parties	Description of: 1. Name of the other party in the transaction and the nature of the affiliation; 2. clarification of the fairness of the transaction; 3. Reason for the transaction; 4. Realized transactions in the current period; 5. Company policy on the mechanism for transaction review; 6. Compliance with related regulations and provisions Note: if there was no such transaction, this should be stated	96-97
15. Description of changes in the laws and regulations that significantly affect the company	Description includes: changes in the laws and regulations and their impact on the company Note: if there are no changes that have a significant impact, this should be stated	107
16. Description of changes in accounting policy	Description includes: changes in accounting policies, reasons and effects on the financial statement	97

Criteria	Description	Page
VI. Good Corporate Governance		
1. Description of the Board of Commissioners	Description includes: 1. Description of the responsibilities of the Board of Commissioners 2. Procedure for determining remuneration 3. Remuneration structure showing the components of remuneration and the nominal amounts per component for each member of the Board of Commissioners 4. Frequency of meetings and attendance rate 5. Training program to enhance the competence of the Board of Commissioners	114-118
2. Description of the Board of Directors	Description includes: 1. Scope of work and responsibilities of each member of the Board of Directors 2. Frequency of meetings 3. Member's attendance rate at Board of Directors' meetings 4. Training program to enhance the competence of the Board of Directors	118-127
3. Assessment of the members of the Board of Commissioners and/or Board of Directors	Description of: 1. Performance assessment process for the members of the Board of Commissioners and/or Board of Directors 2. Criteria used in the assessment of the Board members' performance 3. Assessor	127-130
4. Description of The Remuneration Policy for The Board of Directors	Description of: 1. Procedure for determining remuneration 2. Remuneration structure showing the type and amount of short-term and long-term benefits and post-employment benefits for each member of the Board of Directors 3. Performance indicators for the Board of Directors	 122 123-125 127-128
5. Audit Committee	Description includes: 1. Names and positions of the audit committee members 2. Education, qualifications and work experience of the committee members 3. Committee members' independence 4. Duties and responsibilities 5. Brief report on activities of the audit committee 6. Frequency of audit committee meetings and attendance rate	131-134
6. Nomination Committee	Description includes: 1. Names, positions and brief CVs of the committee members 2. Committee members' independence 3. Duties and responsibilities 4. Brief report on activities of the nomination committee 5. Frequency of committee meetings and attendance rate	134-135
7. Remuneration Committee	Description includes: 1. Names, positions and brief CVs of the committee members 2. Committee members' independence 3. Duties and responsibilities 4. Brief report on activities of the remuneration committee 5. Frequency of committee meetings and attendance rate	134-135
8. Other committees under the supervision of the Board of Commissioners	Description includes: 1. Names, positions and brief CVs of the members of the others committees 2. Independence of the committee members 3. Duties and responsibilities 4. Activity report 5. Frequency of committee meetings and attendance rate	135-137

Criteria	Description	Page
9. Duties and Functions of the Corporate Secretary	Description includes: 1. Name and brief CV of the corporate secretary 2. Description of the implementation of the duties of the corporate secretary	137-138
10. Description of the internal audit unit	Description includes: 1. Name of the head of the internal audit unit 2. Total number of employees n the internal audit unit 3. Professional internal audit qualifications/certification 4. Structure or status of the internal audit unit 5. Activity report 6. Party appointing/terminating the head of the internal audit unit	149-151
11. Accountant	Information should include: 1. Number of periods the accountant has audited the company's annual financial statements 2. Number of periods the Accounting Firm has audited the company's annual financial statements 3. Amount of the audit fee and other attestation fees (if the accountant provides other attestation services concurrently with the audit) 4. Other services provided by the accountant besides the financial audit	468
12. Description of the company's risk management	Description includes: 1. Explanation of the risk management system 2. Explanation of the evaluation of the effectiveness of the risk management system 3. Explanation of the risks facing the company 4. Efforts to manage such risks	142-148
13. Description of internal control system	Description includes: 1. Brief explanation of the internal control system 2. Explanation of the evaluation of the effectiveness of the internal control system	148
14. Description of corporate social responsibility related to the environment	Description includes information on: 1. Policy, 2. Activities, and 3. Financial impact of the environmental program activities, such as the use of environment-friendly and recyclable materials and energy, waste management system, etc. 4. The company's environmental certification	185-189
15. Description of corporate social responsibility related to employment, occupational safety and health	Description includes information on: 1. Policy, 2. Activities, and 3. Financial impact of the activities in relation to employment, occupational safety and health practices, such as gender equality and work opportunity equality, work safety and facilities, employee turnover, work-related accident rate, training, etc.	189-194, 205-210
16. Description of corporate social responsibility related to social and community development	1. Policy, 2. Activities, and 3. Financial impact of the activities related to social and community development, such as the hiring of local people, empowerment of surrounding communities, improvement of social facilities and infrastructure, the form of other contributions, etc.	194-200
17. Description of corporate social responsibility related to the consumers	1. Policy, 2. Activities, and 3. Financial impact of the activities related to product responsibility, such as consumer health and safety, product information, number of consumer complaints and how they are handled, etc.	201, 215-219

Criteria	Description	Page
18. Significant cases faced by the company, its subsidiaries, or incumbent members of the Board of Directors and/ or Board of Commissioners	Description includes: 1. Subject of cases/claims 2. Status of cases/claims 3. Effect on the company's financial condition Note: if there are no significant cases, this should be stated	152-157
19. Access to corporate information and data	Description of the availability of public access to corporate information and data, e.g. through the website, mass media, mailing lists, bulletins, analysts' meetings, etc.	157
20. Discussion of the code of conduct	Description includes: 1. The existence of a code of conduct 2. Content of the code of conduct 3. Statement that the code of conduct is applicable to all levels of the organization 4. Efforts to implement and enforce the code 5. Statement about the corporate culture	139-141
21. Elaboration of the whistleblowing system	Description of the whistleblowing mechanism, including: 1. Method of reporting 2. Protection of the whistleblower 3. Handling of reports 4. party that handles the reports	141
VII. Financial Information		
1. Statement of the Board of Directors regarding its responsibility for the financial statement	In compliance with Bapepam-LK Regulation No.VIII.G.11 regarding the Board of Directors' Responsibility for the Financial Statement	223
2. Independent auditor's opinion on the financial statement		225-226
3. Description of independent auditor's opinioni	Description includes: 1. Name & signature 2. Audit report date 3. License number of the Public Accountant Firm and license number of the public accountant	226
4. Full financial statement	Includes all elements of the financial statement: 1. Balance sheet 2. Comprehensive income statement 3. Report on changes in equity 4. Cash flow statement 5. Notes to the financial statement 6. Financial position at the beginning of the comparative periods presented if the company implemented an accounting policy retrospectively or restated an account in the financial statement, or if the company reclassified financial statement accounts (if relevant)	 227-228 229 230 231 232-438 227-228
5. Disclosure in notes to the financial statement when the company applies an accounting policy retrospectively or restates an account in the financial statement or reclassifies an account in the financial statement	State whether or not there is disclosure according to SFAS	257, 260, 262- 264, 268-270
6. Comparison of profitability ratio	Comparison of profit (loss) in the current and previous years	229
7. Cash flow report	Should fulfill the following provisions: 1. Classification of activities into three categories: operating, investing and financing 2. Use of the direct method to report cash flow from operating activities 3. Separate presentation of cash income and/or expenditure in the current year from operating, investing and financing activities 4. Disclosure of non-cash activities in the notes to the financial statement	 231, 239, 263 258-260 253-255
8. Summary of accounting policy	Includes at least the following: 1. Statement of compliance with SFAS 2. Basis of measurement and presentation of the financial statement 3. recognition of income and expense 4. Fixed assets 5. Financial instruments	 239 258-260 258-260 253-256

Criteria	Description	Page
9. Disclosure of related party transactions	Items that must be disclosed: 1. Name(s) of related parties, and nature of relationship with related parties 2. Value of transactions and percentage of total related income and expense 3. Balance and percentage of total assets or liabilities 4. Terms and conditions of related party transactions	354-357 357 358-360 354
10. Disclosures related to Taxation	Items that must be disclosed: 1. Explanation of the relationship between tax expense (income) and accounting profit 2. Reconciliation between fiscal and current tax assessment 3. Statement that the reconciled taxable profit is the basis for the annual corporate income tax return 4. Breakdown of deferred tax assets and liabilities recognized in the balance sheet for each period presented, and total deferred tax expense (income) recognized in the income statement if such amount is not shown in the total deferred tax assets or liabilities recognized in the financial statement 5. Disclosure of whether or not there are any tax disputes	440
11. Disclosure of Fixed Assets	Items that must be disclosed: 1. Depreciation method used 2. Explanation of whether fair value model or cost model have been adopted as accounting policy 3. Method and significant assumptions used in estimating the fair value of fixed assets (revaluation model) or disclosing the fair value of fixed assets (cost model) 4. Reconciliation of recorded gross amount and cumulative depreciation of fixed assets at the beginning and end of the period by showing addition, reduction and reclassification	258, 240, 295, 296
12. Recent Developments in Financial Accounting Standards and Other Regulations	Description of FAS/regulations that have been issued but are not yet effective, which have not been applied by the company, stating: 1. Type and effective date of the new FAS/regulations; 2. Nature of the change that is not yet effective or the change in accounting policy; and 3. Effect of initial application of the new AS and regulations on the financial statement	270-273
13. Disclosure of Financial Instruments	Items that must be disclosed: 1. Accounting requirements, conditions and policies for each group of financial instruments 2. Classification of financial instruments 3. Fair value of each group of financial instruments 4. Explanation of the risks related to the financial instruments: market risk, credit risk and liquidity risk 5. Purpose and policy on financial risk management	253 254-255 413-415 405-412 410-411
14. Publication of the Financial Statement	Items to be disclosed include: 1. Date of authorization for the publication of the financial statement; and 2. Party responsible for authorizing the financial statement	223 223, 226

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