

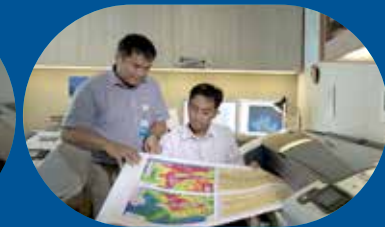
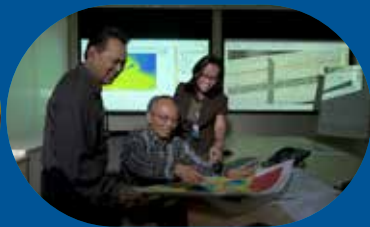


**2013**  
ANNUAL REPORT



QUESTIONS







# We know gas.

We know how to source and extract it. We know how to build pipelines to transport it and networks to distribute it. We know how to regasify and compress it. We know how to operate reliably, efficiently, and profitably. Thanks to our expertise in natural gas, Indonesia's energy future looks brighter every day.

## INFRASTRUCTURE

### Taking LNG to new places

Indonesia's rugged terrain and thick vegetation makes getting natural gas to remote locations cost-prohibitive. Fortunately, PGN has a cost-effective solution: an inland, non-pipeline Liquid Natural Gas (LNG) transportation system that takes gas to the exact point of use.







## RESPONSIBILITY

### Getting everyone involved

At PGN, safety is more than an initiative; it's part of our culture. It's a responsibility that everyone shares, including our outside contractors. PGN's business touches Indonesia in millions of ways. So it's up to us to not only keep PGN employees safe, but also the communities we serve.

## HISTORY

### Putting experience to work

PGN's roots in Indonesia date back to 1859, giving us unmatched expertise in natural gas. We've built the nation's largest transmission and distribution pipeline network, about 6,000 km long. We've introduced new gas technologies, like LNG and CBM. And today, we're bringing natural gas to more households than ever before.



## INNOVATION

### Helping fuel the way

Natural gas is helping move Indonesia forward. Literally. PGN is spearheading the use of compressed natural gas to power buses, trucks, and cars. It's not only less expensive than gasoline, it's also much cleaner. To support Government's program on gasoline to natural gas fuel conversion and encourage consumer use, PGN is building additional Fuel Gas Filling Stations (SPBGs) in Greater Jakarta.



## PERSPECTIVE

### Investing in our vision

PGN took a big step towards being a world-class energy company in gas utilization when we launched our "Beyond Pipeline" strategy in 2011. But we took an even bigger step in 2013, when we entered the upstream oil and gas business. Our subsidiary PT Saka Energi Indonesia (SEI) participated in four upstream oil and gas blocks and became the operator of one of the oil and gas blocks.



## LEADERSHIP

### Meeting the challenges of tomorrow

Indonesia's energy mix is changing. The growing focus on domestic utilization of Indonesia's extensive gas reserves is turning natural gas into the fuel of choice for the nation. PGN is at the center of it all. We have the expertise, technology, senior leadership, and long-term vision to deliver a bright future for the nation.



## COMMITMENT

### Promoting the fabric of Indonesia

Since 2011, through our Partnership Program, PGN has helped batik artisans located in PGN's operational areas to design and market their beautiful cloth throughout the world. Recognized by UNESCO in 2009, batik is an enduring icon of Indonesian culture and an important part of the economy. At the 2013 Batik Nusantara competition, one of our batik partners won the President's Award from among 500 contestants.



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## REGULATORY CROSS REFERENCE

520	Cross Reference Bapepam-LK Regulation No X.K.6
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## GLOSSARY 532







## FINANCIAL HIGHLIGHTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2013 USD (Audited)	2012 USD (Audited)	2011 USD (Restated)(Audited)
Net Revenues	3,001,516,630	2,580,234,140	2,230,397,076
Cost Of Revenues	(1,583,522,143)	(1,107,842,836)	(888,467,843)
Gross Profit	1,417,994,487	1,472,391,304	1,341,929,233
Other income	27,023,658	21,415,500	20,878,662
Distribution and transmission	(292,558,975)	(269,894,769)	(280,226,926)
General and administrative	(216,617,353)	(204,389,934)	(178,257,491)
Other expenses	(2,156,558)	(1,038,741)	(6,166,815)
Operating Profit	933,685,257	1,018,483,360	898,156,663
Other income (expenses)	191,396,412	129,824,667	(26,182,646)
Profit Before Tax Benefit (Expense)	1,125,081,669	1,148,308,027	871,974,017
Tax Expense - Net	(231,197,149)	(233,051,777)	(170,073,498)
Profit For The Year	893,884,520	915,256,250	701,900,519
Other Comprehensive Income (Loss)			
Available-for-sale financial assets	(15,767,821)	7,794,787	1,119,417
Actuarial gains (losses)	29,827,072	(8,734,002)	-
Difference in foreign currency translation of the financial statements of Subsidiaries, net	(14,010,436)	(1,724,744)	(562,756)
Sub-total	48,815	(2,663,959)	556,661
Income tax effect	(5,717,966)	1,906,393	-
Other Comprehensive Loss After Tax	(5,669,151)	(757,566)	556,661
Total Comprehensive Income For The Year	888,215,369	914,498,684	702,457,180
Profit For The Year Attributable To:			
Owners of the parent entity	860,533,234	890,885,456	680,804,733
Non-controlling interests	33,351,286	24,370,794	21,095,786
Total	893,884,520	915,256,250	701,900,519
Total Comprehensive Income For The Year Attributable To:			
Owners of the parent entity	854,246,887	889,696,452	681,357,195
Non-controlling interests	33,968,482	24,802,232	21,099,985
Total	888,215,369	914,498,684	702,457,180
EBITDA	1,120,741,534	1,209,088,023	1,078,295,431

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Total Assets	4,363,174,995	3,908,162,319	3,400,177,005
Total Liabilities	1,635,948,472	1,553,370,341	1,520,819,736
Total Equity	2,727,226,523	2,354,791,978	1,879,357,269
Capital Expenditure	880,741,897	139,599,881	102,483,665
Net Working Capital	894,728,942	1,511,068,613	1,232,909,912
Investment on Other Entity	95,331,310	65,952,471	45,000,454

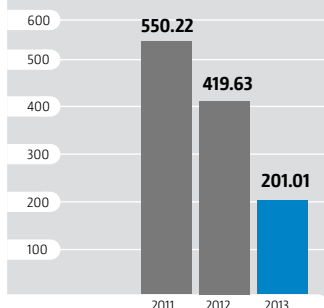
### FINANCIAL RATIOS

Return on Investment (%)	28.81	30.44	31.71
Return on Equity (%)	46.10	60.86	56.80
Net Profit Margin (%)	28.67	34.58	30.52
Current Ratio (%)	201.01	419.63	550.22
Debt to Equity Ratio (%)	37.62	39.86	58.12
Debt to Total Asse Ratio (%)	23.51	24.04	32.12
Gross Profit Ratio (%)	47.24	57.15	60.17
Margin EBITDA (%)	37.34	46.14	48.35
Net Debt/EBITDA (X)	0	0	0
EBITDA/Interest Expense(X)	51.26	55.09	38.91
EBITDA/(Interest Expense + Principal) (X)	8.19	11.55	2.43
ROCE (%)	24.88	31.19	30.02
Price Earning Ratio (X)	10.48	13.11	12.63
Price to Book Value (X)	3.54	5.32	4.96

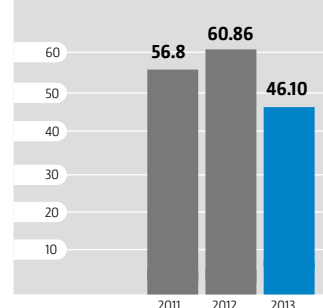


## FINANCIAL RATIOS

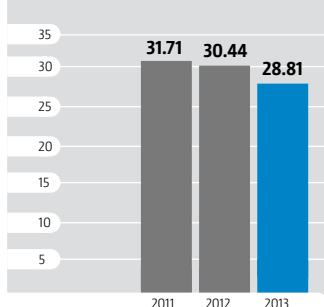
CURRENT RATIO (%)



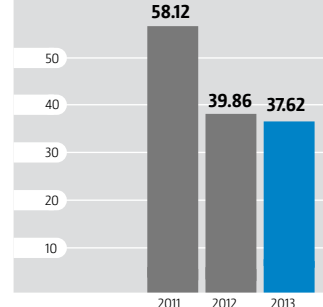
RETURN ON EQUITY (%)



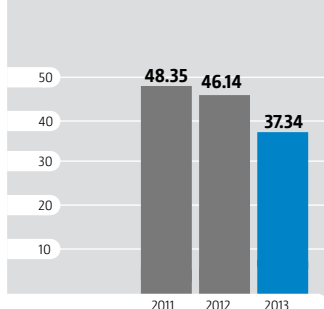
RETURN ON INVESTMENT (%)



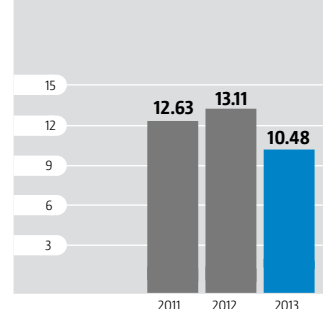
DEBT TO EQUITY (%)



EBITDA MARGIN (%)



PRICE EARNING RATIO (%)



## STOCK DATA

	2013 USD (Audited)	2012 USD (Audited)	2011 USD (Restated) (Audited)
Weighted Average	24,241,508,196	24,241,508,196	24,239,658,196
Common Shares Outstanding (share)	24,241,508,196	24,241,508,196	24,241,508,196
Net Income (loss) per share	0.04	0.04	0.03

## OPERATING HIGHLIGHTS

PGN'S DISTRIBUTION AND TRANSMISSION VOLUME			MMScfd
	2013	2012	2011
Distribution	823.83	807.16	795.28
Transmission	854.15	876.97	845.49
Total	1,677.98	1,684.13	1,640.76

NUMBER OF CUSTOMERS			
	2013	2012	2011
Household	88,613	87,437	86,167
Commercial	1,717	1,674	1,641
Industry	1,260	1,253	1,245
Total	91,590	90,364	89,053

LENGTH OF PIPELINE NETWORK			Km
	2013	2012	2011*
Distribution	3,950	3,865	3,836
Transmission	2,047	2,047	2,047
Total	5,997	5,912	5,883



## STOCK HIGHLIGHTS

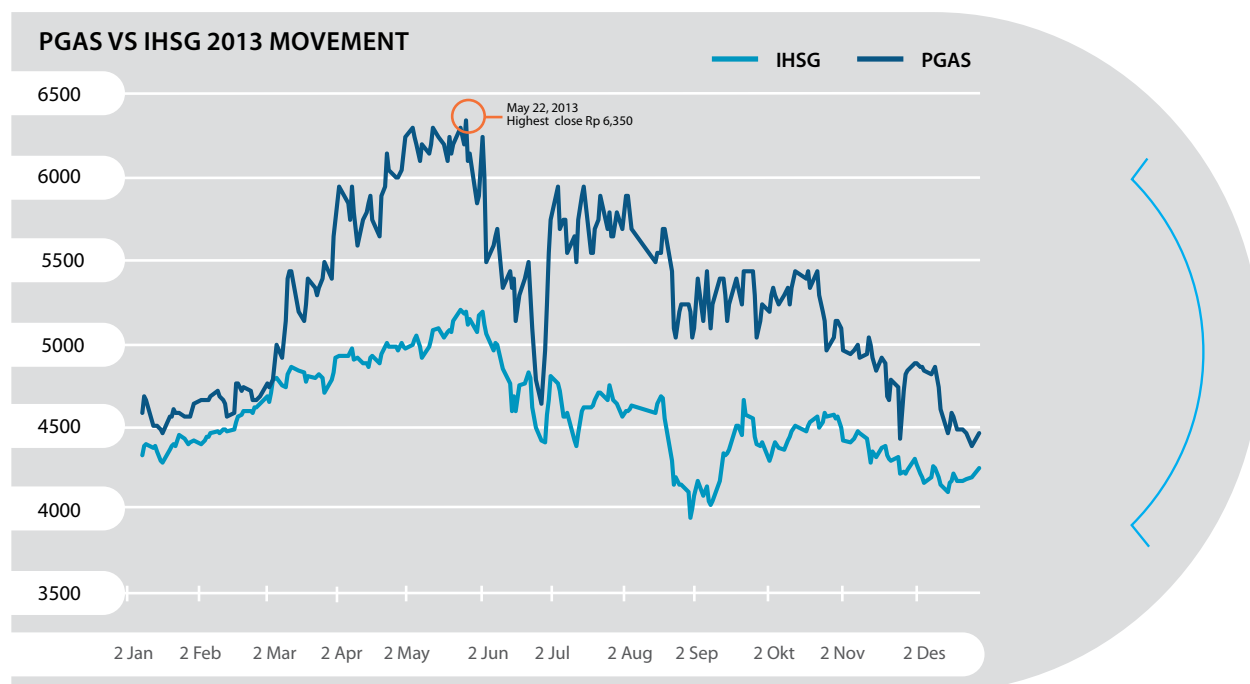
### PGAS SHARE PRICE 2013

	2013			
	4Q	3Q	2Q	1Q
Total Outstanding Shares (Share)	24,241,508,196	24,241,508,196	24,241,508,196	24,241,508,196
Market Capitalization (Rp)	111,510,937,701,600	99,996,221,308,500	85,451,316,390,900	92,117,731,144,800
Highest Price (Rp)	5,450	5,950	6,350	5,950
Lowest Price (Rp)	4,400	5,050	4,650	4,475
Closing Price(Rp)	4,475	5,200	5,750	5,950
Trading Volume Averages (Lot)	229,817	251,071	292,799	251,706

### PGAS SHARE PRICE 2012

	2012			
	4Q	3Q	2Q	1Q
Total Outstanding Shares (Share)	24,241,508,196	24,241,508,196	24,241,508,196	24,241,508,196
Market Capitalization (Rp)	111,510,937,701,600	99,996,221,308,500	85,451,316,390,900	92,117,731,144,800
Highest Price (Rp)	4,800	4,200	4,000	3,850
Lowest Price (Rp)	4,025	3,475	3,275	3,050
Closing Price(Rp)	4,600	4,125	3,525	3,800
Trading Volume Averages (Lot)	231,535	234,835	289,130	195,400

\* Adjustment with new trading and fraction unit



In 2013, PGAS opened at Rp 4,600 and closed at Rp 4,475 at the end of 2013. PGAS was at its peak on 20 May 2013 when it was traded at Rp 6,450 and made the highest close on 22 May 2013 at Rp 6,350. As of 31 December 2012, PGAS was one of the Top 7 Largest Market Capitalizations amongst public listed companies on the Indonesia Stock Exchange and was one of the Top 4 Largest Market Capitalizations, with Rp 108.5 trillion, amongst State-Owned Enterprises.







## REPORT FROM THE BOARD OF COMMISSIONERS



**Bayu Krisnamurthi**  
President Commissioner

Dear Shareholders,

2013 was a turbulent year for PGN, but the Company nevertheless performed well on all the indicators set out in the business plan. Despite facing pricing and gas supply issues, the Company made tangible progress towards our strategic objectives. Overall, with the non-core business beginning to gain traction, the performance of the subsidiaries was better than expected.

Other challenges also surfaced, including renewed discourse on the implementation of the open access policy, and the possibility of merging the Company's gas business with the oil business of another state-owned company. However, we feel that this is part of the natural dynamic of a major company, and that these challenges are a reflection of PGN's current maturity and strength.





*PGN will continue to support this transition to gas utilization as one of two distinct pillars of Indonesia's energy sector.*

Our position is clear. Gas is the future of energy in Indonesia. It is cheaper than oil and cleaner than coal, and easier to manage, with various options for storage and transportation, including LNG and CNG. And it is still abundant, both in Indonesia and around the world. The President has mandated the greater use of gas as part of Indonesia's strategy to reduce dependence on oil, ease the burden on the Treasury caused by fuel subsidies and strengthen national energy security. The country's ongoing current account deficit woes should serve as a wake-up call that Indonesia can no longer afford to delay the transition to gas as a major source of energy for the nation. PGN will continue to support this transition to gas utilization as one of two distinct pillars of Indonesia's energy sector.

### Assessment of the Board of Directors' Performance

The Management has done a tremendous job in managing the challenges. Measured against the indicators in the business plan, all the objectives for the year have been achieved, and PGN is now considerably closer to its goal of becoming an integrated energy company.

Significant progress has been made over the last two years to put in place a fair and rational pricing system. This will make it easier for PGN to guarantee supplies to customers while ensuring an incentive for producers to continue production or exploration. At the same time, Management has



From left to right:

**BAYU KRISNAMURTHI**  
**KIAGUS AHMAD BADARUDDIN**  
**PUDJA SUNASA**  
**WIDYA PURNAMA**  
**M. ZAMKHANI**  
**FIRMANZAH**

See page 52 for more information  
 about PGN's Board of Commissioners

worked hard to accelerate the development of the LNG and upstream businesses, both of which will have a critical impact in securing gas supplies for PGN and for the country.

Our first LNG receiving terminal, a joint venture between PGN and Pertamina, is now supplying not only PLN's Muara Karang power plant but our customers in West Java as well, making PGN the first company in Indonesia to sell LNG to the domestic market. Our second FSRU, which is located in Lampung and will be operated by our new subsidiary, PT PGN LNG, will be commercialized later this year. This will be a valuable addition to the gas supply chain, and we are already exploring conventional and non-conventional means to transport the gas from the Lampung FSRU to customers in areas of undersupply.

Through our upstream subsidiary, PT Saka Energi Indonesia (SEI), we acquired four upstream blocks in 2013, and, at the beginning of 2014, became the operator two of them—a move that puts us several years ahead of our business plan. PT Gagas Energi Indonesia (GEI) continued to push the diversification of PGN's downstream interests with a breakthrough for natural gas-powered vehicles. With the launch of Indonesia's first-ever mobile gas refueling units, GEI has opened up the possibility of a more widespread conversion to gas fuel, particularly for public transport fleets. This venture has been publicly endorsed by the Governor of DKI Jakarta, who even requested that one of the units be stationed adjacent to his office.

We commend the Board of Directors for their efforts to accelerate this agenda. Going forward, we again urge the Management to continue the conversation with all our stakeholders on PGN's role in meeting the country's energy needs.

For our part, the members of the Board of Commissioners are using the leverage available to us to send the right messages to the Government about the benefits and potential of gas for the country's economic growth, and to make it clear that certainty and clarity with regard to regulation is critical in order to attract the investment to build the necessary infrastructure. We will continue to do our best to support the Management in sharing this message as widely as possible.

*PGN will also continue to support conversion to natural gas for both public and private transportation by deploying more mobile gas refueling units (MRU) and commissioning further gas filling stations (SPBG) in the Jakarta area.*

### Good Governance

The work of the Board Committees has again played a central role in providing assurance on the quality of the Company's financial reporting and the effectiveness of the various internal control systems, including risk management. Both the Audit Committee and the Risk Management and Business Expansion Monitoring Committee have continued to provide valuable observations and recommendations and work with the units concerned to continuously improve the standard of governance.

We are pleased to note that significant progress has been made in 2013 on the GCG assessment. An annual independent benchmarking exercise for all state-owned enterprises, the Company's score improved from 90.72 in 2012 points to 91.62 in 2013.

### Community and Sustainability

PGN's core sustainability goal is to meet the present generation's needs for natural gas energy without jeopardizing the ability of future generations to fulfill their own needs. The Company is working towards this goal on multiple levels that touch on the environment, the safety and social and economic welfare of the members of this organization and the communities we serve, and the continuity of the Company's own operations.

Management worked very hard in 2013 to secure the Company's financial sustainability, putting in place a solid foundation for future growth. As a result, PGN is attracting a lot of positive attention from the financial and investor community.

The Company is also developing frameworks for sustainability throughout the organization, from energy saving and waste management in our offices to potential small-scale projects on alternative energy, for example, often in partnership with NGOs, the private sector or the Government.

Our CSR work remains an important part of our approach to sustainability, and in 2013 we continued to invest in empowering communities, most notably through our support for reviving and expanding the traditional craft of 'sulam', or embroidery, in three villages in Sumatra, East Java and Bali. For PGN, however, engaging with the community is not restricted to 'CSR'; it is an integral part of our operations. One of PGN's successes has been working with communities in the vicinity of our pipelines to improve



their wellbeing and put strict procedures and contingency plans in place to ensure their safety in the event of an emergency. This, in turn, has helped to build a sense of ownership and stewardship within these communities with regard to our activities and installations, which is an important factor in our ability to operate.

### The Company's Prospects: The Board's Perspective

The Management has outlined a set of strategies for 2014 designed to strengthen the platform for sustainable growth over the coming years and meet the steadily growing demand for gas. This will entail ongoing investment in securing new sources of gas, developing infrastructure and accelerating the transition from oil to natural gas by expanding and diversifying opportunities for utilization. For example, there will be an increased emphasis on broadening PGN's customer base by making piped natural gas part of the basic utilities infrastructure, not only in new industrial estates and apartment blocks, but also in new urban developments, through strengthening partnerships with property developers, other state-owned enterprises and local state owned enterprises. PGN will also continue to support conversion to natural gas for both public and private transportation by deploying more mobile gas refueling units and commissioning further gas filling stations in the Jakarta area.

We will also endeavor to communicate more clearly and systematically with the Government, our customers, investors and the public about the central role of natural gas in Indonesia's energy

future. As this is an election year, educating the new generation of legislators, the new President and the new cabinet will be critically important.

The forthcoming economic integration among the ASEAN nations will open up access to a potential market of 600 million people. For the Company, this is a tremendous opportunity. PGN, as the only specialized gas company in the region is well placed to take advantage of the wider market that ASEAN offers. For the country, too, the opportunities are vast. We believe that economic integration will accelerate the pace of growth in Indonesia. If Indonesia's industry remains shackled by high energy costs, however, it will lose out. Forward-thinking policies on a sustained supply of gas for industry and on fair pricing, particularly for LNG, will be instrumental in making Indonesia more competitive in the ASEAN marketplace.

We have a clear roadmap for transforming PGN into an energy company. At its core is continued investment in finding new sources of gas and delivering it efficiently and affordably to an expanding base of customers. PGN has already shown leadership in developing Indonesia's gas transmission and distribution infrastructure and will continue to lead its expansion. In short, we will focus on making the gas business, and PGN, sustainable.

### Changes in the Composition of the Board of Commissioners

The Annual General Meeting of Shareholders on April 17, 2013 changed the composition of members of the Board of Commissioners.

Mr. Bambang Dwijanto resigned from the Board and Mr. Firmanzah was appointed as the new Commissioner. We would like to thank Mr. Bambang Dwijanto for his role in the supervision of the Company for the period of May 24, 2012 until April 17, 2013 and we were pleased to welcome Mr. Firmanzah as the Commissioner of the Company.

### Appreciation to Our Stakeholders

Along with the rest of the Board, I would like to thank the Board of Directors, the Management and all our employees for all their efforts to take the Company forward this year. We're also indebted to our shareholders, customers and partners for the trust and support they have continued to show us.

PGN and its precursors have been at the head of Indonesia's gas industry for more than 160 years. This is a company that has withstood many challenges over its lifetime, and will undoubtedly face many more in the future. PGN is in this business for the long haul. Gas is the future for Indonesia's energy sector, and PGN is playing a leading role in supporting the transition to a stronger, more sustainable and more stable energy profile for Indonesia that is powered by gas. With the right investment now, we are looking at a profitable future. We hope that you will join PGN in engaging with this exciting opportunity over the long term.



**Bayu Krisnamurthi**  
President Commissioner

## REPORT FROM THE BOARD OF DIRECTORS



**Hendi Prio Santoso**  
President Director

Dear Shareholders

In 2013, PGN proved that it has both the capabilities and the resilience to complete the transition from pipeline operator to a fully fledged national gas company. Overcoming several challenges during the year, we were able to successfully execute our strategic plan, posting a significant growth in sales.

### **Our performance in 2013**

Indonesia's economy was challenged by both international and domestic constraints in 2013. The country felt the impact of the global decline in commodity prices while struggling to control its current account deficit. The deficit, worsened by high fuel imports, contributed to rising inflation and the depreciation of the Rupiah.

Despite reduced purchasing power, however, customers' natural gas consumption remained stable, and price was not an issue, as it was still low relative to oil. This was reflected in an increase in natural gas sales from 807 MMScfd in 2012 to 824 MMScfd in 2013, which contributed to revenues of USD 3 billion, a 16.33% increase from 2012.





*The non-core businesses met their targets, and overall the subsidiaries outperformed expectations, in both operational and financial terms*

### Achievement of 2012 Targets

The Company overcame a number of challenges to post a strong performance in 2013. Revenues increased 16% to USD 3,001 million from USD 2,576 million in 2012, while the sales volume of natural gas increased to 824 MMScfd from 807 MMScfd in the previous year. The revenues recorded in 2013 and distribution volume for 2013 were 87.82% and 97%, respectively, of our target. The growth in volume and revenues was supported by increased supply from the Grissik field in South Sumatra, and increased gas consumption of existing and new customers and utilization of gas from the LNG regasification facility in West Java. Reporting the financial statements in US Dollars affected the Company's reported revenues

in 2013. As PGN receives payment in Rupiah and US Dollars, the portion of sales that is reported in Rupiah was affected by the 26% drop in the value of the Rupiah against the US Dollar in 2013 and contributed to a slight decline in gross profit to USD 1,418 million from USD 1,472 million in 2012.

The non-core businesses met their targets, and overall the subsidiaries outperformed expectations, in both operational and financial terms. We anticipate seeing returns begin to flow from the new upstream businesses in the near future.

The Company's liquidity remained strong. Whereas acquisitions had previously been financed by the Company's own cash, the decision was made in 2013 to access credit facilities in order to maintain an adequate reserve cash flow to sustain our operations.

### Strategic Policy

#### Progress towards Strategic Objectives

We have made considerable strides towards diversifying our sources of gas by progressing our LNG and upstream agendas. Downstream, as well as being active in trading, we have demonstrated PGN's signature leadership in making gas-powered vehicles a viable option, at least for



From left to right:

**HENDI PRIO SANTOSO**  
**MOCHTAR RIZA PAHLEVI TABRANI**  
**DJOKO SAPUTRO**  
**M. WAHID SUTOPO**  
**JOB TRIANANDA HASJIM**  
**HENDI KUSNADI**

See page 54 for more information  
 about PGN's Board of Directors

public transport, and we have connected more customers with gas through their businesses or homes.

#### Midstream Growth

Affiliate company Nusantara Regas, PGN's joint venture with Pertamina, which operates our first LNG floating storage and regasification unit (FSRU) terminal in West Java, performed well, posting a profit in its first year. PGN's gas sales volumes received a boost as customers in West Java had access to the regasified LNG, but the relatively high price of LNG from the producer proved hard for some segments of the market to bear. The Company is therefore considering blending the lower cost of pipeline gas with the more expensive LNG in order to increase demand and revenues.

Work on the Company's second regasification facility, in Lampung, is on schedule and we are targeting a commissioning date in mid-2014. This will make a significant difference to our supply chain by giving us the flexibility to source gas from abroad to ensure continuity of supply, should the need arise. In anticipation of this, we have entered into Master Sales Purchase (MSP)

agreements with a number of international suppliers. We are also actively exploring the possibility of accessing surplus shale gas from the US to meet the expected increase in domestic demand in future.

We are seeking to optimize the LNG business by deploying 'beyond pipeline' technologies that will expand the reach of our LNG facilities, both to meet existing demand and, eventually, to support the penetration of gas into underserved areas. Possible solutions include break bulking, which will allow smaller volumes of LNG to be shipped to satellite terminals, and mini LNG, particularly to supply power plants and support industrial development in eastern Indonesia. At the same time we are also developing our capabilities in compressed natural gas (CNG) to bring gas to off-pipeline customers.

### Upstream Participation

When, in 2011, PGN embarked upon the process of transforming itself into a world-class, integrated gas company, one of the core strategic priorities was to secure the Company's gas supplies over the long term period as well as to help the enhancement of Indonesia's gas production by participating in the upstream sector. Having invested in developing the necessary expertise and conducted exhaustive evaluations of potential assets, in 2013 our subsidiary PT Saka Energi Indonesia completed the acquisition of four natural gas blocks, taking minority stakes in Ketapang in East Java and Bangkanai and South Sesulu in Kalimantan, and Pangkah block in East Java. This represents a major milestone for the Company and significant progress towards our vision of becoming a world-class gas company.

Another pathway in our strategy for contributing to Indonesia's future energy sustainability is the development of unconventional hydrocarbon resources. To this end, we are continuing to explore the commercialization of coal bed methane (CBM) in the Lematang CBM block in South Sumatra, where SEI has a minority participation through its subsidiary, PT Saka Lematang. We are also studying the potential for shale gas exploitation in Indonesia.

### Downstream Diversification

PT Gagah Energi Indonesia continued to expand its capabilities in gas trading while driving innovations to accelerate and diversify natural gas utilization. With the launch of mobile refueling units (MRU) for gas-powered vehicles, Gagah has achieved a breakthrough that we hope will accelerate oil to gas conversions, initially for public transport and other commercial or operational fleets. A major constraint on the implementation of this policy until now has been the lack of CNG filling stations. The key advantage of the MRU is their versatility—they can be moved around as needed, or placed in a container and stationed close to the customer's premises. A total of five units have already been deployed, and, with the encouragement of the Governor and Regional Government of Jakarta, we expect to mobilize more in the near future.

PT PGAS Telekomunikasi Nusantara (PGASCOM) operates the Company's fiber optic network that follows the transmission pipeline network. Because of its superior reliability to roadside and regular submarine fiber optics, which are more vulnerable to disruption, demand for connections through our network is increasing, particularly from telecommunications operators: for example, PGASCOM was requested by PT Telkom to provide back-up bandwidth for the recent APEC Summit in Bali.

While the fiber optic business does not make a substantial contribution to our total revenues, its contribution to the industry and to the country is far more significant.



## Making The Transition From Oil To Natural Gas Natural Gas Infrastructure Development

While expanding in the value chain of the gas business, PGN remains focused on the development of natural gas infrastructure in Indonesia. PGN has invested in infrastructure development to increase natural gas utilization for domestic consumption by developing an integrated transmission and distribution network connecting gas sources upstream to the burner tip of consumer. Developing a downstream dedicated pipeline is helping PGN to accelerate the expansion of the natural gas network infrastructure, which plays a very important role in supporting the conversion from oil to natural gas.

The Government has demonstrated its intention to accelerate the utilization of natural gas in Indonesia and reduce reliance on oil with initiatives like the blue sky program and city gas distribution. Moreover, in 2012 the President himself issued a mandate to PGN to focus on developing the infrastructure and technology needed to increase gas penetration rates, including 'last mile' connections to ensure that everyone in the country has access to the advantages of natural gas.

Unfortunately, since then we have witnessed a lack of alignment between relevant policies and regulations along the natural gas value chain, and between local government and central government policy, that has contributed to delays in the development of the infrastructure needed to accelerate the transition from oil to gas. Stronger coordination is needed to get the implementation of the Government's natural gas policy back on track.

We will continue to engage decision makers in dialogue to ensure that all stakeholders are fully apprised of the issues and the potential consequences of further delay.

## Growing Our Expertise

We believe that the depth and breadth of expertise at PGN cannot be matched by any other gas company in the region. This expertise encompasses the development of natural gas infrastructure, from pipelines to LNG facilities; gas transmission and distribution; and gas-related support services such as advanced monitoring systems. To complete the spectrum, we are now growing our expertise on the sourcing of gas. Investing in enhancing and broadening PGN's competencies is central to the Company's growth objectives, and we have continued to provide opportunities for overseas education and placements with some of the world's leading gas companies to widen our employees' exposure to global best practices.

Succession planning is another essential prong of the growth strategy. We have systematically reviewed our human resource position and needs, and continue to implement the STAR (Succession and Talent to Assure Regeneration) program to identify candidates with the potential to be the Company's future strategic and operational leaders. The selected candidates are placed on a multi-year career development track through which they gain the requisite competencies and experience while being continually assessed for their suitability for middle or senior management positions.

*Indonesia's energy interests would be better served by two separate pillars, each with their own distinct capabilities and expertise*

Overall, the current rate of progress indicates that we are on track towards achieving our long-term strategic objectives. Although the Company's transformation into an integrated natural gas business is still underway, we have already created a strong platform for sustained growth across all our businesses that will drive value for shareholders and allow PGN to play a broader role in support of Government policies to meet present energy needs, reduce reliance on oil and strengthen national energy security.

### Challenges in 2013

The second phase of PGN's new pricing policy for conventional gas went into effect in 2013. We have continued to be honest and transparent with customers on pricing issues, and we believe this has greatly facilitated the acceptance of the tariff increases we applied in response to the higher prices from upstream producers. However, the price disparity between piped natural gas and LNG gave us a challenge to approach consumer

segments in the 'test market' in West Java. We are continuing to engage intensively with customers, producers and the government to find a mutually acceptable solution.

We were forced to deal with some frustrating undersupply issues in North Sumatra, and particularly West Java, where the majority of our industry and commercial customers are concentrated. We expect to address these shortages with the integration in to our supply chain of our new FSRU in Lampung later this year while continuing to seek additional supplies of conventional gas.

The current regulatory framework on natural gas has posed a number of challenges for our business. Gas traders have taken advantage of a regulation that permits them to sell gas while being under no obligation to develop distribution infrastructure. In East Java, an oversupply of gas has contributed to a proliferation of traders who have access to the local government's natural gas allocation. The lengthening of the value chain benefits neither the Company nor the end users.

We have concerns about the impact of the Government's open access policy on the future of the natural gas business in Indonesia. PGN has led the development of the country's natural gas infrastructure since the 1990s, investing heavily in pipeline development and maintenance. The Company remains firmly committed to addressing the chronic lack of infrastructure for gas distribution but we, and other potential investors, need greater certainty regarding the

returns on this investment. More importantly, we need to be able to assure our customers that they will continue to receive the high level of service they have come to rely on. We are communicating intensively with all related stakeholders, regulators and ministries to resolve this issue.

The possible scenario of a merger between the natural gas business of PGN and the energy business of another State Owned Enterprise emerged at the end of the year. Although this discourse is still in the early stages, it had a negative impact on the Company's share price, and we have made the case to the Government that Indonesia's energy interests would be better served by two separate pillars, each with their own distinct capabilities and expertise, to ensure that Indonesia's abundant oil and gas resources are utilized as effectively as possible in fuelling Indonesia's economy and increasing national energy security.

### Outlook for 2014

With presidential and parliamentary elections dominating the calendar in 2014, we expect to see a slight slowing in business activities, at least until after the new legislators and executive are in place. While this will likely result in delays on the regulatory side, we do not expect it to have any significant impact on demand for natural gas.

We will continue to execute our strategic plan, seeking opportunities to expand our portfolio in the upstream, midstream and downstream sectors to accelerate the integration of our business. Ongoing engagement with stakeholders will remain a cornerstone of our strategy as we seek to raise the profile of natural gas in Indonesia's energy landscape.

We expect to maintain or even increase distribution volumes in 2014, and to see significant new income from upstream, particularly from our 100% owned producing block at Ujung Pangkah.

At the same time, with our wholly owned regasification terminal in Lampung coming onstream in mid of 2014, we anticipate healthy growth in the LNG business. Demand for LNG may also be influenced by a potential contraction in conventional supplies as a result of the regulator's suspension of all new energy tenders pending a corruption investigation. Over the long term we hope to continue to expand Indonesia's regasification capacity as an LNG hub and extend the LNG chain through the deployment of break bulking and mini LNG. However, the relatively high price of LNG is a concern. We therefore urge the Government to take this into account and support PGN's initiatives to establish a pricing strategy that will benefit all parties. Natural gas, including LNG, offers significant price, efficiency and environmental benefits to Indonesia's industry sector that could give it an important competitive edge in regional and global markets. These benefits could be lost if pricing is not carefully thought out.

Increasing the number of household customer connections will be an important objective going forward. From a customer base of 91,590 at present, we are targeting 1 million in several years from now. We believe the potential benefits in serving a broader customer base by making piped natural gas part of the basic utilities infrastructure for households and new urban developments are too good to be overlooked. Piped gas is safer than LPG, and much cheaper, and reducing dependence

on LPG will make it easier for the Government to reduce subsidies. To achieve our target, we have been building partnerships with local governments and property developers so that we can supply piped gas to new apartments and residential areas as well as industrial estates.

#### **Towards Economic Integration**

We see significant opportunity in the move towards regional economic integration among the ASEAN countries by 2015. Among regional operators in the gas business, PGN is differentiated by being a dedicated gas company with a presence all along the gas value chain, from sourcing to transporting, supplying and servicing. Globally, gas is increasingly recognized as the future of energy. PGN's acknowledged capabilities and leadership, particularly in developing infrastructure for gas transportation, both pipeline and non-pipeline, will put the Company in a very advantageous position to capture the huge market potential that will be unlocked by economic integration.

#### **Strengthening the Company's Governance**

As the Company grows in size and complexity, the need for a strong governance framework and effective internal controls assumes ever greater importance. PGN is committed to ensuring that these frameworks are fit for purpose and properly implemented, both to ensure the responsible management of the business and to provide assurance to investors that appropriate systems are in place to protect the Company's value.

Key actions on governance in 2013 included the formal adoption of the updated Board Manual, which sets out the rules and responsibilities of the Board of Commissioners and Board of Directors, as well as a guide to the behaviors and practices expected of them. Guidelines for the whistleblowing mechanism were also issued.

We have independent verification of our progress on governance and transparency. For the third year in succession, we managed to improve our score on our annual external GCG Assessment from 90.72 in 2012 to 91.62 in 2013. The Company also received an award for compliance with regard to reporting on material wealth. Not only have all PGN's senior officers reported their assets, as required under Indonesian law, but all employees down to supervisor level have reported as well, as part of the Company's ongoing effort to assure a corruption-free organization. Moreover, as well as being a repeat winner in Indonesia's Annual Report Awards, PGN's 2012 annual report received three prestigious international awards from the LACP 2012 Vision Awards, the International ARC Awards XXVII and the 2013 International Business Awards. LACP named us the overall winner of the Top 100 Annual Reports Worldwide, noting that PGN's annual report demonstrated an outstanding focus on shareholders, their interests and their need to understand the strategic and tactical decisions the Company is making.



### Focus on Safety

Safety remains a top priority. We continue to invest in improving safety and reliability for our employees, customers, sub-contractors and other stakeholders, including those living in the vicinity of our pipelines and installations. PGN has maintained a strong record on safe work hours, reflecting the improved awareness and application of safety measures by our employees and contractors, and health and safety indicators are now included in the Key Performance Indicators of every employee in the Company. In 2013 we achieved the standards required for OHSAS 18001:2007 certification and SMK3 (Occupational Safety and Health Management System) certification—recognition of the PGN's commitment to strengthening occupational safety and health management and building a safety culture throughout the Company.

### Engaging for Sustainability

The sustainability of our business over the long term is dependent on our ability to engage successfully with our stakeholders, be they customers, suppliers, the government, or the communities who live in close proximity to our operational sites. Through both our normal operations and our CSR program, we strive to build enduring partnerships with these communities, working with them on safety as well as on livelihood improvement initiatives.

As well as contributing to the development of health and education infrastructure, one particular theme we have pursued in recent years is the preservation of Indonesia's rich textile heritage. By working directly with local artisans to give a fresh, modern, more marketable take on traditional batik and tenun designs and products, and equipping them with business management and marketing skills, we have helped to revitalize local industries and empower communities. In 2013 we worked closely with three communities in West Sumatra, Bali and East Java to give a new lease of life to sulam, a traditional embroidered cloth. The resulting fabrics are attracting interest at national and international exhibitions, while the original motifs, which were close to being lost, have been preserved for posterity in a book.

In 2013, PGN renewed its approach to environmental management. In line with the Company's broad vision for sustainability, we saw a strategic opportunity to converge our environment and energy policies with our policies on occupational safety and health to create an integrated Occupational Health and Safety and Environmental and Energy Management system. This allows for a more rational approach to health, safety, energy conservation and environmental stewardship. Among the programs being implemented to further this agenda is a company-wide environmental transformation aimed at

positioning PGN as a company that delivers 'green and clean energy for life'. We have developed a Road Map for implementing and embedding this program as part of PGN's corporate culture.

### Changes in the Composition of the Board of Directors

The Annual General Meeting of Shareholders on April 17, 2013 approved the reappointment of Mr. Mochtar Riza Pahlevi Tabrani as Director of Finance while the other members of the Board of Directors remained in their posts.

### Appreciation to Our Stakeholders

PGN's performance and achievements in 2013 are a clear indication that the Company is on the right trajectory towards expanding our primary business model and achieving our vision of becoming a world class company. Going forward, we will continue to leverage our capabilities, optimize our assets and drive innovation in order to deliver a brighter energy future for Indonesia, powered by natural gas.

I would like express my gratitude to all our employees for their commitment to our vision. Thanks to their experience and hard work, the Company is now well positioned to seize the enormous potential of the gas business in Indonesia. I would also like to thank the Government, our customers and business partners for their support during this difficult year. With your continued cooperation, we are confident that we can continue to deliver great value.



**Hendi Prio Santoso**  
President Director

# STATEMENT LETTER

## MEMBERS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

### REGARDING

## RESPONSIBILITY FOR THE CONTENT OF THE ANNUAL REPORT 2013 PT PERUSAHAAN GAS NEGARA (PERSERO) TBK

We the undersigned declare that all the information included in the annual report 2013 of PT Perusahaan Gas Negara (Persero) Tbk has been fully disclosed and we are responsible for the truthfulness of the content of the Company's annual report.

This is our declaration, which has been made truthfully.

Jakarta, 7 March 2014

President Director



HENDI PRIO SANTOSO

Director of Finance



MOCHTAR RIZA PAHLEVI TABRANI

President  
Commissioner



BAYU KRISNAMURTHI

Commissioner



KIAGUS AHMAD BADARUDDIN

Director of Technology  
and Development



DJOKO SAPUTRO

Director of General Affairs  
and Human Resources



HENDI KUSNADI

Independent  
Commissioner



PUDJA SUNASA

Independent  
Commissioner



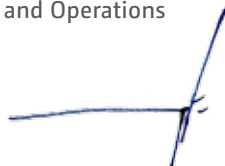
WIDYA PURNAMA

Director of Investment  
Planning and Risk  
Management



MUHAMMAD WAHID SUTOPO

Director of Commerce  
and Operations



JOBI TRIANANDA HASJIM

Commissioner



M. ZAMKHANI

Commissioner



FIRMANZAH



Monitoring on supporting equipments to maintain quantity and quality of gas delivered to customers





Pursuant to Government Regulation No. 19/1965, PGN is a legal entity with the right to execute its business independently, with a scope of business that covers supplying gas for power and industry, primarily to improve the quality of life of society.

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**NAME OF THE COMPANY**

PT Perusahaan Gas Negara (Persero) Tbk

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**LINE OF BUSINESS**

Transmission and distribution of natural gas

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**OWNERSHIP**

Government of Indonesia 56.97%  
Public 43.03%

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**DATE OF ESTABLISHMENT**

13 May 1965

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**LEGAL BASIS**

PP No.19/1965

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**AUTHORIZED CAPITAL**

Rp7,000,000,000,000

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**ISSUED AND FULLY PAID CAPITAL**

Rp2,424,150,819,600

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# PGN | COMPANY PROFILE

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**STOCK EXCHANGE REGISTRATION**

The Company's shares were registered on Jakarta Stock Exchange and Surabaya Stock Exchange on 15 December 2003 with the Shares Code: PGAS

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**CONTACT CENTER**

500 645

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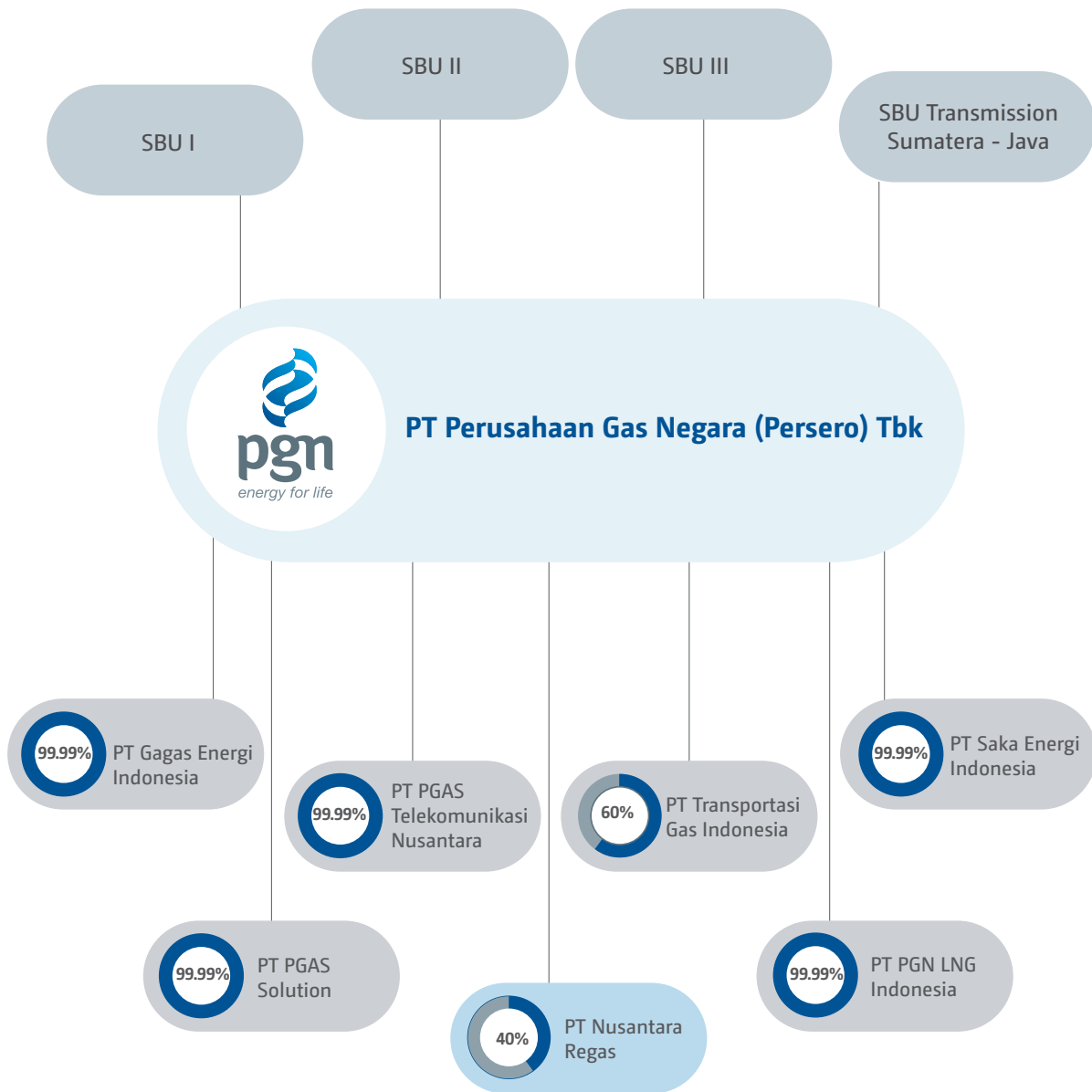
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**HEAD OFFICE**

PT Perusahaan Gas Negara (Persero) Tbk  
Jl. K.H. Zainul Arifin No. 20, Jakarta 1140, Indonesia  
T. (62-21) 633 4838, 633 4848, 633 4861  
F. (62-21) 633 3080,  
PO BOX 1119 JKT  
[www.pgn.co.id](http://www.pgn.co.id)



## GROUP STRUCTURE



PGN has three sales areas in the distribution business (SBU I, II and III) and one area in the transmission business (SBU Transmission Sumatera-Java) as well as seven subsidiaries in several businesses.

- Percentage of Share Ownership
- Strategic Business Unit (SBU)
- Subsidiaries
- Affiliate

## DUTCH ERA

1859

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.J.N Eindhoven & Co Gravenhage.



## 20TH CENTURY GROWTH INDUSTRIALIZATION

1965

On 13 May 1965, pursuant to Government Regulation No. 19/1965 the Company was designated a state company known as Perusahaan Gas Negara (PGN).



Gas Negara

1994

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.

## 21ST CENTURY DEMOCRACY &amp; TECHNOLOGICAL DEVELOPMENT

2003

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.



2008

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.

2011

In 2011 PGN established two subsidiaries that each engaged in the upstream and downstream natural gas business. The subsidiary in the upstream is PT Saka Energy Indonesia (SAKA) while the subsidiary in the downstream is PT Gagas Energi Indonesia (GAGAS). PGN's Ownership in both subsidiary is 99% with 1% ownership by PT PGAS Solution.

2007

On 11 March 2007, the Company successfully conducted a Gas-In (first gas chaneling), which was followed by the commercialization of gas from Pertamina's Pagardewa gas field through the South Sumatera-West Java pipeline to the Company's customer in Cilegon (PT Krakatau Daya Listrik).

2009

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.

2012

PGN established subsidiaries PT PGN LNG Indonesia (PGN LNG). The scope of PGN LNG business includes procuring LNG supply, LNG and natural gas transportation activity, inventory activities includes regasification to the buyer, as well as performing other business activities.





# 1998

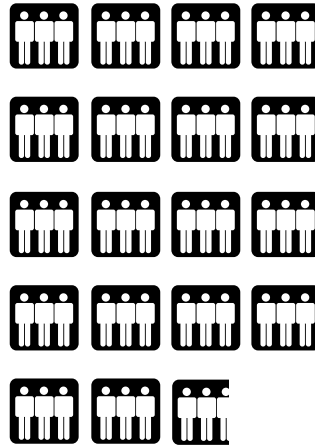
PGN successfully completed the development of

Grissik - Duri Transmission pipeline followed by the establishment of a subsidiary in the transmission line, PT Transportasi Gas Indonesia.



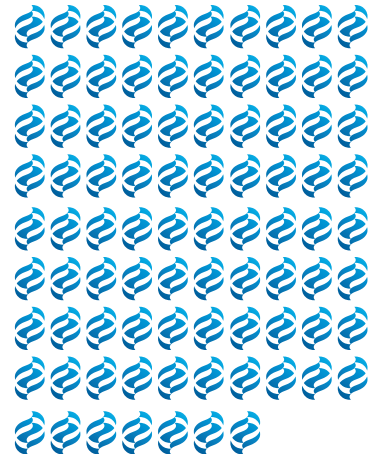
## 1990: INDONESIA'S

### POPULATION



189M\*

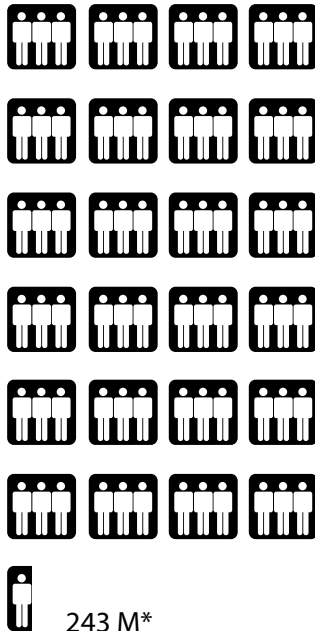
### ANNUAL NATURAL GAS USE



3.5 TRILLION BTU\*

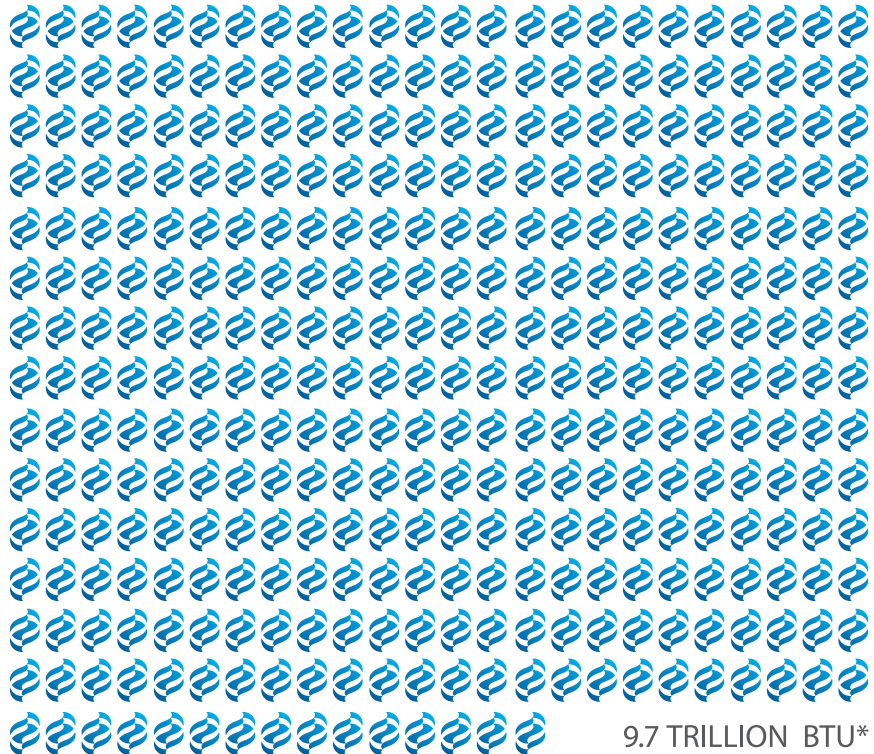
## 2013: INDONESIA'S

### POPULATION



243 M\*

### ANNUAL NATURAL GAS USE



9.7 TRILLION BTU\*

\* Indonesian Bureau of Labor Statistics Report, 2013.

\*\* source: United Nations Report On World Population Trends,

\*\*\* McKinsey SOE Reports XIX, McGraw Hill Business Publications ISBN 23-2484-808-1

## LINE OF BUSINESS



### Line of Business

PGN's line of business is as set forth in the Articles of Association recently changed based on a Deed No. 11 dated 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

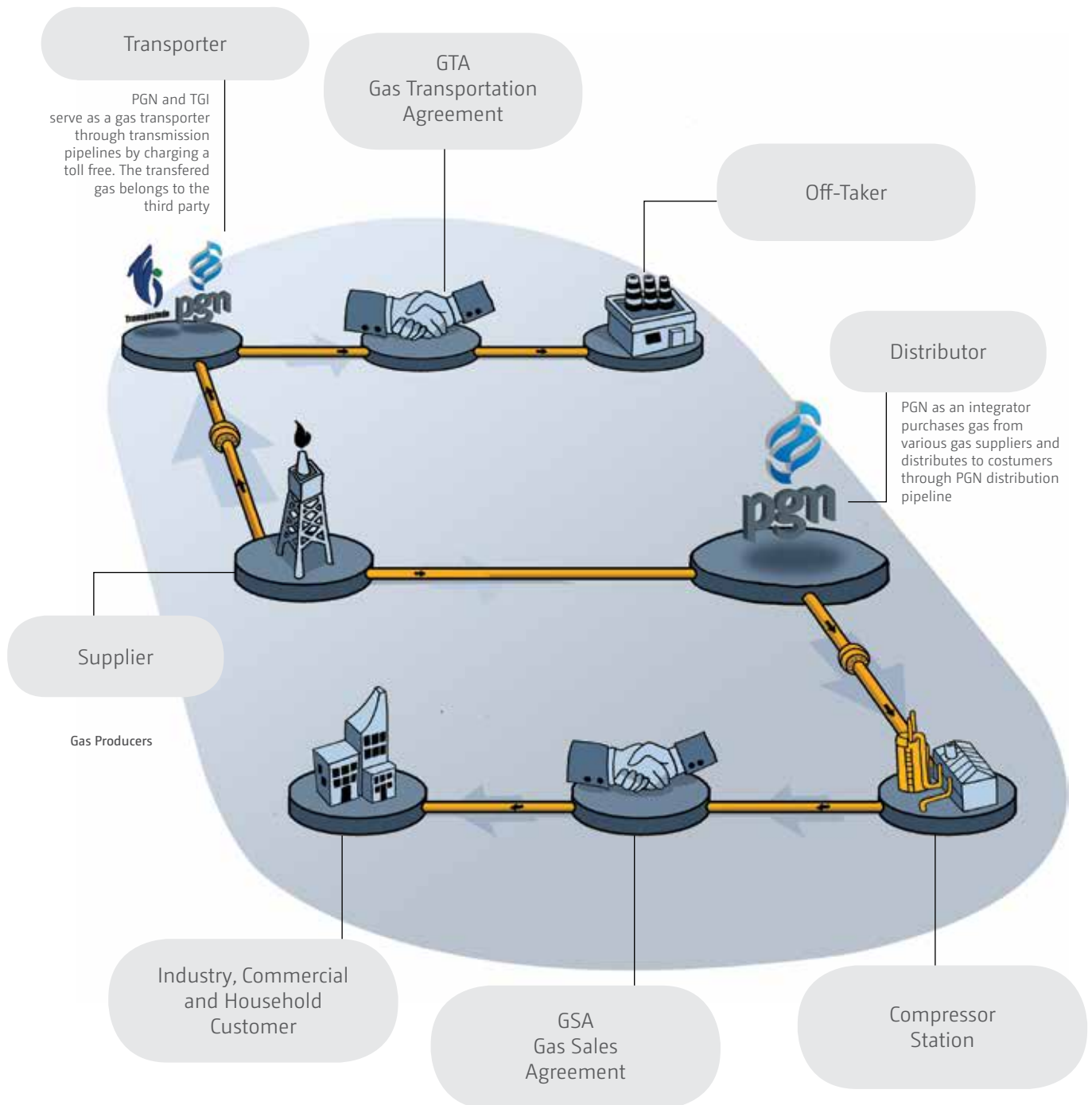
Pursuant to Oil and Gas Law No.22 year 2001 which separates upstream and downstream oil and gas business, PGN has concentrated its business in the downstream sector, connecting gas producers (suppliers) to gas customers.

To achieve its targets in the management of gas, PGN has divided its business into three main segments:

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

In accordance with PSAK No.5 (revised 2009) regarding operational business segments (and for the purpose of management reporting and assessment), the company also reported oil and gas upstream activities as a business segment in 2013. This is inline with our business strategy in the upstream sector, executed in 2011.

## BUSINESS MODEL

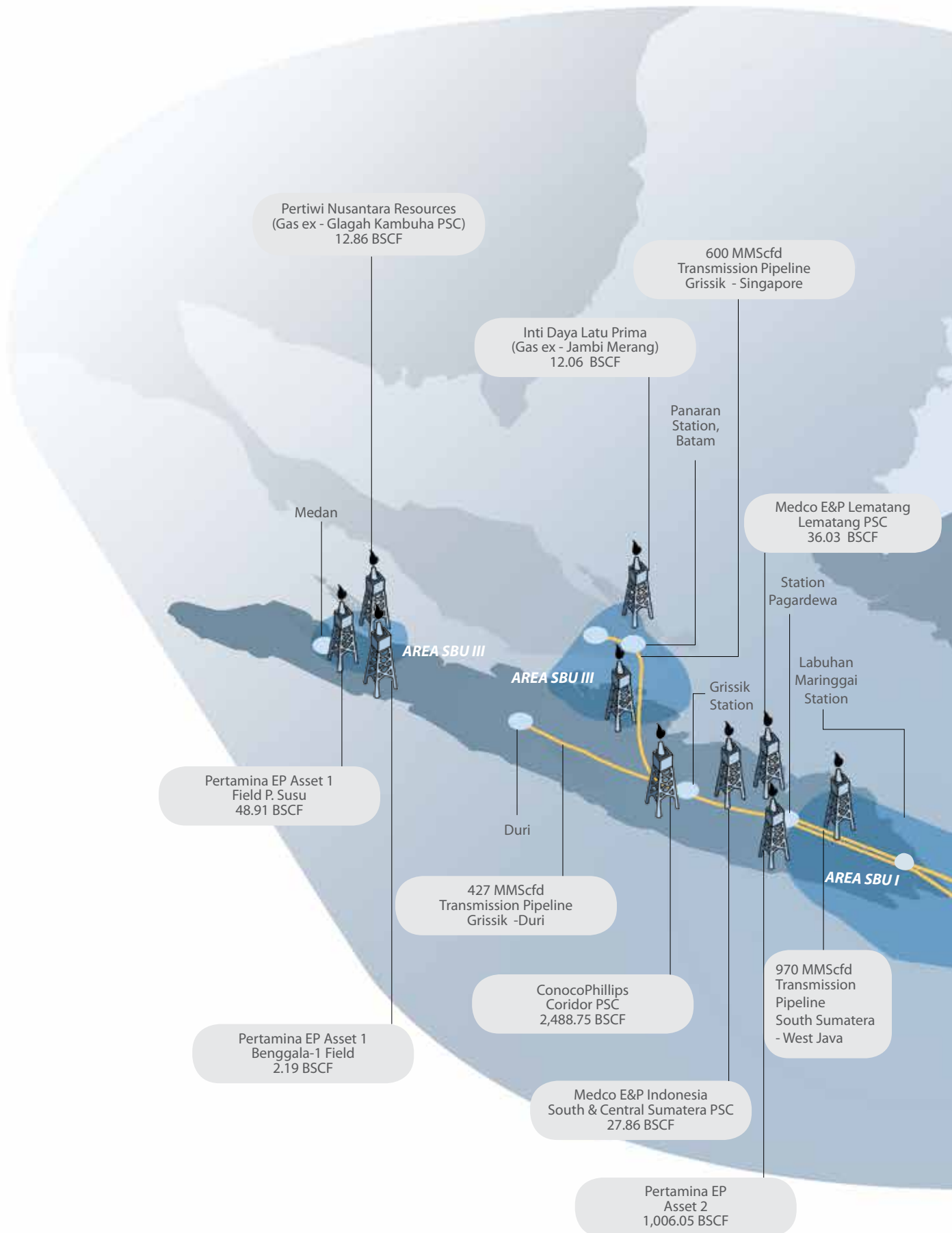


**GAS TRANSPORTATION AGREEMENT (GTA)**  
between PGN/Transgasindo as gas transporter and suppliers in transferring gas from suppliers to off taker point

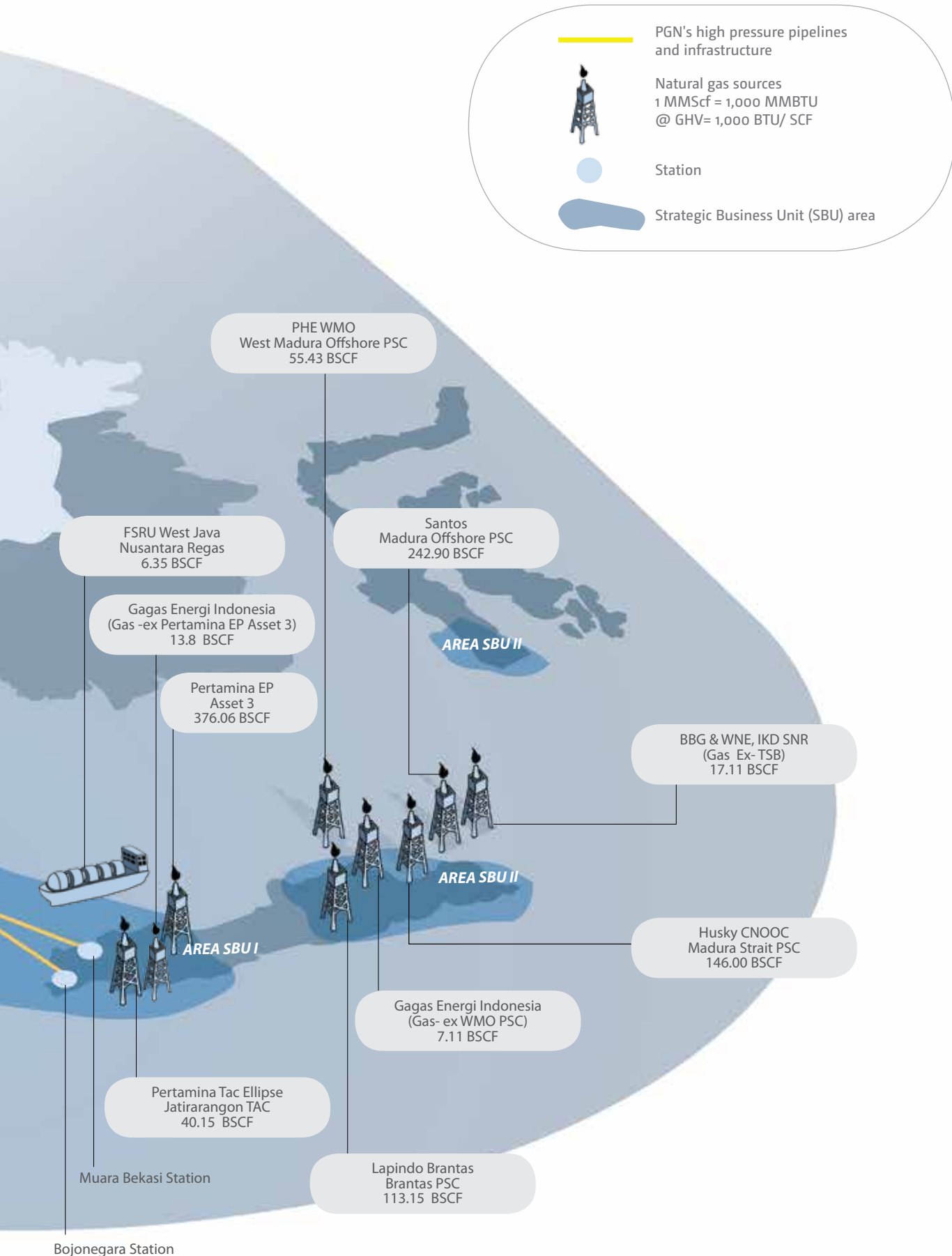
**GAS SALES AGREEMENT (GSA)**  
Sales Agreement between PGN as gas distributor and customers

PGN has two business models: the transmission business and the distribution business. More than 90% of PGN's revenue is generated from distribution and less than 10% from transmission

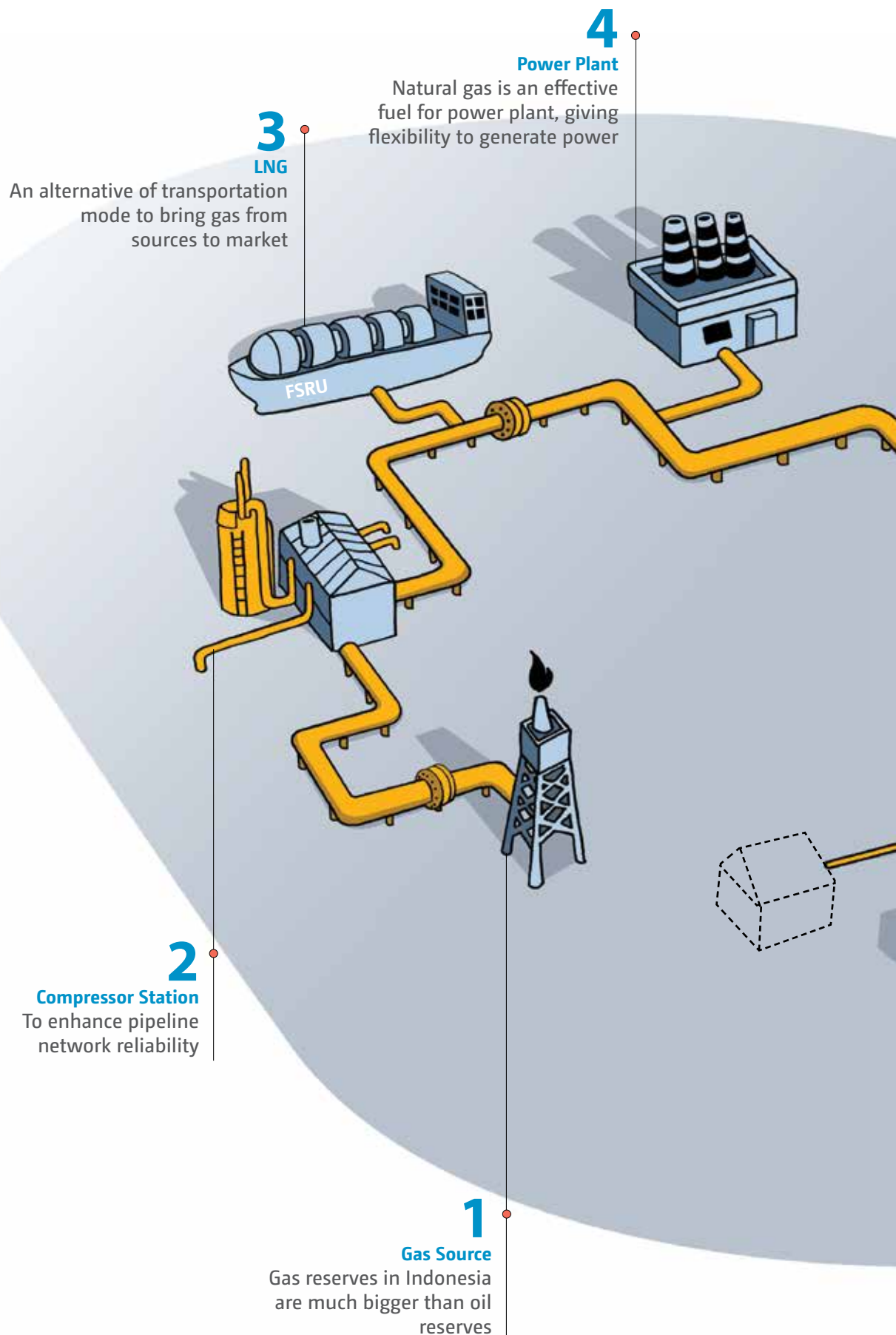
## PGN'S GAS SOURCES, PIPELINE NETWORK AND FACILITIES







## GAS FOR THE NATION



An isometric illustration of a gas distribution network. A thick yellow pipeline enters from the left and branches out to connect various types of buildings. At the top left, a large industrial factory with two smokestacks is connected. In the middle, a multi-story commercial building is connected. At the bottom, several small residential houses are connected. A single tree is also shown near the residential area. Red dots on thin vertical lines connect the numbers 5, 6, and 7 to their respective customer types.**5****Industrial Customers**

Efficient and environmentally friendly energy to improve industry's competitiveness

**6****Commercial Customers**

Source of energy for hotels, restaurants, hospitals and commercial estates

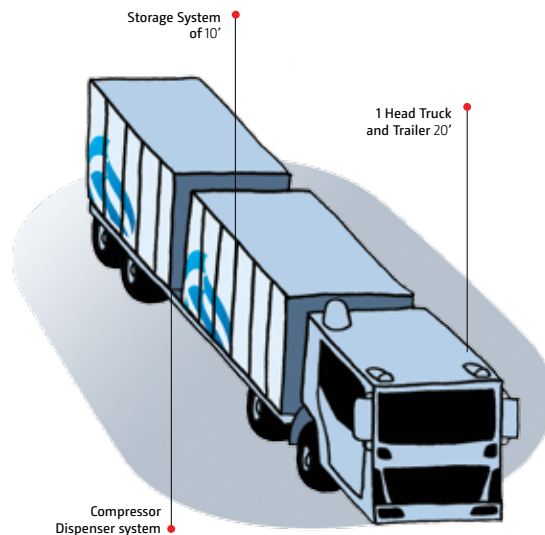
**7****Residential Customers**

Give benefits to residents  
include gas for cooking

## MOBILE REFUELING UNIT (MRU)



1 MRU comprises of:



No	MRU Feature	
1	MRU Volume Capacity	2160m <sup>3</sup> , pressure of 250 barg
2	Utilization percentage	90% pf the capacity (± 2000 m <sup>3</sup> or equivalent to 2,100 LSP)
3	Number of vehicles that can be fueled per MRU	8 Transjakarta Buses (@ 220 LSP) 100 unit car or mini van (@15 LSP)
4	Fueling speed	20 minutes / Transjakarta Buses 3 minutes / car or minivan
5	MRU filling station	Main Station and SPBG (gas filling stations)
6	Refueling frequency	Depends on the number of vehicles served per day. For 300 cars or minivans, each MRU has to be refueled three times a day
7	Safety aspects	As at conventional filling stations, while tank is being filled: <ul style="list-style-type: none"> <li>• Turn off the vehicle's engine</li> <li>• Driver/passengers are advised to get out of the vehicle</li> <li>• Do not smoke</li> <li>• Do not light matches or use lighters</li> <li>• Turn off mobile phones</li> <li>• Turn off camera flash</li> </ul> MRU's equipments have been standardized, using international codes with pressure relief devices and fire protection system.

## MRU Diagram and Flow of Work:

### 1. First Phase

Gas flows from Cylinder Rack A Low Pressure Bank to Filling Point (D) and fills the vehicle's tank.

### 2. Second Phase

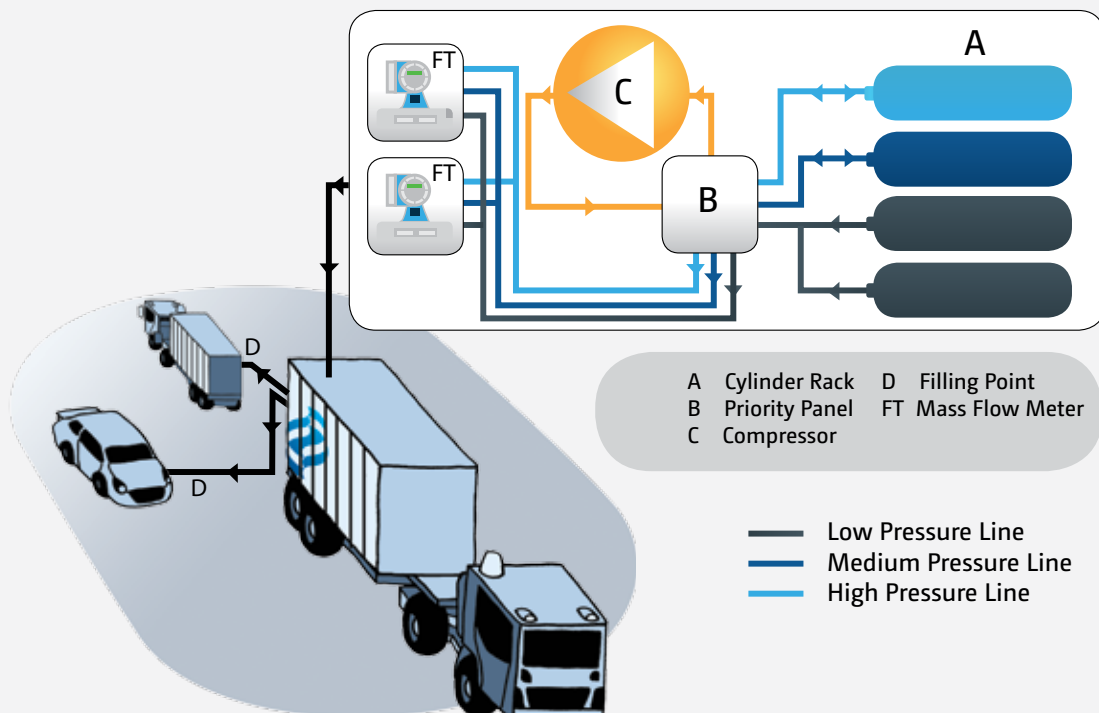
If the pressure in Cylinder Rack (A) Low Pressure Bank Balance is balanced with the pressure in the vehicle, refueling is extended to the Medium Pressure Bank in Cylinder Rack (A) through the Medium Pressure Line.

### 3. Final Phase

If the pressure in Cylinder Rack (A) Medium Pressure Bank is balanced with the pressure in the vehicle, the refueling process is extended and completed with the High Pressure Bank in Cylinder Rack (A), using the compressor through the High Pressure Line to reach a pressure of 200 barg in the vehicle.

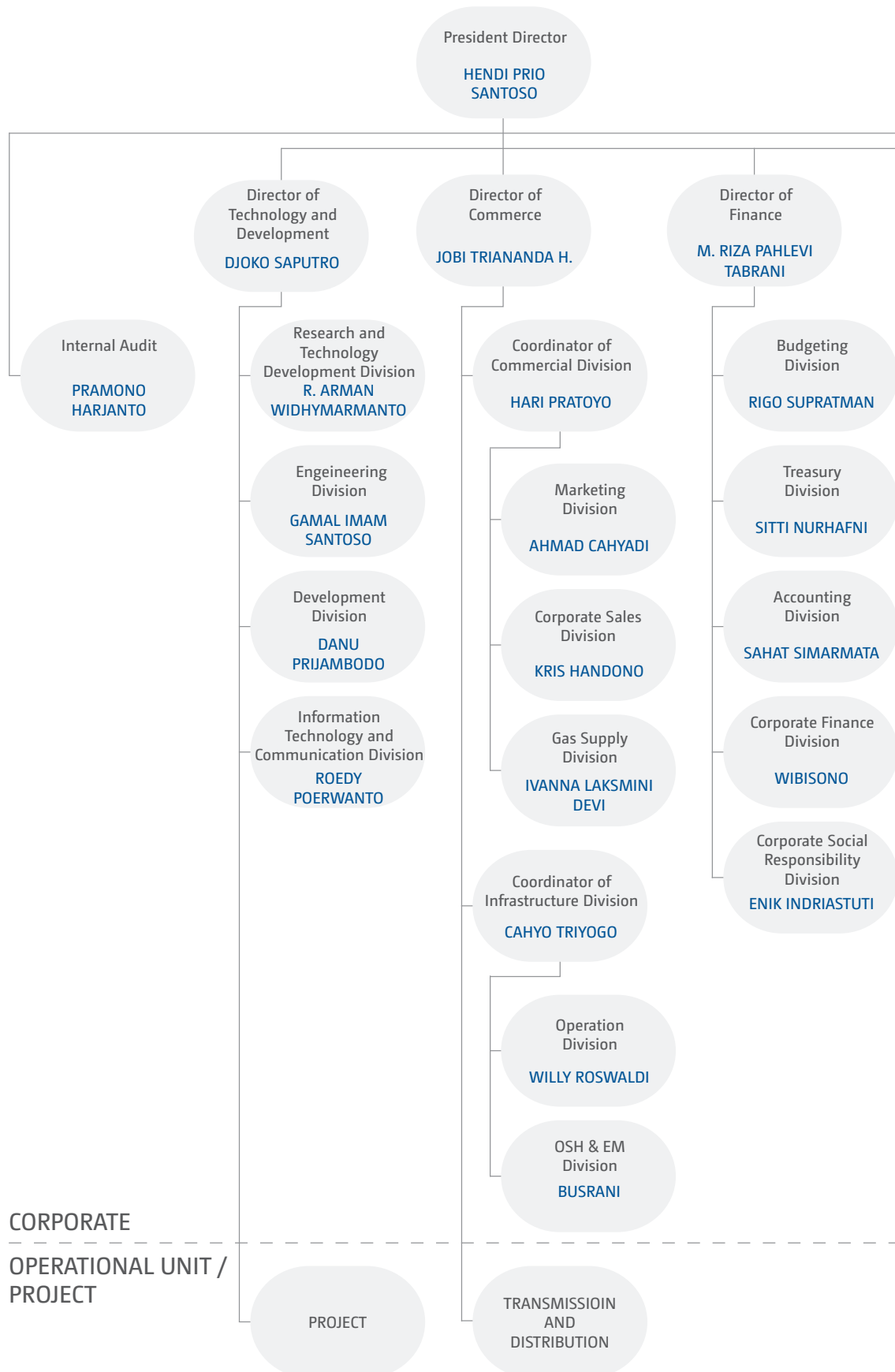
### 4. Pressure Recovery in the container

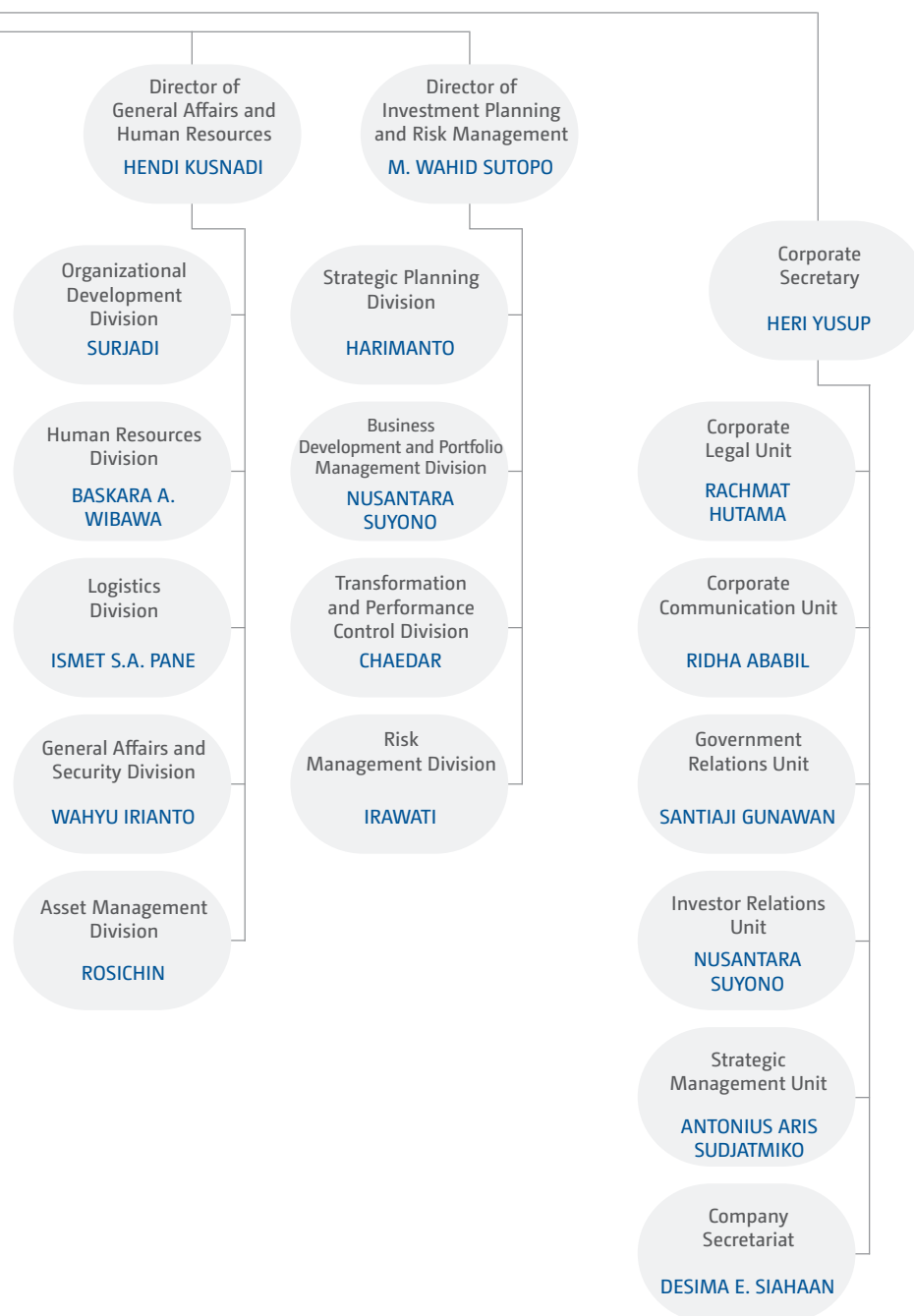
After the refueling process is completed, the compressor will function as a booster to raise the pressure to absorb gas from the medium Pressure Bank by compressing gas to the High Pressure Bank.





## ORGANIZATION STRUCTURE





As of 31 December 2013



## VISION

*To be a world class  
energy company  
in natural gas  
utilization*





## MISSION

*To enhance the value of the organization for stakeholders:*

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



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



## PROFILE OF THE BOARD OF COMMISSIONERS



### **BAYU KRISNAMURTHI** President Commissioner

An Indonesian citizen, born in Manado on 18 October 1964 (49 years old). He has served as President Commissioner since his appointment on 22 May 2012. He holds a Bachelor's Degree in Agribusiness from IPB and a Doctorate in Agricultural Economics, also from IPB. He currently serves as the Deputy Minister of Trade.

The legal basis of his first appointment as the President Commissioner is the resolution of AGMS 2012 held on 22 May 2012.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



### **KIAGUS AHMAD BADARUDDIN** Commissioner

An Indonesian citizen, born in Palembang on 29 March 1957 (56 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, chaired the Remuneration and Nomination Committee from 20 June 2008 until 18 April 2011, and has been chairman of the GCG committee since 19 April 2011 until 29 May 2012. He holds a Master of Science 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 a career official at the Department of Finance since 1977, heading various divisions, including as Head of the 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. He was on the expert staff of the Minister of Finance from January 2011 until January 2012, and was the General Secretary of the Ministry of Finance from January 2012 until now.

The legal basis of his first appointment as PGN's commissioner is the resolution of AGMS 2007 held on 31 May 2007.

He was reappointed as Commissioner by AGMS 2012 held on 22 May 2012.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



### **PUDJA SUNASA** Independent Commissioner

An Indonesian citizen, born in Cirebon on 11 February 1952 (62 years old). He was reappointed as a Commissioner of the Company on 6 April 2011 and as Chair of the Remuneration and Nomination Committee 5 July 2007 until 13 June 2008, member of the Insurance and Business Risk Committee and member of the GCG Committee on 19 April 2011 until 29 May 2012. He graduated from Institute of Technology Bandung with a degree in Petroleum Engineering in 1980.

He was previously a Commissioner of the Company from 2002 to 2008. His career

began as Head of the General Bureau at the Ministry of Energy and Mineral Resources from 2001 to 2004 and he then became Inspector I at the Ministry of Energy and Mineral Resources from 2004 to 2007. He was the Inspector General of Energy and Mineral Resources from 2007 until 2012.

The legal basis of his first appointment as PGN's commissioner is the resolution of EGMS 2011 held on 6 April 2011.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



## WIDYA PURNAMA

### Independent Commissioner

An Indonesian citizen, born in Pare-Pare on 26 July 1954 (59 years old). He was appointed as an Independent Commissioner of the Company on 6 April 2011 and as a member of the GCG Committee and the Insurance and Business Risk Committee on 19 April 2011. He 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.

The legal basis of his first appointment as PGN's Commissioner is the resolution of EGMS 2011 held on 6 April 2011.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



## M. ZAMKHANI

### Commissioner

An Indonesian citizen, born in Magelang on 13 November 1966 (47 years old). Appointed as a Commissioner of the Company on 22 May 2012. He graduated from Gajah Mada University, Yogyakarta, majoring in Accounting, and earned an MBA in Finance from Rutgers University, USA. He is currently the Deputy for Primary Industry in the Ministry of SOEs.

The legal basis of his first appointment as PGN's Commissioner is the resolution of AGMS 2012 held on 22 May 2012.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



## FIRMANZAH

### Commissioner

An Indonesian citizen, born in Surabaya on 7 July 1976 (37 years old). Appointed as a commissioner of the Company on 17 April 2013. He graduated from the University of Indonesia and earned a Master's Degree from the University of Lille and a Master's in Management from the University of Indonesia, as well as a Doctorate from the University of Paris (France).

He currently serves as a special adviser to the President on Economic Affairs. The legal basis of his appointment as PGN Commissioner is the resolution of AGM 2013 held on 17 of April 2013.

He has no affiliation or relationship with any of the members of the Board of Directors or other members of the Board of Commissioners, or with any major or controlling Shareholders.



## PROFILES OF THE BOARD OF DIRECTORS



### HENDI PRIO SANTOSO

#### President Director

An Indonesian citizen, born in Jakarta on 5 February 1967 (47 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.

The legal basis of his first appointment as PGN's Director of Finance is the resolution of EGMS held on 31 May 2007 and as The President Director is the AGMS and EGMS 2008 held on 13 June 2008. Reappointed as President Director based on the resolution of AGMS 2012 held on 22 May 2012. Appointed as President Commissioner of PT Transportasi Gas Indonesia from 2008 until 2013.

He has no affiliation or relationship with any other members of the Board of Directors or members of the Board of Commissioners, or with any major or controlling Shareholders.



### MOCHTAR RIZA PAHLEVI TABRANI

#### Director of Finance

An Indonesian citizen, born in Jakarta on 25 July 1968 (45 years old). He was appointed as Director of Finance on 20 June 2008. 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 he was a

Senior Adviser to 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.

The legal basis of his first appointment as PGN's Director is the resolution of AGMS and EGMS 2008 held on 13 June 2008. Appointed as President Commissioner of PT Saka Energi Indonesia from 2011 until 2013.

He has no affiliation or relationship with any other members of the Board of Directors or members of the Board of Commissioners, or with any major or controlling Shareholders.



### DJOKO SAPUTRO

#### Director of Technology and Development

An Indonesian citizen, born in Jakarta on 18 September 1962 (51 years old). He was appointed as Director of Technology and Development on 22 May 2012. He graduated with a Bachelor's Degree in Electrical Engineering from STTN Jakarta in 1991 and earned his Master's degree at the University of Manchester, UK in 1995. He previously served as the Director of Engineering and Operations in PGN's subsidiary PT PGAS Solution and as Senior Executive Officer of Subsidiary Management.

The legal basis of his first appointment as PGN's Director is the resolution of AGMS 2012 held on 22 May 2012. Appointed as President Commissioner of PT PGAS Solution from 2012 until 2013.

He has no affiliation or relationship with any other members of the Board of Directors or members of the Board of Commissioners, or with any major or controlling Shareholders.

## M. WAHID SUTOPO

### Director of Investment Planning and Risk Management

An Indonesian citizen, born in Jakarta on 17 June 1969 (44 years old). He was appointed as Director of Investment Planning and Risk Management on 6 April 2011. He 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 previously served as the Corporate Secretary, Group Head of Corporate Planning & Control and Head of the Investor Relations Division of the Company. 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.

The legal basis of his first appointment as PGN's Director is the resolution of EGMS 2011 held on 6 April 2011. Appointed as President Commissioner of PT PGAS Telekomunikasi Nusantara from 2010 until now.

He has no affiliation or relationship with any other members of the Board of Directors or members of the Board of Commissioners, or with any major or controlling Shareholders.



## JOBI TRIANANDA HASJIM

### Director of Commerce and Operations

An Indonesian citizen, born in Bandung on 6 April 1964 (50 years old). He was appointed as Director of Technology and Development on 6 April 2011. He graduated with a Bachelor of Engineering degree from Trisakti University, Jakarta, in 1988 and earned an M.Sc. in Material Mechanics from the University of Strathclyde, Glasgow, in 1995. From 2008 until 2010 he was the General Manager of SBU Distribution Area I and he became the Head of SBU Distribution Area I in 2010. Previously he was also the project coordinator of the expansion project gas pipeline network (PPJPGB).

The legal basis of his first appointment as PGN's Director is the resolution of EGMS 2011 held on 6 April 2011. Appointed as President Commissioner of PT PGN LNG Indonesia from 2012 until 2013.

He has no affiliated relation with other members of Director, members of Commissioners, major or controlling Shareholders.



## HENDI KUSNADI

### Director of Human Resources and General Affair

An Indonesian citizen, born in Bandung on 26 February 1962 (52 years old). He was appointed as Director of Human Resources and General Affairs since 22 May 2012. He graduated with a Bachelor's degree from the Bandung Institute of Technology in 1987. He was made Head of the Marketing Division in 2009, and became Acting Head of the Operations Division in 2010. He became General Manager of SBU Distribution Area I West Java in 2010. The legal basis of his first appointment

as PGN's Director is the resolution of AGMS 2012 held on 22 May 2012. Appointed as President Commissioner of PT Gagas Energi Indonesia from 2011 until 2013.

He has no affiliated relation with other members of Director, members of Commissioners, major or controlling Shareholders.



## HUMAN RESOURCES DEVELOPMENT

### Profile of PGN's Human Resources

In 2013, PGN had 1,540 employees, a decrease of 1.5% from the number in 2012. Nonetheless, the decrease was still in line with the Company's business expansion plan, which emphasizes productivity enhancement. In the future, PGN will increase the number of employees and upgrade the qualification standards for recruitment in relation to our planned business expansion that will make us a world class company in natural gas utilization.

The number of employees educated to Diploma and Master's level increased in 2013, while the number of Senior High School and Bachelor's level graduates decreased. This was due to retirement and improvements in the employees' academic competencies.

A good working environment was reflected in low employee turnover. This will make spending on competency enhancement and recruitment more efficient, which in turn will have a positive impact on the Company's performance.

During the reporting year 2013, only 37 employees left the Company. This was for the most part due to natural causes, i.e. retirement or death. Only a few resigned due to personal reasons.

To address external conditions, the Company adjusted its targets and strategies for business development. Human resource management will be aligned with these strategies to achieve the long-term objectives, and will be monitored periodically.

As stipulated in the Company's long-term business plan, human resource management has entered phase two, "Enhancing Capabilities for New Areas of Business", which is indicated by investment in business development from the upstream to the downstream sectors. Accordingly, the orientation of human resource management has shifted from "Strengthening the Foundations of Human Resource Management" to "Enhancing Competencies for the New Businesses".

### NUMBER OF EMPLOYEES BASED ON EDUCATION

Education	2013	2012
Doctorate	1	1
Master's	115	114
Bachelor	626	633
Diploma	497	494
High School or Equivalent	301	322
Total	1,540	1,564

**NUMBER OF EMPLOYEES BY ORGANIZATIONAL LEVEL**

Organizational Level	2013	2012
Senior Management	69	67
Middle Management	159	143
Junior Management	563	531
Staff	749	823
Total	1,540	1,564

**NUMBER OF PGN'S AND SUBSIDIARY'S EMPLOYEES BASED ON EDUCATION IN 2013**

No	Units	Education					Total
		Doctorate	Master's	Bachelor	Diploma	High School or Equivalent	
1	Head Office	1	69	245	62	35	412
2	SBU Area I West Java	0	12	101	171	155	439
3	SBU Area II West Java	0	2	60	84	54	200
4	SBU Area III North Sumatera	0	3	47	53	41	144
5	Project	0	10	63	13	6	92
6	UTSJ	0	4	70	107	10	191
7	PT TRANSGASINDO	0	2	1	0	0	3
8	PT PGASKOM	0	0	9	1	0	10
9	PT PGAS SOLUTION	0	1	2	1	0	4
10	PT SAKA ENERGI INDONESIA	0	2	6	0	0	8
11	PT GAGAS ENERGI INDONESIA	0	2	10	2	0	14
12	PT PGN LNG INDONESIA	0	5	7	3	0	15
13	PT NUSANTARA REGAS	0	3	5	0	0	8
	TOTAL	1	115	626	497	301	1,540



## Competency Building

In order to have develop qualified employees, PGN has a competence development program that is planned, systematic and focused on the Company's business evolution. One of the programs that has been conducted consistently by PGN is an Education and Training Program that maintains and improves the quality of PGN's Human Resources.

To sustain a systematic and focused program in accordance with professional competence requirements, PGN has developed Outlines, Syllabuses, Modules and Facilitator Guidelines for training and education programs for the Engineering, Operations and Commerce sectors, which relate directly to revenue making, natural gas distribution expertise and customer satisfaction.

### A. Training

No.	Category
1	Education, among others:
	a. Diploma at PTK Akamigas STEM-Cepu, 5 education program attended by 30 employees
	b. Bachelor (overseas), 6 education program attended by 6 employees
2	Inhouse Training
	a. Mandatory competency, 4 education program attended by 112 employees
	Among others: Good Corporate Governance, Corporate Culture, Controlling Gratuities
	b. Supporting competency, 14 education program attended by 711 employees
	Among others: Excellent Trainer, Executive Leadership Forum, Leadership for First Line Management, Business Communication & Negotiation Skill, Modern Mini MBA
	c. Spesific functional competence, 65 education program attended by 1,435 employees
	Among others :
	Technical and Operational Cathodic Protection & Coorsion Control, Coating Inspector, PROPER, LNG & FSRU, SMK3 & OHSAS 18001:2007, Utilisasi Gas, Technic for Non Technic, Standar Konstruksi, Project Management, Control Valve, Piping & Pipeline System, Gas Chromatograph, Health Risk Asessment, MRS, Marketing Intelligence
	Financial Financial Due Dilligent, EAR & CAR Insurance, Oracle 11i, Finance for Non Finance, Risk Assesment, Investor Relations
	Administrative and General Risk & Control Self Assesment, Industrial Relation, Executive Retired Planning, Audit Internal, Manager as HR Manager

No.	Category
2	<p data-bbox="328 607 831 629">129 programs of Public Training attended by 281 employees</p> <ul style="list-style-type: none"> <li data-bbox="368 651 488 674">• In Indonesia <p data-bbox="368 685 1439 1666">Corporate Investigation, Investment Manage Short Course, Radiographic Testing Certification Level 2, Implementing Holding Company Mangement, Practical Budgeting Techniques, Financial Modeling Fundamental and Sensitivity &amp; Scenario Analysis Tolls, HRD Club : a Visit to Bank Mandiri Learning Center, Audit on Fraud, CHRP, Audit Intern Elementary Level 2, PPN Update, National Seminar on Internal Audit 2013, Seminar on Managing a Clean and Free of Corruption SOE, Workshop on Capital Market regarding the Change of the Indonesia Capital Market and Financial Supervisory Agency. (Bapepam-LK) to Indonesia Financial Services Authority (OJK), Exclusive Dialogue regarding Mandatory Health Insurance with Vice Minister of Health, , Procudure of wirite off and hand over of SOE fixed assets, Seminar on Foundation Legal Analysis, 3rd Corporate University Summit 2013, Effective Business Process Reporting &amp; Monitoring, Financial Modeling Advanced Techniques, The making of Internal Estimation of Price for Procurement of Goods and Services, PT MT level 2, International Seminar IFRS Dynamics 2013 and Beyond : impact to Indonesia, Work Agreement for Temporary Worker and Outsourcing, Operational Audit, Executive Secretary and PA, Workshop on Guideline for SOEs' KPI based on Excellent Performance Evaluation, , Workshop on the Strategy to Resolve Dispute on Land Acquisition in SOE , Technical Guidance on the Qualification of Pipeline Inspector Batch VIII , Training on Interpretation and Evaluator of SOE's Excellent Performance Evaluation, Workshop Arbitration, The Third National Congress Assessment Center Indonesia 2013,, Training on HR Mangement for HR Professional and the beginners, Feasibility on Electricity Center Project and Risk Analysis, General OHS Experts, Workshop On Foreign Arbitration For SOE, Managing Corporate Communication, Seminar and National Deliberative Council FKSPI, Technical Guidance for the Operator and Supervisor of Receiving Facility Operation of MIGAS (Custody Transfer), Seminar on the 3rd Indonesia Supply Chain Management Summit, Managing Holding Company, Office Administration, General Affairs Professional, National Seminar on Public Transportation and Connectivity Development between Regions and National working Meeting FSP SOE , Updating Pricing Documentation Transfer, PER-22/PJ/2013 dated 30 May 2013, Physical Security : Introductory Applications &amp; Technology, National HRD Conference 2013, Industrial Hygiene, Training and Certification, Interpreting SOE's Excellent Performance Evaluation, Seminar and Workshop National Corrosion 2013, Evaluator SOE's Excellent Performance Evaluation, Financial Modelling for Project Finance, Procurement Management Congress, Training and Certification for Firefighters (Level C), Structured on Trade Finance, Career Path &amp; Succession Planning, Professional Interviewing Skills, CMA (Certified Management Accountants) Program, EPC Project Risk, Contract and Insurance, Courses for Professional Lawyer , Seminar on Indonesia's Electricity, Turbomachinery Technology Seminar, Risk Management Summit, Pumps, Compressors &amp; Drivers, Plant Piping &amp; Pipeline Systems, A Quick Guide to Grab PSC knowledge, Training CompTIA Security+, Petroleum Project and Risk Analysis, Corporate university 2013, Turbomachinery Technology Seminar 2013, HR Summit, Workshop on Indonesia Oil and Gas Block Acquisition, Tranining Need Analysis, Workshop on Avoiding Corruption, Pumps, Compressors and Drivers, Plant Piping and Pipeline Systems, EPC Project Risk, Contract, and Insurance, Training Oracle DBA 10g : Advanced Programming With PL/SQL,, Seminar regarding Land and Property, Accident Report and Investigation, Protective Coating Inspector, Certification SSPC PCI Level 1 &amp; 2, Science and Technology for Improvement of Health, Safety, and Environment, Workshop Corporate University, Workshop on Foreign Arbitration for SOE Legal Officer, Centrifugal compressor performance &amp; condition, Finance for Non Finance, One Day Workshop : Operating Procedure Standard Writing off Receivables, Legal Aspect Analysis and SOP Making , Talent Management, Analyzing Procurement of Goods and Services, Training on Internal Audit – Advanced Level, Guidance on Technical Inspection and Security Valve Testing and Seal Cutting – MIGAS Batch 10,</p> </li> <li data-bbox="368 1704 456 1727">• Overseas <p data-bbox="368 1738 1439 2024">Workshop &amp; conference SCADA, Knowledge &amp; Experience sharing with Osaka Gas batch 2, SOPAC Conference 2013, HR and Talent Management Summit for the Oil and Energy Industry in APAC and the Middle East, API 570 Piping Inspector Program certification, Hazardous Area Classification and Design, BGAS - CSWIP Site Coating Inspector, Contract Management For Oil and Gas Procurement Professional, LNG 17 CONFERENCE, Observation Program for Enhancement of Employees' Capabilities, Fundamental Of Process Safety, Telecon For Smart Grids Conference, ECIIA Conference, Energy Solution International FLOW Flow 2013 Conference, Offshore Pipeline Enjiniring, Pipeline Design &amp; Pipeline Overview, Corporate Credit Rating Analysis, Safety Instrument Systems &amp; Emergency Shutdown Masterclass, DET NORSKE VERITAS AS, BY PENDAFT PELATIHAN PUBLIK, GAS ASIA SUMMIT CONFERENCE, English Law for International Lawyers, The Fidic Contracts, Accounting for Derivatis and Hedging, ECIIA CONFERENCE 2013 , Observation Program for Enhancement, 3 DAY MBA IN LNG, ASME Code.B31.8 Gas Transmission &amp; Distribution Piping Systems, ASTD Summit, Subsea Pipeline Engineering, Visit Programme to GDF Suez Facility in France</p> </li> </ul>

## **B. Educational Scholarship Program For High-Achieving Students In Cooperation with Taruna Nusantara Senior High School and PTK AKAMIGAS STEM Cepu:**

PGN provided a scholarship program for 10 graduates of SMU Taruna Nusantara to take Diploma I, Diploma II and Diploma III programs in Gas Technology at PTK AKAMIGAS STEM, Cepu in 2012.

## **C. Internship and Scholarship Program**

### **• Quality and Competency Enhancement Program**

To enhance employee quality and competencies, as well as to encourage a more global perspective on the gas business, the Company worked with Osaka Gas (March 2013) and Gaz de France (June 2013) to provide internship programs for 36 employees.

International consultants Booz & Co facilitated a benchmarking study on open access and unbundling by gas business regulators in Europe, including France, Italy and the Netherlands.

### **• Scholarships for Master's Programs in Overseas Universities**

To enhance employee quality and competencies and to encourage a more global outlook in support of the Company's vision of becoming a world-class company, PGN has established a scholarship program for employees to study for Master's Degrees in leading universities overseas, focusing on fields of study that are relevant to PGN's business.

#### D. Executive Program

To build the competencies of its future leaders, PGN holds a regular event, the “Executive Leadership Forum.” This is a leadership seminar to which prominent national figures are invited as speakers. It is hoped that hearing the experiences of the speakers will give the Company’s future leaders a deeper understanding of leadership practices. In 2013, four events were held, in February, July, September and December, and the speakers were Handry Satriago (CEO of General Electric), Joko Widodo (Governor of DKI Jakarta), Jusuf Kalla (former Vice President of the Republic of Indonesia and Chair of the Indonesian Red Cross), H. Marsudi Suhud (Secretary General of Nadhlatul Ulama). The seminars were attended by the Company’s executives.

#### E. PGN STAR Program

PGN’s glowing achievements over the last few years have driven the Company towards continuous improvement and development of all aspects of the business. Synergy between the Company’s physical and human assets is one of the key requirements in responding to the increasing challenges of the business. PGN’s HR management has already gone through several successful stages. After putting in place the basics of competency-based HR management, the Company is now ready to prepare its future leaders more intensively through a comprehensive and integrated program. In 2013, PGN launched the STAR Program, a combined succession and talent management program

which is tailored to the Company’s condition and needs. The Company has established two pools for different levels of leadership, namely the Strategic Leader Pool and the Operational Leader Pool. In 2013, the Company continued to focus on managing talent at the middle and senior management levels. Through three phases in each cycle, talent is selected on strict criteria, developed through a comprehensive program using an experiential learning approach, and regularly reviewed.

#### F. Development of ORACLE TALEO Learning Management

To improve service for employees with regard to education and training, the HR Division saw a need for an online education and training facility. PGN is therefore currently developing the web-based Oracle Taleo Learning Management application. The purpose is to facilitate and accelerate the education and training process, for both the administrator (the HR Division) and the employees as users. This facility connects employees directly to sources of information on education and training, such as the Annual Corporate Education and Training Plan, education and training syllabuses and modules and Employee Learning Plans. It also facilitates the implementation of education and training as a whole, as all processes, from proposals, through supervisor approval, to evaluation, are online.



## G. English Program

To improve employees' ability to communicate in English, the Company provides English language training for all employees on a self-help basis. Employees can choose their own provider (from a list provided by the Company) and schedule the training to suit their own timetable. The Company reimburses the employee for the cost of the training upon completion of each level of the course.

The Company requires all employees at the Assistant Vice President and Vice President levels to take an English Proficiency Test (EPT) as one of the requirements of the talent program.

## H. SOE Ambassadors

SOE Ambassadors is a forum for employees of state-owned enterprises which aims to establish a strong sense of unity among SOEs as they strive to achieve their vision of becoming world class SOEs. It was established by the SOEs PR Forum (FHBUMN) and receives direct support from the Ministry of State-Owned Enterprises.

In 2013, PGN sent a delegation of two representatives to take part in the SOE Ambassador selection process. At the end of the process, one of the PGN representatives was chosen as an SOE Ambassador for 2013. The duties of the SOE Ambassadors are to serve as ambassadors for Indonesia's SOEs and to represent young professionals working in SOEs in all Ministry of State-Owned Enterprises activities.

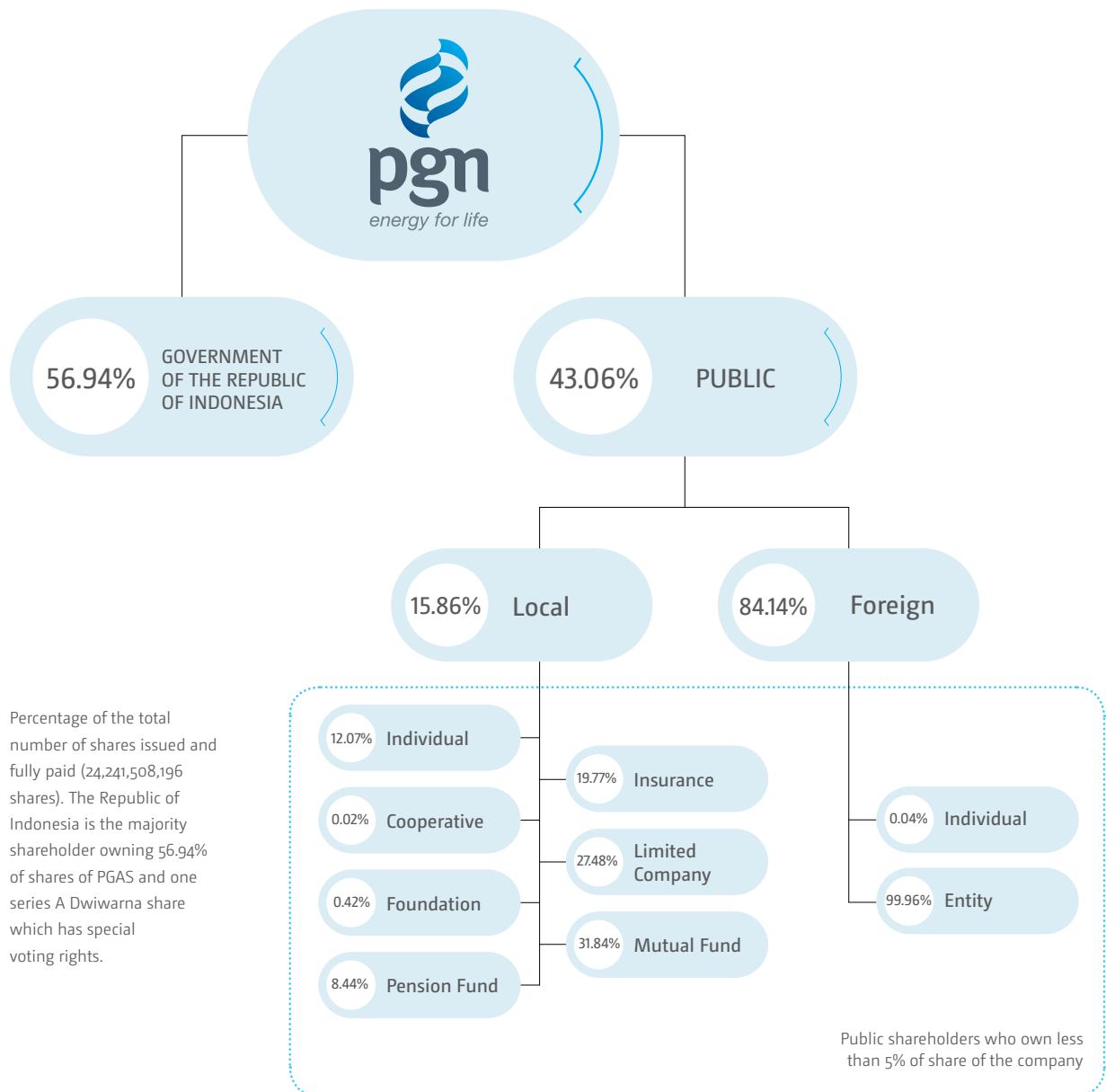
## Expenditure

In 2013 PGN organized 22,600 mandays for the employee training program at a total cost of Rp35,888,349,940 an increase of some 50% from the expenditure on training and education in the prior year (2012) of Rp23,955,161,083.

Expenditure increased because in 2013 the Company supported several employees to pursue master's degrees in the USA and to take up internship program placements in world-class oil and gas companies in Europa and Asia, in support of the Company's policy of increasing expertise and developing employees for the expansion of PGN's business as it moves towards becoming a world-class energy Company in natural gas utilization.

## COMPOSITION OF SHAREHOLDERS

Based on Shareholder list organized  
by the Company Registrar as of 31 December 2012



**SHAREHOLDERS HOLDING 5% OR MORE OF THE OUTSTANDING SHARES AS OF 31 DECEMBER 2013**

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

**PGAS' Majority Shareholder**

The Republic of Indonesia holds 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 cannot 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 Board of Commissioners, the Articles of Association, mergers, consolidations and takeovers as well as the dissolution and liquidation of the Company. As of 31 December 2013, the State of the Republic of Indonesia owned 13,809,038,756 Ordinary Shares and one Dwiwarna share with special voting rights.

**SHARES OWNERSHIP BY DIRECTORS AND COMMISSIONERS AS OF 31 DECEMBER 2013**

Name	Title	Total Shares	Percentage
Bayu Krisnamurthi	President Commissioner	0	0%
M. Zamkhani	Commissioner	0	0%
Kiagus Ahmad Badaruddin	Commissioner	0	0%
Firmanzah	Commissioner	0	0%
Pudja Sunasa	Independent Commissioner	0	0%
Widya Purnama	Independent Commissioner	0	0%
Hendi Prio Santoso	President Director	0	0%
Jobi Triananda Hasjim	Director of Commerce and Operations	0	0%
Hendi Kusnadi	Director of General Affairs and Human Resources	140,500	0.0005796%
Djoko Saputro	Director of Technology and Development	30,000	0.0001238%
Muhammad Wahid Sutopo	Director of Investment Planning and Risk Management	0	0%
Mochtar Riza Pahlevi Tabrani	Director of Finance	0	0%



*Training,  
Safety, Repair...*

*The expertise of many disciplines  
flow together to make natural gas so  
reliable that most Indonesian don't think  
about the infrastructure delivering it. We think  
about energy services constantly so our  
clients don't have to*



*Planning,  
strategy...*



## INFORMATION ON SUBSIDIARIES AND ASSOCIATES

Company	Subsidiary and Affiliated Company	Ownership	Line of Business	Company Profile	Status
PT Saka Energi Indonesia (SEI)	Subsidiary	<ul style="list-style-type: none"> <li>PGN – 99.9939%</li> <li>PT PGAS Solution – 0.00613%</li> </ul>	Upstream Business	PT Saka Energi Indonesia was established on 27 June 2011 and operates business and investment in upstream sector, covering exploration, exploitation, business expansion in oil and natural gas, geothermal, coal bed methane (CBM). Now SEI has four participating interest in oil and gas block in Indonesia.	Operating
PT Transportasi Gas Indonesia (TGI)	Subsidiary	<ul style="list-style-type: none"> <li>Perseroan – 59.87%</li> <li>Transasia Pipeline Company Pvt. Ltd. - 40%</li> <li>Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0.13%</li> </ul>	Gas Transportation	TGI was established on 1 February 2002. Currently TGI owns and operates more than 1,000 km long that connected Grissik-Duri and Grissik-Singapore Transmission which have combined capacity of 835 MMScfd	Operating
PT PGN LNG Indonesia (PLI)	Subsidiary	<ul style="list-style-type: none"> <li>PGN – 99.99%</li> <li>PT Gagasan Energi Indonesia – 0.01%</li> </ul>	Liquified Natural Gas	PT PGN LNG was established on 26 June 2012 and operates in Liquified Natural Gas business, includes unlimited in management, transportation, inventory, commerce.	Operating
PT Nusantara Regas (NR)	Affiliate	<ul style="list-style-type: none"> <li>PT Pertamina (Persero) – 60%</li> <li>PGN – 40%</li> </ul>	Fasilitas Floating Storage and Regasification Terminal ("FSRT")	PT Nusantara Regas was established on 14 April 2010. It is a joint venture of PT Pertamina (Persero) and PGN. Nusaregas involves in development 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.	Operating



Company	Subsidiary and Affiliated Company	Ownership	Line of Business	Company Profile	Status
PT Gagasi Energi Indonesia (GAGAS)	Subsidiary	<ul style="list-style-type: none"> <li>• PGN – 99%</li> <li>• PT PGAS Solution – 1%</li> </ul>	Downstream Business	PT Gagasi Energi Indonesia was established on 27 June 2011 and operates in management, transportation, inventory, natural gas and oil business.	Operating
PT PGAS Solution (PGAS Solution)	Subsidiary	<ul style="list-style-type: none"> <li>• Perseroan – 99.91%</li> <li>• Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0.085%</li> </ul>	Engineering	PGAS Solution was established on 6 August 2009 and operates in service which related with engineering, operation and maintenance, workshop, trade and construction business.	Operating
PT PGAS Telekomunikasi Nusantara (PGASCOM)	Subsidiary	<ul style="list-style-type: none"> <li>• PGN – 99.93%</li> <li>• Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara – 0.07%</li> </ul>	Telecommunication	<p>PGASCOM was established on 10 January 2007. Currently PGASCOM 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).</p> <p>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 telecommunication market in Singapore, by establishes subsidiary, PGAS Telecommunications International Ltd. In 2012, PGASCOM expand the market by entered Network Access Provider (NAP)/ISP market.</p>	Operating

Company	Subsidiary and Affiliated Company	Ownership	Line of Business	Company Profile	Status
PT Gas Energi Jambi (GEJ)	Affiliate	<ul style="list-style-type: none"> <li>• Perseroan – 40%</li> <li>• PT Wahana Catur Mas – 40%</li> <li>• PT Jambi Indoguna Internasional – 10%</li> <li>• PT Bukaka Corporindo – 10%</li> </ul>	Trade, Construction and Services Business	GEJ operates in the trade, construction and services business 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.	Has not operated yet
PT Banten Gas Synergi (BaGS)	Affiliate	<ul style="list-style-type: none"> <li>• PT Andiracitra Grahawira (68.43%)</li> <li>• PT Banten Global Synergi (14.14%)</li> <li>• PT Banten Global Development (8.57%)</li> <li>• Izma Agyano Bursman (8.71%)</li> <li>• Perseroan (0.14%)</li> </ul>	Services, transportation trade and mining business	BaGS operates in the services, transportation, trade and mining business.	Operating

Company	Subsidiary and Affiliated Company	Ownership	Line of Business	Company Profile	Status
PGN Euro Finance 2003 Limited (PGNEF)	Subsidiary	Perseroan – 100%	Finance	<p>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.</p> <p>On 24 December 2009, the USD 150 million and USD 125 million Guaranteed Notes were redeemed prior maturity i.e. 10 September 2013 and 24 February 2014.</p>	Preparing for closure of the operational

## PROFILE OF SUBSIDIARIES

### PT Saka Energi Indonesia

PT Saka Energi Indonesia (SEI) is a subsidiary of PT Perusahaan Gas Negara (PGN) which is involved in upstream oil and gas business. SEI's shareholders are PGN and PT PGAS Solution (another subsidiary of PGN) with share ownership of 99.993% and 0.007%, respectively. As an upstream oil and gas company, SEI supports Indonesia's oil and gas development and production through investment in exploration, exploitation and development for conventional and unconventional oil and gas, and other energy.

SEI's upstream assets portfolio in 2013 was as follows :

Block Name	Participating Interest	Operator	Status	Acquisition Date
Ketapang PSC	20%	Petronas	Development	February 2013
Bangkanai PSC	30%	Salamander Energy	Development	June 2013
Pangkajene PSC	25%	Hess	Production	June 2013
South Sesulu PSC	100%	PT Saka Indonesia Sesulu	Exploration	December 2013

Financial highlights for the last two years are as follows:

(in million USD)

Details	2012	2013
Revenue	-	34.84
Net Income	(4.10)	3.67
Total Assets	4.33	612.53
Total Liabilities	4.48	79.95
Total Equity	(0.15)	532.58

To achieve SEI's vision to be a world-class oil and gas company, SEI took over the operatorship of production and low risk exploration assets at the beginning of 2014. SEI will maintain and optimize the current production of Pangkah PSC by developing new reserves. Two other SEI assets, Ketapang PSC and Bangkanai PSC, will begin production in 2014.

The Board of Commissioners and Board of Directors as of the end of 2013 were as follows:

#### BOARD OF COMMISSIONERS

M Riza Pahlevi	Chief Commissioner
Nusantara Suyono	Commissioner
Didi Dwi Sutrisnohadi	Commissioner

#### BOARD OF DIRECTORS

Firman Ardini Yaman	Chief Executive Officer
Tumbur Parlindungan	Chief Operations Officer
Noor Diana Prasetyawati	Chief Financial Officer

## PT Gasas Energi Indonesia

PT Gasas Energi Indonesia (GEI) is a subsidiary of PT Perusahaan Gas Negara (PGN) engaged in the processing, transportation and storage of commercial gas and other energy. GEI supplies natural gas for power generation, industrial, commercial, household and transportation purposes, with small and medium enterprise, commercial and transportation customers as its targeted segments. Gas distribution will be developed in phases, taking into account the availability of gas supplies, the size of existing markets in the regions concerned and ease of implementation. Among the development strategies being prepared by GEI are the development of micro LNG plants, CO<sub>2</sub> removal, power plants and the development of non-pipeline transportation modes (CNG).

GEI's financial highlights for the last two years were as follows:

(in million USD)		
Details	2012	2013
Revenue	41.71	217.66
Net Income	2.12	11.98
Total Asset	27.39	42.64
Total Liabilities	21.84	25.12
Total Equity	5.5	17.52

GEI obtained gas supply from various sources including several secondary gas suppliers surrounding PGN's operational area. In 2013, GEI sold 21 million MMBTU of gas, up from 3.5 million MMBTU in 2012. Some of the volume purchased and sold by GEI was offset by PGN's sales volume. GEI had a total of 268 customers in 2013, a 246% growth from 2012. Of all industrial customers, 97% used natural gas while 3% used CNG.

GEI's strategic initiative is to meet the growth in demand for natural gas. To expand gas distribution and utilization for transportation, in 2013 GEI developed SPBG and Mobile Refueling Units (MRU), with a total investment of USD 2.89 million.

In order to secure gas supply, to strengthen its core business, to leverage capabilities for related diversification such as power generation, and to create a significant gas value chain extension

such as LPG plants, micro LNG, and CO<sub>2</sub> removal, GEI continues to find potential gas sourcing and to develop several related projects. GEI will also explore the potential of the power plant business to deliver added value to GEI's natural gas exploitation activities.

In 2014, GEI will develop several projects including natural gas pipelines, gas filling stations (SPBG), micro LNG plants, LPG plants and CO<sub>2</sub> removal.

The Board of Commissioners and Board of Directors as of the end 2013 were as follows:

### BOARD OF COMMISSIONERS

Hendi Kusnadi	President Commissioner
Subanendro	Commissioner
Iman Rochendi Ahmad	Commissioner

### BOARD OF DIRECTORS

Danny Praditya	President Director
Dadang Gandara	Director of Finance and Administration
Achmad Rifai	Director of Commerce



## PT PGN LNG Indonesia

PT PGN LNG Indonesia (PLI) is the subsidiary of PT Perusahaan Gas Negara (PGN) engaged in the midstream oil and gas business. PLI's shareholders are PGN and PT Gagas Energi Indonesia (another subsidiary of PGN) with share ownership of 99.99% and 0.01% respectively. PLI involved in the procurement of LNG supply, gas processing activities including liquefaction from gas to LNG, LNG and gas transportation activities, storage activities including regasification, commercial activities, and other relevant business activities.

In 2013, PLI constructed FSRU facilities in Lampung. PLI's financial highlights for the last two years were as follows:

	(in million USD)	
Details	2012	2013
Revenue	-	-
Net Income (Loss)	(0.03)	(0.65)
Total Assets	38.84	30.20
Total Liabilities	0.09	0.11
Total Equity	38.75	30.09

To obtain potential LNG supplies, in 2013 PLI signed Master Sales & Purchase Agreements (MSPA) with BG Group, BP Singapore Pte Ltd and Mitsui & Co Ltd. PLI constructed FSRU Lampung to assist PGN in obtaining domestic LNG allocations from Tangguh LNG. The Floating Storage Regasification Unit (FSRU) Lampung project and its supporting facilities are projected to begin operation in 2014. PLI will also commence some mini LNG and small scale LNG projects, and step into the LNG trading business.

The Board of Commissioners and Board of Directors as of the end 2013 were as follows:

### BOARD OF COMMISSIONERS

Jobi Triananda Hasjim	President Commissioner
Sri Budi Mayaningsih	Commissioner
Doddy Adianto	Commissioner

### BOARD OF DIRECTORS

Nisi Setyobudi	Presiden Director & Commercial Director
Eri Surya Kelana	Technical & Operation Director
Manangap Napitupulu	Finance & Administration Director

## PT PGAS Telekomunikasi Nusantara

PT PGAS Telekomunikasi Nusantara (PGASCOM), is a subsidiary of PT Perusahaan Gas Negara (PGN) which is engaged in the provision of telecommunication network services. PGASCOM manages the fiber optic network owned by PGN that extends for 1,300 km between Jakarta and Singapore, with a capacity of up to 160 GBps by using an optical cable 24 to 96 cores. As a backbone provider, PGASCOM is able to serve the needs of large and small capacity networks in order to support customer needs. PGASCOM owns the license from Ministry of Telecommunication and Information Technology (Menkominfo), Closed Fixed Network license and Network Access Provider (NAP) license.

PGASCOM's financial highlights for the last two years were as follows:

	(in million USD)	
Details	2012	2013
Revenue	10.70	10.43
Net Income	0.88	1.87
Total Assets	14.40	18.61
Total Liabilities	6.23	8.90
Total Equity	8.17	9.71

The Fiber Optic Backbone from Jakarta to Singapore, which was mostly developed by PGN, alongside PGN's Natural Gas Right of Way, has brought significant opportunities to meet the bandwidth demands of telco operators, ISPs (Internet Service Providers) and corporations. PGASCOM has invested in fiber optics and equipment to support its telecommunication business mainly in Sumatra and Western Java, covering the areas of Batam, Jambi, Palembang, Lampung and Greater Jakarta.

The Board of Commissioners and Board of Directors as of the end 2013 were as follows:  
Board of Commissioners:

### BOARD OF COMMISSIONERS

M Wahid Sutopo	President Commissioner
Wibisono	Commissioner
Harry Zacharias Soeratin	Commissioner

### BOARD OF DIRECTORS

Yoyo W. Basuki	President Director
Bambang Ismartono	Technical & Commercial Director
Hermin Indayati	Finance & Administration Director

## PT Transportasi Gas Indonesia

PT Transportasi Gas Indonesia (TGI) is a leading natural gas transmission pipeline owner and operator based in Indonesia. TGI's shareholders are PGN, Transasia Pipeline Company Pvt. Ltd., and Yayasan Kesejahteraan Pegawai Perusahaan Umum Gas Negara with share ownership of 59.87%, 40%, and 0.13% respectively.

TGI is the first company in Indonesia to focus on transporting natural gas through pipelines to domestic customers in Sumatra and Batam as well as to the international market in Singapore. With over 10 years of experience in the business and a commitment to zero-down time and environmentally responsible operations, TGI is one of the most reliable natural gas transporters in the industry with over 1,000 km of offshore and onshore pipeline.

TGI operates two major 28-inch large diameter pipelines running from Grissik to Singapore (468 kilometers) and the Grissik-Duri (Riau) pipeline (536 kilometers). TGI also operates various compressor stations in Sakernan, Belilas and Jabung (Sumatera), as well as 9 (nine) metering stations in Duri (Riau), Panaran, Batam and Pemping (Riau Islands). All pipelines and stations are monitored 24 hours, 7 days a week at a dedicated facility, in line with our commitment to zero downtime.

TGI's financial highlights for the last two years were as follows:

(in million USD)		
Details	2012	2013
Revenue	191.70	205.19
Net Income	59.77	78.03
Total Assets	700.10	686.30
Total Liabilities	285.55	215.58
Total Equity	415.57	470.73

The Board of Commissioners and Board of Directors as of the end 2013 were as follows:  
Board of Commissioners:

### BOARD OF COMMISSIONERS

Hendi Prio Santoso	President Commissioner
M. Iskandar B. Ismail	Vice President Commissioner
Eddy Hariono	Commissioner (until 1 July 2013)
Aussie Budhi Gautama	Commissioner (1 July – 7 October 2013)
Heri Yusup	Commissioner
Aries Yusuf Hassan	Commissioner

### BOARD OF DIRECTORS

Mangatas Panjaitan	Presiden Director
Erning Laksmi Widyastuti	Director of Finance and Administration
M. Komaruddin	Director of Engineering
Mohd. Adid Mohd Saleh	Director of Operation
Arief Transindra Kushermawan	Director of Business Development

## PT PGAS Solution

PT PGAS Solution (PGAS Solution) is a subsidiary of PT Perusahaan Gas Negara (PGN) engaged in engineering services, O & M services, contractor EPCC, and trading. PGAS Solution's shareholders are PGN and Yayasan Kesejahteraan Pegawai dan Pensiunan Gas Negara with ownership of 99.91% and 0.09% respectively.

In 2013, PGAS Solution recorded revenues of USD 53.6 million. PGAS Solution's financial highlights from the last three years were as follows:

Details	2012	2013
Revenue	24.53	46.21
Net Income (Loss)	3.06	10.58
Total Assets	16.57	30.18
Total Liabilities	3.70	9.35
Total Equity	12.87	20.83

The Board of Commissioners and Board of Directors as of the end 2013 were as follows:  
Board of Commissioners:

### BOARD OF COMMISSIONERS

Djoko Saputro	President Commissioner
Eko Soesanto Tjiptadi	Commissioner
Gumilang Hardjakoesoema	Commissioner

### BOARD OF DIRECTORS

Dilo Seno Widagdo	Presiden Director & Director of Commercial
Supriyadi	Director of Finance and Administration
Sulistyo Elly Hariyanto	Director of Technic & Operation
Dominica Diniafiat	Director of Human Resource

**CHRONOLOGY OF STOCK LISTING**

No	Description	Republic of Indonesia (Shares)	Public (Shares)	Total (Shares)	Percentage owned by the Republic of Indonesia
1	Prior to IPO	3,500,000,000	-	3,500,000,000	100%
2	IPO (15 December 2003) Listed on BEJ and BES*				
	Divestment	(864,198,000)	864,198,000		
	New share issue without Right Issue	-	820,987,000		
		2,635,802,000	1,685,185,000	4,320,987,000	61.00%
3	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%
4	Divestment December 2006	(185,802,000)	185,802,000		
		2,506,943,305	2,032,942,500	4,539,885,805	55.22%
5	MSOP 3 (2007–2008)	-	53,551,388		
		2,506,943,305	2,086,493,888	4,593,437,193	54.58%
6	Stock Split (5:1) (August 2008)	12,534,716,525	10,432,469,440	22,967,185,965	54.58%
7	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%
8	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%
9	As of 31 December 2013	13,809,038,756	10,432,469,440	24,241,508,196	56.96%

\* merger to become Indonesian Stock Exchange

All shares and their changes are all listed on Indonesia Stock Exchange



## CHRONOLOGY OF SECURITIES LISTING AND CREDIT RATING

### SECURITIES HIGHLIGHT

Guaranteed Notes were fully paid at par value as of 24 December 2009

### CREDIT RATING

Rating Agency	Rating	Outlook
Standard & Poor	BB+	Stable
Moody's	Baa3	Stable
Fitch	BBB-	Stable
Pefindo	idAAA	Stable

Credit Rating until 8 February 2014

## NAME AND ADDRESS OF AGENCIES AND/OR CAPITAL MARKET SUPPORTING PROFESSIONALS

### Share Registrar

PT Datindo Entrycom  
Wisma Dinners Club Amex  
Jl. Jend. Sudirman Kav. 34-35  
Jakarta 10220  
T. (62-21) 5709009  
F. (62-21) 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](http://www.ey.com/id)

**PT Pemeringkat Efek Indonesia (Pefindo)**  
Panin Tower Senayan  
City Lt.17  
Jl. Asia Afrika Kav. 19  
Jakarta 10270, Indonesia  
T. (62-21) 7278 2380  
F. (62-21) 7278 7370

**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

**Fitch Ratings**  
One State Street Plaza  
New York,  
NY 10004, USA  
T. (1) 212 908 0500

### Indonesia Stock Exchange

Indonesia Stock Exchange Building, 1st Tower  
Jl. Jend. Sudirman Kav 52-53  
Jakarta Selatan 12190, Indonesia  
T. (62-21) 5150515  
F. (62-21) 5150330

### Indonesian Central Securities Custodian (KSEI)

Gedung Bursa Efek Indonesia Tower 1 Lt.5  
Jl. Jend. Sudirman kav. 52-53, Jakarta 12190  
Indonesia  
T. (62-21) 515 2855  
F. (62-21) 5299 1199

### Share Registrar

Agreement on the administration of the Company's share with regard to Initial Public Offering (IPO) is stated on the Contract No. 030.KK/92/UT/2003 made and signed on 10 October 2003.

Currently, PT Datindo Entrycom as the Share Register provides administration service for secondary market. PT Datindo Entrycom is responsible for the administration of shareholders list including changes in the shareholder list on behalf of the public company. PGN pays an annual fee for the administration service in the secondary market of Rp 44,000,000 (including PPN).

### 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 22 May 2012, 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 Rp 1.92 billion (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.

### Indonesia Stock Exchange

The Indonesia Stock Exchange is an institution or entity which holds and provides a system and means for parties who offer shares to meet buyers, or vice versa (shares trading). PGN, as a Public Company, is required to submit reports to the Indonesia Stock Exchange on information and facts which are considered material and relevant to PGN. PGN was listed on the Indonesia Stock Exchange on 15 December 2003. The annual fee for membership of the Indonesia Stock Exchange is Rp 100,000,000.

In 2013, PGN got a discount of Rp 75,000,000, hence only paid Rp 25,000,000 as a reward for being the overall winner of the 2011 Annual Report Award.

### Indonesian Central Securities Custodian (KSEI)

Public companies whose shares/securities are registered in KSEI use KSEI's services to administer their issued shares/securities in order to obtain data of investors or securities holders as part of distribution process in corporate actions. PGN pays annual fee for membership of Rp 11,000,000 (including PPN).

## AWARDS AND CERTIFICATION



### PLATINUM WINNER 2012 VISION AWARD

For 2012 Annual Report held by the League of American Communications Professionals (LACP) in 2013



### RANK 1

of the world's 100 best annual report for the 2012 annual report competition held by the LACP in 2013.



### RANK 1

The best annual reports in Asia Pacific for the 2012 the annual report competition held by LACP in 2013



### OVERALL WINNER

SOE Corporate Secretary and Public Relations Award for print media category in 2013



### INVESTOR AWARD 2013

held by Investor Magazine, awarding CEO of PT Perusahaan Gas Negara nomination in the category of Top Executives of Listed Company In 2013



### 2013 FORBES GLOBAL 2000

As one of the world's top 2000 public companies by Forbes magazine



### LHKPN REPORTING CHARTER AWARD 2013

Award from the Corruption Eradication Commission (KPK) for the expansion of compulsory reporting and Compliance for State Officials Wealth Reporting for SOE category



### OHSAS 18001:2007 CERTIFICATION

From the British Standard Institution for Head office, project, and SBU region 1,2,3 and Transmission Sumatera-Java



### SBI AWARD WINNER 2013

In Social Business  
Awards 2013 held  
by Warta Ekonomi  
in 2013



### BEST SUSTAINABILITY REPORTING 2012

SRA Award 2013 for  
the Environmental  
Services category  
held by National  
Center for  
Sustainability  
Reporting.



### WEB BUMN AWARDS 2013

Held by  
BeritaSatu.com  
for the best  
SOE website  
2013 category



### GOLD ARC WINNER 2013

Award for the best  
annual report cover  
Design Category and  
The Best Photos in the  
27th Annual Celebration  
of the World's Best  
Annual Reports  
event organized by  
Mercomm, Inc.



### SILVER ARC WINNER 2013

Best Annual Report  
Award for the category  
of Print Production  
and Best Interior  
Design in the 27th  
Annual Celebration  
of the World's Best  
Annual Reports  
event organized by  
Mercomm, Inc.



### GOLD STEVIE AWARD 2013

for the category  
of the best annual  
report in the Print  
Version of the  
Asian and Oceania  
region organized by  
the International  
Business Awards.



### 3RD PLACE CATEGORY OF SOE/ROE NON- FINANCIAL LISTED

In 2012 Annual  
Report Award held  
by the Ministry of  
Finance of Republic  
of Indonesia in 2013.



## ADDRESSES OF SBU, SUBSIDIARIES AND AFFILIATES

**SBU DISTRIBUTION AREA I**

Jl. M.I. Ridwan Rais No.8  
Jakarta 10110, Indonesia  
T. (62-21) 345 2147  
(62-21) 350 2127  
(62-21) 351 3453  
(62-21) 351 3455  
F. (62-21) 381 1891  
(62-21) 351 3458

**Sales and Service**

**Area Jakarta**  
Jl. Anyer No. 11 Menteng  
Jakarta 10310, Indonesia  
T. (62-21) 392 4910  
F. (62-21) 315 0361  
(62-21) 392 4909

**Sales and Service**

**Area Bogor**  
Jl. MA Salmun No 41  
Bogor 16114, Indonesia  
T. (62-251) 832 2018  
(62-251) 831 4506  
(62-251) 831 6600  
F. (62-251) 8320 168

**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. Ahmad Yani No.54  
Karawang, 41315, Indonesia  
T. (62-267) 845 4081  
(62-267) 845 4086  
F. (62-267) 845 4085

**Sales and Service**

**Area Cirebon**  
Jl. Veteran No.2  
Cirebon 45124, Indonesia  
T. (62-231) 203 323  
(62-231) 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 DISTRIBUTION 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 Suprpto 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 DISTRIBUTION 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. K.L.Yos Sudarso Lorong XII  
No. 18, Glugur Kota  
Medan 20112, Indonesia  
T. (62-61) 661 2155  
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**

Komplek Sudirman City Square  
Blok C No. 12  
Jl. Jend Sudirman  
Pekanbaru 28282, Indonesia  
T. (62-761) 839 822  
(62-761) 789 1533  
F. (62-761) 789 1812

**SBU TRANSMISSION  
SUMATERA JAVA**

Gedung Graha PGAS Lantai 10-11  
Jl. K.H. Zainul Arifin No. 20  
Jakarta 11140, Indonesia  
T. (62-21) 6386 6667  
(62-21) 6386 6669  
F. (62-21) 6386 6770  
(62-21) 6386 6760

**PT TRANSPORTASI GAS INDONESIA  
(TGI)**

Jl. Kebon Sirih Raya No. 1  
Jakarta 10340, Indonesia  
T. (62-21) 315 8929  
(62-21) 315 8939  
F. (62-21) 310 3757  
(62-21) 310 3545

**PT PGAS TELEKOMUNIKASI  
NUSANTARA (PGASCOM)**

Wisma 77 Lantai 19  
Jl. Letjend. S. Parman Kav. 77  
Slipi, Jakarta Barat 11410  
T. (62-21) 5366 0444  
(62-21) 5366 0445  
F. (62-21) 5367 0080

**PT PGAS SOLUTION  
(PGAS Solution)**

Gedung C, Lt. 4  
Jl. K.H. Zainul Arifin No. 20  
Jakarta 11140, Indonesia  
T. (62-21) 6385 4557  
(62-21) 6385 4572  
(62-21) 6385 4506  
F. (62-21) 6385 4534

**PT SAKA ENERGI INDONESIA  
(SEI)**

Equity Tower  
Lantai 16, Suite F-G-H  
Jl. Jend. Sudirman Kav. 52-53,  
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**PT GAGAS ENERGI INDONESIA  
(GEI)**

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SCBD, Lot 9  
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F. (62-21) 2903 5838

**PT NUSANTARA REGAS (NR)**

Wisma Nusantara Lt. 19  
Jl. M.H. Thamrin No. 59  
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(62-21) 315 9544  
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**PT PGN LNG INDONESIA  
(PGN LNG)**

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(62-21) 29037606  
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**PT GAS ENERGI JAMBI (GEJ)**

Jl. Jend. A. Yani No. 17  
Telanaipura, Jambi  
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F. (62-741) 670 207

**PT BANTEN GAS SYNERGI (BaGS)**

Kantor Taman E3.3 Unit D6  
Kawasan Mega Kuningan Lot 8.6-8.7  
Setiabudi, Jakarta 12950  
T. (62-21) 5794 8870  
(62-21) 5794 8871  
F. (62-21) 5794 8870  
(62-21) 5794 8871

## SIGNIFICANT EVENTS IN 2013

**21 JANUARY 2013**

PGN-Medco signed gas contract amendment 20 BBtud for PLTGU Muara Tawar

**19 MAY 2013**

Synergy with government and private agencies to increase the use of natural gas

**14 FEBRUARY 2013**

Project agreement between PT PGN and PT Petrotechindo Utama

**19 MAY 2013**

Minister of Energy and Mineral Resources inaugurated the MRU at Monas

**28 FEBRUARY 2013**

Keel laying FSRU Lampung

**15 JULY 2013**

PGN achieve the Best in LACP 2012 award Vision Award Annual Report Competition

**17 APRIL 2013**

PGN held General Meeting of Shareholders

**16 JULY 2013**

PGN achieved the award for Best Agent Contact Centre 2013

**19 MAY 2013**

PGN 48th Anniversary Celebration with "giving for the nation" theme

**30 JULY 2013**

PGN signed statement of commitment to the implementation of the Gratuities Control

**21 AUGUST 2013**

PGN wins the Social Business Innovation award 2013 from Warta Ekonomi

**21-22 NOVEMBER 2013**

PGN received OHSAS 18001:2007 and SMK3

**11 SEPTEMBER 2013**

Meeting for the fulfillment of gas for the industrial sector

**25 NOVEMBER 2013**

PGN Awarded top 50 companies in 2013 by Forbes Indonesia

**3 OKTOBER 2013**

PGN entered the Forbes Global 2000 The World's Biggest Public Company in 2013

**27-28 NOVEMBER 2013**

Investor Summit & Capital Market Expo 2013

**18 OKTOBER 2013**

PGN - Deputy Attorney General for Civil and State Administration signed a Memorandum of Understanding

**26 DECEMBER 2013**

Energy and Mineral Resources Minister inaugurates PGN first natural gas station in Pondok Ungu

**19 NOVEMBER 2013**

PGN innovation accelerate natural gas conversion







Accuracy and scrutiny are part of our technical services to customers. There is no room for error because any little mistake will affect the quality of our services.







## 04 | MANAGEMENT'S DISCUSSION AND ANALYSIS



## MANAGEMENT'S DISCUSSION AND ANALYSIS



PGN's growth in net revenues in 2013  
was derived mainly from  
the distribution business

**USD 3 billion**  
Net Revenues

This annual report contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information typically contains statements including words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, or similar words suggesting future outcomes or statements regarding an outlook. All statements, other than statements of historical fact contained in this annual report, including, without limitation, those regarding our future financial position and results of operations, strategy, plans, objectives, goals and targets, including with respect to expansion, dividend payments, and any statements preceded by, followed by or that include the words “believe,” “expect,” “aim,” “intend,” “will,” “may,” “project,” “estimate,” “forecast,” “target”, “anticipate,” “predict,” “seek,” “should” or similar words or expressions, are forward-looking statements.

The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, which may cause the actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements of the Company that are expressed or implied by these forward-looking statements in this annual report.

The forward-looking statements contained in this annual report are based on numerous assumptions regarding our present and future business strategies and the environment in which the Company will operate in the future. Readers of this annual report are cautioned that forward-looking statements are not guarantees of future performance of the Company and actual results may differ materially from those stated, projected, anticipated or assumed in the forward-looking statements.

Important factors that could cause the actual results, performance or achievements of the Company to differ materially from those in the forward-looking statements include, among others, the following:

- Changes in laws and regulations in Indonesia, either directly or indirectly, will affect the Company's operation
- Changes in government policies in the areas of oil and gas
- The economic conditions nationally, regionally, or globally affecting economic activity or disturbances of the market due to global factors
- Changes due to inflation, changes due to differences in interest rates, or changes due to the difference in exchange rates of foreign currencies
- And others (if there are any other matters related to PGN's industry which can influence the forward-looking statements in the annual report)

## Management's Discussion and Analysis of Financial Conditions and Results of Operations

The following discussion and analysis is intended to help the reader understand the Company's business, particularly financial condition, results of operations, liquidity and capital resources. This discussion and analysis should be read in conjunction with Financial Statements for the year ended 31 December 2013 and 2012 which was included in this annual report. The information in the discussion and analysis below includes the activities of the strategic business unit, subsidiaries including amounts attributable to non-controlling interests. The Company's discussion and analysis relates to the following subjects:

- Overview of Business
- Results by Segments
- Consolidated Results of Operations
- Liquidity and Solvency
- Collectibility
- Capital Structure
- Material Commitments Related to Capital Investment
- Material Information on Facts Subsequent to the Accountant's Report Date
- Business Prospect
- Achievement of Target 2013
- Next Year target
- Marketing aspects
- Dividend Policy
- Use Of IPO Proceeds
- Investment, Expansion, Divestment, Acquisition or Restructuring of Debt/Capital Involving Conflict of Interest and Transactions with Affiliated Parties
- Changes in Regulations
- Changes in Accounting Policies

## Overview of Business

PGN, a State Owned Enterprise (SOE), specializes in natural gas transmission and distribution, pursuant to Oil and Gas Law No. 22, year 2001, which separates the oil and gas industry into upstream and downstream businesses. PGN's main focus has been on its downstream business, which connects natural gas producers (suppliers) to natural gas consumers.

As a gas provider, PGN transports natural gas from the receipt point to the delivery point through a transmission pipeline network and/or a distribution network. A transmission network system typically comprises one or more pipeline segments, usually connected to each other through a network, which transports gas from a gathering system, a gas processing plant outlet or a storage system to a high or low pressure distribution system, premium customers or other storage systems. A distribution system is one or more segments of a pipeline network that transports gas from the delivery point or storage system to the customer, including a power station, industry, commercial operation or household.

Currently, PGN operates three Strategic Business Units (SBUs)—also called "Sales and Service Areas"—in the distribution business. These include SBU Distribution Areas I, II and III, and SBU Transmission Sumatera-Java.

PGN's operations are divided into three business segments, as set forth in the Articles of Association, approved on 6 April 2011:



### 1) Transmission Segment

Planning, construction, and development of downstream natural gas businesses, including processing, transportation, storage and trading. PGN's transmission /and transportation business encompasses areas in South Sumatra, Jambi, Riau, Riau archipelago, Lampung, Banten and West Java.

At present, the Company's gas transmission business activities are carried out by :

1. Transportasi Gas Indonesia (TGI), the Company's subsidiary which covers the transmission of gas through the Grissik – Duri and Grissik – Singapore pipelines.
2. SBU Transmission Sumatera Java, PGN's Strategic Business Unit that was established specifically to operate the South Sumatra-West Java transmission pipeline.

### 2) Distribution Segment

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

PGN's distribution segment spans the islands of Java, Sumatra and Batam. To improve the effectiveness and efficiency of gas distribution, PGN established three Strategic Business Unit (SBU) Distribution Areas (or "Sales and Service Areas") in 2002. This structure has not only raised customer satisfaction but has also accelerated market penetration and expansion.

Currently, PGN has 3 SBUs Distribution Areas in operation:

1. SBU Distribution Area I Western Java.  
Covers Jakarta, West Java, Banten, South Sumatra dan Lampung.
2. SBU Distribution Area II Eastern Java.  
Covers Surabaya, Gresik, Sidoarjo, Mojokerto, Pasuruan, Probolinggo dan Semarang.
3. SBU Distribution Area III Northern Sumatera.  
Covers North Sumatera, Batam, Pekanbaru and Dumai.

### 3) Other Businesses

PGN engages in ancillary businesses that are directly related to and/or support our core business, pursuant to the prevailing laws and regulations.

As of December 31, 2013, these included fiber optic capacity leasing, and a construction and maintenance business.

In accordance with PSAK No. 5 (revised 2009) regarding operational business segments (and for the purpose of management reporting and assessment) the Company also reported oil and gas upstream activities as a business segment in 2013. This is in line with our business strategy in the upstream sector, executed in 2011.

## Results by Segments

The Company operates in four business segments: transmission, distribution, oil and gas upstream, and other services including fiber optic capacity leasing, and construction and maintenance. Management monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment.

Remarks (million USD)	Gas Transmission		Gas Distribution		Oil and Gas		Other Business		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenues	200.27	215.62	2,972.97	2,387.90	34.84	-	66.25	33.25	3,274.33	2,636.77
Revenues elimination	(20.03)	(15.62)	(203.23)	(17.96)	-	-	(49.56)	(22.96)	(272.82)	(56.54)
Net revenues	180.24	200.00	2,769.74	2,369.94	34.84	-	16.69	10.29	3,001.51	2,580.23
Segment expenses										
Cost of revenue	-	-	1,788.38	1,141.42	18.40	-	-	-	1,806.78	1,141.42
Cost of revenue elimination	-	-	(223.26)	(33.58)	-	-	-	-	(223.26)	(33.58)
Salaries and employees' benefits	19.21	22.45	38.09	43.79	2.81	1.86	7.85	3.58	67.96	71.68
Depreciation	129.45	139.72	46.06	40.79	0.03	0.02	5.25	3.80	180.79	184.33
Repairs and maintenance	10.36	10.34	34.02	11.50	0.00	-	0.79	0.45	45.17	22.29
Repairs and maintenance expenses elimination	(1.00)	(0.54)	(19.65)	(2.19)	-	-	-	-	(20.65)	(2.73)
Other expenses	40.01	41.04	51.62	41.35	3.83	2.44	40.00	24.97	135.46	109.80
Other expenses elimination	(1.85)	(2.71)	(13.34)	(9.22)	-	-	-	-	(15.19)	(11.93)
Total segment expenses	196.18	210.30	1,701.92	1,233.86	25.07	4.32	53.89	32.80	1,977.06	1,481.28
Segment profit	(15.94)	(10.30)	1,067.82	1,136.08	9.77	(4.32)	(37.20)	(22.51)	1,024.45	1,098.95

The above table presents the results of the transmission business on a consolidated basis of the Subsidiaries (TGI) and PGN, including the South Sumatra-West Java (SSWJ) pipeline. Up to now, the toll fee from SSWJ pipeline has been recorded in bundle with the revenues from the distribution business of SBU Distribution Area I Western Java.

## Transmission Segment

The Company generates less than 10% of its consolidated revenues from transmission of natural gas belonging to its customers. Most of the transmission volume is transported by its subsidiary, PT Transportasi Gas Indonesia (TGI), which serves shippers and off-takers along PGN's transmission pipeline, depending on available pipeline capacity. Transportation service contracts or Gas Transportation Agreements (GTAs) generally last 10-20 years. PGN transmission/and transportation business encompasses areas in South Sumatra (SBU TSJ), Jambi, Riau, Riau archipelago, Lampung, Banten and West Java.

The Company generates income from this business by charging a toll fee to its customers who use the transmission pipeline to bring the gas. The toll fee rate is set by BPH Migas. The primary factors affecting revenues from transportation service are toll fee rate and volume.

The table below is the transmission pipeline segments owned and operate by PGN and its subsidiaries including the shippers and offtakers:

No.	Transmission Pipeline	Length (Km)	Shipper	Offtaker	Operator
1	Wampu - Belawan	37	PT PLN	PT PLN	PGN (SBU Distribution Area III Northern Sumatera)
2	Grissik - Duri	536	ConocoPhillips (Grissik) Ltd.	PT Chevron Pacific Indonesia	PT Transgasindo Indonesia
			PT Energasindo Heksa Karya	PT PLN (Persero) - Payo Selincih	
			PT Perusahaan Gas Negara (Persero) Tbk	RAPP, IKPP, Pertamina Lirik, Pertamina Ukui	
			PT Pertamina Hulu Jambi Merang Talisman (Jambi Merang) Limited Pacific Oil & Gas (Jambi Merang) Ltd.	PT Chevron Pacific Indonesia	
			PT PLN (Persero)	PT PLN (Persero) - Payo Selincih	
			PT Gagas Energi Indonesia	IKPP	
3	Grissik - Batam - Singapore	470	ConocoPhillips (Grissik) Ltd	Gas Supply Pvt Ltd.	PT Transgasindo Indonesia
			ConocoPhillips (South Jambi) Ltd	Gas Supply Pvt Ltd.	
			PetroChina International Jabung Ltd.	Gas Supply Pvt Ltd.	
			PT Perusahaan Gas Negara (Persero) Tbk	Batam Distribution Network PLN Batam	
			Perusahaan Daerah Pertambangan dan Sumatera Selatan (PDPDE South Sumatera)	PT Lontar Papyrus Pulp & Paper Industry (LPPPI)	
			PT Inti Daya Latu Prima	Dalle Energy Batam PLN Batam	
4	SSWJ	1,004	PGN (SBU Distribution Area I Western Java) PLN Muara Tawar	PGN (SBU Distribution Area Western Java) PLN Muara Tawar	PGN (SBU Transmission Sumatera Java)
Total		2,047			

**Transmission Segment – Period ended December 31, 2013 Compared to Period ended December 31, 2012**

Transmission revenues in 2013 totaled USD 180.24 million, a decrease of USD 19.76 million from the previous year. This reflects a decrease in the amount of natural gas transported through our pipeline, due to several offtakers who trimmed their volume requirements in 2013 and the declining toll fee rate of Grissik-Duri pipeline. Total transmission volume in 2013 was 854.15 MMScfd, a 22.86 MMScfd decrease from 2012.

In accordance with its GTA, in 2013 TGI changed its toll fee rate to tier 3 for Grissik-Duri pipeline from USD 0.64/ MScf to USD 0.44/MScf.

On the other hand, TGI increased its toll fee rate from USD 0.69/MScf to USD 0.74/ MScf for transporting gas through Grissik-Singapore pipeline based on BPH Migas decree No 781/07/Ka BPH, dated 11 June 2013.

SBU Transmission Sumatera Java toll fee rate was USD 1.47/MScf for the Grissik – Muara Bekasi pipeline and USD 1.55/MScf for the Pagardewa – Bojonegara pipeline. SBU Distribution Area III Northern Sumatera also charged a toll fee of USD 0.40/MScf for its Wampu to Belawan transmission.

Performance of Transmission volume and toll fee rate are presented in the table below:

	Period December 31	
	2013	2012
Transmission Volume (MMScfd)	854.15	877.01
• PGN transmission	35.26	56.11
• TGI transmission	818.89	820.90
• Weighted Average Price (USD/MScf)		
PGN	1.38	1.24
TGI	0.60	0.67

## Distribution Segment

The Company generates more than 90% of its consolidated revenues from distributing or trading natural gas. The financial results of the distribution business depend on supply volume that can be delivered by producers, prices for gas purchase, and prices that can be charged for the gas that the Company sells to its customers.

The Company purchased gas (with differing contract periods) from several suppliers. The main, long term supply contracts are with ConocoPhillips, Pertamina and Santos. The three suppliers and other producers/suppliers supply PGN's customers in West Java, East Java and North Sumatera, where the Company sells the gas to customers under gas sales and purchase agreement (GSPA). Power generation, chemical manufacturing, and ceramic manufacturing are the largest consumers of the gas we distribute. Agreements between PGN and customers are settled on business by business basis.

The purchase price is determined by a number of factors, including the regional cost of gas, customer purchasing power, prices of substitute fuels, etc. The Company also passes through cost of gas increases from producers in each region. Meanwhile, price for residential customers referring to on Ministry of Energy and Mineral Resources regulations and determined by BPH Migas.

In September 2013, PGN restructured its SBU distribution areas to optimize sales and better address the needs of the marketplace. This also helps enhance PGN's role in the development of infrastructure and the national economy.

The restructuring included:

- Dividing each SBU into smaller units to optimize customer service.
- Establishing a new sales area for the development of new markets.
- Simplifying the terminology from "Sales and Service Area" to "Area".

### SBU Distribution Area I Western Java

Covers Jakarta, West Java, Banten, South Sumatra and Lampung with administrative activities in Jakarta, Banten, Bogor, Cilegon, Tangerang, Bekasi, Karawang, Cirebon, Palembang and Lampung.

### SBU Distribution Area II Eastern Java

Covers Surabaya, Gresik, Sidoarjo, Mojokerto, Pasuruan, Probolinggo and Semarang with administrative activities in Surabaya, Sidoarjo, Pasuruan and Semarang.

### SBU Distribution Area III Northern Sumatera

Covers North Sumatera, Batam, Pekanbaru and Dumai, with administrative activities in Medan, Batam, Pekanbaru and Dumai.



### Customer Base

PGN serves all natural gas customer sectors and divides them into 3 segments, namely:

1. Residential  
Includes houses, flats, condominiums and apartments.
2. Commercial customers  
Includes SMEs, health centers, hospitals, universities, government offices, business districts, shopping malls, hotels, restaurants, Gas Fueling Stations and other commercial enterprises.
3. Industrial customers  
Includes manufacturers of chemicals, ceramics, basic metals, fabricated metal, pulp & paper, glass, wood, cement; as well as mills, power plants.

As of 1 April 2013, PGN simultaneously extended new gas sales contracts to commercial, manufacturing, and power generation customers throughout each SBU. These contracts provided customers with some important new benefits. For example, we extended the duration of the original contract from two years to five years and applied automatic rollover for every subsequent year.

To expand the market coverage of our downstream business, in 2012, the Company established a subsidiary, PT Gagas Energi Indonesia (GEI), to develop our gas processing business. GEI serves power generation, industrial, Micro LNG and CNG customers, mostly in East Java and North Sumatra. GEI has also built Mobile Refueling Units (MRU) to support the fuel transportation sector in Jakarta.

### ***Distribution Segment – Period ended December 31, 2013 Compared to Period ended December 31, 2012.***

On a consolidated basis, revenues earned and expenses incurred in performing sales of gas to customers increased by 16.33% and 42.94% respectively. The increase in revenue was primarily attributable to increased gas demand and consumption, as well as price adjustment to customers. Gas price adjustments, triggered by the rising prices from upstream gas suppliers, were delivered in two stages: a 35% increase on 1 September 2012, followed by a 15% increase on 1 April 2013. This affected customers in SBU Distribution Region I Western Java served by the SSWJ pipeline, namely Jakarta, Banten, Bogor, Bekasi, Karawang, Cilegon and Tangerang.

As a result of these price adjustments, PGN's average gas price in 2013 increased to USD 8.87/MMBtu (exchange rate assumptions Rp 12,189/USD). Nonetheless, it remained very competitive when compared to non-subsidized fuel oils, especially High Speed Diesel (HSD). Throughout the year 2013, PGN's average selling price of natural gas was a mere 34% of the price of HSD. In addition, the price of natural gas is more stable than that of HSD, which continues to fluctuate.

Additional issues related to our 2013 revenues include increased volume and price adjustment to customers, an oversupply situation in East Java, and Rupiah depreciation to a level of USD = Rp 12,189 from USD = Rp 9,670 in the period ended December 31, 2012.

Since 2011, demand for natural gas has eclipsed supply, making it necessary for PGN to allocate gas to its customers. To ensure customer acceptance of gas allocation, the Company charged premium price for customers who used more gas than they were allocated. This situation changed in 2013, as the supply volume of pipe gas increased and regasified LNG was commercialized. As supply volume increased during the year, gas allocations were scaled back, eventually eliminating gas sales volume with premium price. This also eliminated the additional revenue derived from them. Even so, despite supply fluctuations during 2013, the Company distributed 824 MMScfd, a 3% increase over 2012.

To sustain its business, the Company must secure as many gas supply sources as possible. But new gas sources often cost more.

A new source of supply in East Java created an oversupply situation in 2012 and 2013. This encouraged independent gas traders, who can trade gas with no obligation to develop distribution infrastructure, to take advantage of the regulation allowing them to obtain and trade gas. The resulting lengthening of the value chain benefits neither the Company nor the end customers, and gas traders have in fact added more costs to both the Company and end customers.

Because regasified LNG is priced higher than piped gas, PGN is testing the market for it, focusing on customers that have the purchasing power and readiness to use it. In 2013, our affiliate, Nusantara Regas sold approximately 177 BBtud of LNG and 12 BBtud of that amount was sold to PGN's distribution area.

Indonesia's economic situation also affected PGN's business in 2013. While an inflation rate of 8.38% did not deter customers from buying gas, the Rupiah depreciation affected its reported revenues. The Company reports its financial statements in US Dollar while receives payment in Rupiah currency and US Dollar currency. The 26% rate change of Rupiah conversion against US Dollar affected the portion of sales revenues in Rupiah.

#### Distribution Revenues By Customer Category

Revenues from Gas Distribution were generated from the gas sales to the power plant & industrial, commercial and residential. Increase or decrease in revenue from the distribution to each of the customer types in 2013 were as follows: industrial and power plant increased 16.33% to USD 2.69 billion, Commercial increased 48.71% to USD 75.10 million, SPBG decrease 56.15% to USD 1.64 million, and residential decreased 1.28% to USD 5.42 million. Revenues from customers in excess of 10.00% of total consolidated revenue are revenues from PT PLN (Persero), Government related entity, which amounted to USD 575.21 million or 19.16% and USD 400.06 million or 15.50% of the total consolidated revenue for the year ended December 31, 2013 and 2012.

## REVENUE PER CUSTOMER SEGMENT

Revenues from Customer	2013		2012		Δ (%)
	million USD	Contribution %	million USD	Contribution %	
Industry & Power Plant	2,687.57	97.03	2,310.22	97.48	16.33
Commercial	75.10	2.71	50.50	2.13	48.71
Gas Fuel (SPBG)	1.64	0.06	3.74	0.16	(56.15)
Residential	5.42	0.20	5.49	0.23	(1.28)
Total	2,769.73	100.00	2,369.95	100.00	16.87

### Oil & Gas Upstream Segment

One of the Company's strategic priorities in 2012 was to enhance capabilities in the upstream sector. As an integrated gas company, it is strategically important to ensure that the Company is not only transporting and distributing or trading gas but looking for sources, obtaining access to new supplies of gas by investing in upstream assets. The upstream subsidiary, PT Saka Energi Indonesia (SEI), was established as the Company's center of expertise on oil & gas upstream.

The Company continued to pursue its upstream initiatives by taking a participating stake in upstream blocks in 2013 among others: Ketapang block in East Java by 20%, Bangkanai block in Central Kalimantan by 30% and 25% participating interest in Pangkah block through shares takeover of KUFPEC Indonesia B.V from Kuwait Foreign Petroleum Company K.S.C with percentage shares ownership of 100% in East Java and South Sesulu block in East Kalimantan by 100%. Of all the upstream blocks acquired, only Pangkah block has produced oil & gas and generated income for the Company.

### *Oil and Gas Upstream Segment – Period ended December 31, 2013 Compared to Period ended December 31, 2012.*

On a consolidated basis, the Company started to earn revenues of USD 34.84 million for the period ended December 31, 2013 after its subsidiary SEI acquired 25% participating interest in Pangkah block which has been producing since 2007. For the period ended December 31, 2012, SEI as a new entity only carried out a series of feasibility studies and appraisals to acquiring participating interest in upstream project.

### Other Business

In addition to these three business activities, the Company may engage in other ancillary business that is directly related to and/or supports the core business, pursuant to the prevailing laws and regulations. The ancillary business activities are run by its subsidiaries and affiliates.



The three PGN subsidiaries engaged in this segment are:

1. PT PGAS Telekomunikasi Nusantara ("PGASCOM"), which leases its unused fiber optic capacity to other users in the country and in the region. PGASCOM has start operation since March 2008.
2. PT PGAS Solutions ("PGASSOL"), which provides engineering, construction, operation and maintenance services. In order to increase expertise in engineering, construction, operation and maintenance services, PGASSOL and PT Promatcon Tepatguna formed a joint venture to handle projects such as upgrading Muara Bekasi station and EPC work at Manhattan Kalimantan Investment in which PGASSOL held 40% and 70% ownership, respectively. This collaboration is expected to increase PT PGAS Solution expertise in the field of construction and maintenance.
3. PT PGN LNG Indonesia ("PLI"), which will operate the Floating Storage Regasification Unit starting in 2014. In 2013, the Subsidiary constructed an onshore receiving facility in Lampung.

Regular checks were carried out by trained and experienced employees to ensure pipeline network and other supporting facilities' reliability

***Other Business Segment – Period ended December 31, 2013 Compared to Period ended December 31, 2012.***

For the year ended December 31, 2013, PGN's subsidiary PGASCOM's revenue from leasing fibers optic capacity totaled USD 10.34 million, compared to USD 9.80 million in 2012. This increase was attributable to increased utilization of fiber optics by existing customers and an increase in the number of customers.

The revenues derived from the provision of fiber optic networks to customers were primarily from PT XL Axiata Tbk, PT Indosat (Persero) Tbk, PT PGN (was eliminated in the consolidation process),



PT Bluewater Indonesia, PT Lintasarta, PT Indonesia Comnet, PT Telekomunikasi Indonesia (Persero) Tbk, PT Multi Data Rencana, PT Cyberindo Aditama and PT Digisat.

For the year ending December 31, 2013, revenues from engineering, construction, operation and maintenance Services of PGN subsidiary PGASSOL were USD 6.36 million, compared to USD 484.73 thousand in 2012. The increase was attributable to increased construction and maintenance services provided to customers (excluding PGN). Revenues originating from PGN in 2013 amounting to USD 47.74 million have been eliminated through the consolidation process because they are transactions between a subsidiary and the parent company.

### Profitability per Segment

PGN's profitability was mainly generated from the gas distribution business. The transmission revenues earned from the toll fee income of the SSWJ pipeline operated by SBU Transmission Sumatera Java were recognized as the distribution revenues of SBU Distribution Area I, West Java. Meanwhile, the expenses of the SSWJ pipeline operation were recognized as transmission business expenses. This recognition resulted in a negative profitability for the transmission business segment.

PROFITABILITY PER SEGMENT			million USD
	2013	2012	%
<b>Revenues</b>			
Gas Transmission	180.24	200.00	(9.88)
Distribution	2,769.74	2,369.94	16.87
Oil and Gas	34.84	-	-
Other Business	16.69	10.29	62.20
<b>Segment Profit</b>			
Gas Transmission	(15.94)	(10.30)	54.76
Distribution & Trading	1,067.82	1,136.08	(6.01)
Oil and Gas E&P	9.77	(4.32)	326.16
Other Business	(37.20)	(22.51)	65.26

The table presents the consolidated results of the transmission business of the subsidiary (TGI) and PGN, including results from the South Sumatra-West Java (SSWJ) pipeline. The toll fees from the SSWJ pipeline are recorded in a bundle with the revenues from the distribution business of SBU Distribution Area I Western Java.



## Consolidated Results of Operations

### Revenues

Total revenues in 2013 were USD 3.00 billion, an increase of 16.33% over 2012. The revenues were generated from four business segments among others: distribution and trading of gas, transmission of gas, upstream oil and gas and other business segments which included leasing of fiber optic capacity and construction & maintenance services. Distribution and trading of gas contributed 92.28%, transmission of gas 6.00%, upstream oil and gas 1.16% and other business segments 0.56% which included leasing of fiber optic capacity and construction & maintenance services.

#### REVENUES PER SEGMENT

Business Segment	2013		2012		Δ (%)
	million USD	Contribution %	million USD	Contribution %	
Gas transportation	180.24	6.00	200.00	7.75	(9.88)
Gas distribution	2,769.73	92.28	2,369.95	91.85	16.87
Oil and gas	34.84	1.16	-	-	-
Others	16.70	0.56	10.29	0.40	62.29
Total	3,001.51	100.00	2,580.24	100.00	16.33

From the total consolidated revenues, transactions with Government-related parties gave 26.52% and 23.61% for the revenues of years ended 31 December 2013 and 2012, respectively.



PGN's combination of safety protocol, equipment maintenance, and emphasis on quantitative control of its system results in lower waste, greater up-time, and better experience for our customers

## Cost of Revenues

The cost of revenue is the sum of money paid to suppliers (COGS) for gas and the cost of oil and gas production activities. In 2013, PGN's cost of revenue was USD 1.58 billion as compared to USD 1.11 billion in 2012, a rise of 42.94%. The increase was primarily due to higher pricing from gas producers, specifically from PHE WMO in June and December 2012 and Pertamina EP Pagardewa and ConocoPhillips SSWJ in September 2012 and April 2013.

### COST OF REVENUES

Remarks	2013	2012	Δ%
	million USD	million USD	
Cost of gas sales	1,565.12	1,107.84	41.28
Oil and gas operating expenses	18.40	-	-
Total	1,583.52	1,107.84	42.94

### COST OF GAS SALES

Producers	2013		2012		Δ (%)
	million USD	%	million USD	%	
ConocoPhillips	722.02	46.13	392.15	35.40	84.12
Pertamina	413.25	26.40	331.78	29.95	24.56
Others	429.85	27.46	383.91	34.65	11.97
Total	1,565.12	100.00	1,107.84	100.00	41.28

### OIL AND GAS OPERATING EXPENSES

Activities	2013		2012	
	million USD	%	million USD	%
Production and lifting cost	11.03	59.95	-	-
Depreciation, depletion and amortization	7.37	40.05	-	-
Total	18.40	100.00	-	-

Net purchases in 2013 from Pertamina, the government related entity, and ConocoPhillips were USD 413.25 million and USD 722.02 million respectively, which represented 13.77% and 24.06% of total consolidated cost of revenues. In 2012, purchases from Pertamina and ConocoPhillips were USD 331.78 million and USD 392.15 million, which equaled 12.86% and 15.20% of total consolidated cost of revenues.

In 2013, PGN's subsidiary SEI contributed USD 18.40 million to the consolidated cost of revenues. The costs were from oil and gas exploration activities subsequent to SEI's acquisition of KUFPEC Indonesia (Pangkajene) BV in July of that year.

## Gross Profit

Gross profit in 2013 was USD 1.42 billion as compared to USD 1.47 billion in 2012, a slight decline of 3.69%. The reason for this is a combination of factors: increases in the purchase price of gas, diminishing premium price from excess volume allocation, and the Rupiah's depreciation.

1. In 2013, PGN paid a higher price than the year before for natural gas from ConocoPhillips and Pertamina EP.
2. To ensure reliability, PGN expanded its network of gas suppliers and sources. In some cases, higher prices from some of these new suppliers required us to restructure our pricing.
3. In 2013, the supply of natural gas was not enough to meet demand. To maintain reliability along our pipeline, PGN allocated gas to each customer, with a strict premium price imposed for users that exceeded their allotted amount. Nevertheless, usage stayed above allotment levels, and the Company recorded revenue from that premium price. The situation reversed itself in 2013. Supply volume in the pipeline improved, plus regasified LNG became available that year. As the supply of gas increased, allocations were removed, eliminating the windfall premium price.
4. The oversupply situation in 2013 also enabled independent gas traders to benefit from a regulation that allowed them to obtain and trade gas without having any facilities to distribute gas to gas users. Their presence in the natural gas value chain has lengthened the process of gas distribution to customers and added more costs to the Company and to the end customers.
5. The price disparity between regasified LNG and piped gas is large. In introducing and pricing LNG in 2013, factors such as a customer's purchasing power and readiness to adapt to a more expensive fuel helped determine its price.
6. Economic events in Indonesia also affected PGN's gross profit. Inflation rose to 8.38% in 2013. Rupiah depreciation grew to Rp 12,189/USD at the end of 2013 from Rp 9,670/USD the year before. This rate change affected gross profit, as PGN receives payment in Rupiah while reporting its revenues in US Dollars.



## Expenses

### DISTRIBUTION, TRANSMISSION, GENERAL AND ADMINISTRATIVE EXPENSES

Remarks	2013		2012		Δ (%)
	million USD	%	million USD	%	
Distribution & Transmission	292.56	57.46	269.89	56.91	8.40
General & Administration	216.62	42.54	204.39	43.09	5.98
Total	509.18	100.00	474.28	100.00	7.36

#### Distribution and Transmission Expenses

Distribution and Transmission Expenses increased by 8.40% to USD 292.56 million compared to USD 269.89 million in 2012. This is primarily due to increases in professional fees charged by PGASSOL which raised 2013 honorarium expenses 287.17% to USD 23.02 million. Repair and maintenance costs, mostly the maintenance of our gas pipelines, increased by 24.08% to USD 20.50 million. Proportionally, depreciation expense remains the largest component, totaling 57.90% of distribution and transmission expenses in 2013.

#### General and Administrative Expenses

General and administrative expenses increased by 5.98% to USD 216.62 million, compared to USD 204.39 million in 2012. This reflects a rise in promotional expenses, which increased by 155.01% to USD 12.35 million, and an increase in the cost of social responsibility and environmental development by 988.68% or to USD 8.02 million.

Promotional expenses in 2013 rose due to a branding and awareness campaign designed to raise public awareness of PGN and its product and services. The cost of social responsibility and community development programs was charged as an expense for the first time in 2013, in accordance with the decision of the Annual General Meeting of Shareholders on 17 April 2013.

At 38.65%, salaries and employee benefits remained the largest component of general and administrative expenses in 2013, amounting to USD 83.72 million, whereas professional fees were 14.31% of the total General and Administrative Expenses.

#### Other Income

Other income increased by 26.19% to USD 27.02 million, compared to USD 21.42 million in 2012. The increase was primarily due to the correction of toll fee rates in 2010-2012, which amounted to USD 13.79 million. Per decree No. 781/07/Ka BPH/2013, dated 11 June 2013, BPH Migas increased the fee from USD 0.69/MScf to USD 0.74/ MScf for transporting gas through the Grissik-Singapore pipeline

#### Other Expense

Other expenses increased by 107.61% to USD 2.16 million, compared to USD 1.04 million in 2012. This was primarily due to the correction of toll fees from Pertamina at SBU 3, amounting to USD 555 thousand that should have been collected since 2011.

#### Operating Profit

Operating profit for 2013 totaled USD 933.69 million, a decrease of 8.33% compared to the previous year. As stated earlier, this was due to purchase price increases, diminishing revenues



from premium price for excess volume allocations, and depreciation of the Rupiah. Operating Profit Margin remained stable at 31.11% in 2013 compared to 39.47% in 2012.

### Financial Income

Financial income in 2013 amounted to USD 26.91 million, a decrease of USD 913.89 thousand, or 3.28% of the previous year. This reflects a decrease in cash and cash equivalents during the period from January to November 2013, and the inclusion of short-term bank loan amounting to USD 300 million from Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch and PT Bank Sumitomo Mitsui Indonesia in December 2013. Deposit rates for the year 2013 are 4.00% - 10.00% on rupiah and 0.25% - 2.75% for U.S. Dollars.

### Financial Expense

Financial expense in 2013 amounted to USD 21.86 million, an 1.33% increase from the previous year primarily due to a reduction in annual interest payments from HSBC (USD 1.79 million), BNI (USD 591.53 thousand), EIB amounted (USD 534.65 thousand), and JBIC (USD 555.07 thousand). An interest expense amounting to USD 216.62 thousand to PT Bank Sumitomo Mitsui, Indonesia, was added in December 2013.

### Currency Gain – Net

In 2013, PGN had a gain of foreign exchange of USD 83.89 million, an increase of 68.62% compared 2012. This was primarily due to the appreciation of the U.S. dollar against foreign currencies, especially the Japanese Yen and Rupiah. The position of the U.S. Dollar against the Rupiah was Rp 9,670/USD on December 31, 2012, strengthening to Rp 12,189/USD on December 31, 2013. The position of the U.S. Dollar against the Japanese Yen was JPY 86.36/USD 31 December 2012, strengthening to JPY 104.92/USD on December 31, 2013.

### Gain (Loss) on Changes in the Fair Value of Derivatives - Net

PGN booked Gain on net changes in the fair value of derivatives of USD 70.19 million in 2013, an increase of 92.20% compared to USD 65.10 million in 2012. Using financial derivative instruments, PGN sought a 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.

### Profit Before Tax Benefit (Expense)

Profit Before Tax in 2013 was USD 1.13 billion, down 2.02% from USD 1.15 billion in 2012. Again, this resulted from a combination of factors, including purchase price increases, diminishing premium price from excess volume allocation, and depreciation of the Rupiah. The profit margin before tax benefit (expense) relatively stable from 44.50% in 2012 to 37.48% in 2013.

### Net Tax Expense

The current tax expense decrease 4.92% from USD 238.37 million in 2012 to USD 226.64 million in 2013. The decrease was due to the decrease of profit before tax in 2013.

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, PGN paid tax at rate of 20% in 2013.

In accordance with PSAK No.46(Income Tax), the estimated claim for tax refund for 2011 was USD 9.01 million after auditing, the estimated tax claim refund was adjusted to USD 8.05 million. The difference amounting to USD 969.56 hundred was recognized as part of the current Tax Expense.

### Other Comprehensive Income After Tax

Following the adoption of PSAK No. 1 (2009 Revision), the presentation of other comprehensive income after taxes is as follows:

#### 1. Assets Available for Sale

In 2013, other comprehensive income after taxes on assets available for sale declined by USD 15.77 million or 302.29% from USD 7.79 million in 2012, a result of unrealized changes in the fair value of assets available for sale. The changes of assets available for sale in 2013 was due to the maturity date of LPEI bonds worth Rp 50 billion on December 9, 2013.

#### 2. Difference in Foreign Currency Translation of the Financial Statements

In 2013, due to the strengthening of the USD against the Rupiah, the difference in foreign currency translation of our subsidiaries financial statements declined by USD 14.01 million in 2013 or 812.32%. In 2012, the difference in foreign currency translation of the subsidiaries financial statements declined by USD 1.73 million.

#### 3. Net Actuarial gain (loss)

In 2013, we recorded an actuarial gain of USD 29.82 million, a result of the immediate recognition of actuarial gain or losses of employee benefits.

Effective on 1 January 2012, PGN adopted PSAK No.24 (Revised 2010), "Employee Benefits."

The revised PSAK permits an entity to adopt any systematic method that results in faster recognition of actuarial gains and losses, which includes immediate recognition of actuarial gains and losses in the year in which they occur and recognized in other comprehensive income (OCI).

### Profit for the Year Attributable to Owner of the Parent Entity

Profit for the Year Attributable to Owner of the Parent Entity for the year 2013 decreased 3.41% to USD 860.53 million compared to USD 890.89 million the previous year. Net profit margin also decreased to 28.67% in 2013 from 34.53% in 2012.

### Profit for the Year Attributable to Non-Controlling Interests

Profit for the Year attributable to non-controlling interests increased 36.85% from USD 24.37 million in 2012 to USD 33.35 million in 2013, attributable to the improving financial performance of PGN's subsidiaries, especially PT Transportasi Gas Indonesia.

### Total Comprehensive Income for the Year Attributable to Owner of the Parent Entity

In 2013, PGN's Total Comprehensive Income for the Year Attributable to Owner of the Parent Entity was USD 854.25 million, an decrease of 3.98% over the USD 889.69 million earned the previous year.

### Total Comprehensive Income for the Year Attributable to Non-Controlling Interests

Total Comprehensive Income for the Year Attributable to non-controlling interests was USD 33.97 million in 2013 compared to USD 24.80 million in 2012, an increase of 36.96%.

## PROFITABILITY RATIO

Ratio	2013	2012
Net profit margin	28.67	34.53
Return on Assets	28.81	30.94
Return on Equity	46.10	60.86

## Total Assets

In 2013, PGN's total assets were valued at USD 4.36 billion, comprising 40.81% of current assets and 59.19% of non-current assets. The total asset value increased 11.64%, from USD 3.91 billion in 2012 to USD 4.36 billion. The asset growth is mainly due to cash inflow from short-term bank loans amounting to USD300 million from Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch and PT Bank Sumitomo Mitsui Indonesia, as well as an increase of fixed assets.

## COMPOSITION OF CURRENT ASSETS

Remarks	2013		2012		Δ (%)
	million USD	%	million USD	%	
Cash and cash equivalent	1,319.17	74.09	1,567.46	79.01	(15.84)
Restricted cash	1.16	0.07	8.48	0.43	(86.32)
Short-term investment	85.38	4.80	108.29	5.46	(21.16)
Trade receivables - net	279.96	15.72	258.65	13.04	8.24
Other receivables - net	35.86	2.01	5.07	0.26	607.30
Inventories - net	14.62	0.82	2.45	0.12	496.73
Current maturities of advances	42.69	2.40	27.98	1.41	52.57
Prepaid expenses	1.68	0.09	5.45	0.27	(69.17)
Total	1,780.52	100	1,983.83	100.00	(10.25)

## Current Assets

PGN's current assets decreased 10.25%, from USD 1.98 billion in 2012 to USD 1.78 billion in 2013, mainly due to dividend payments of USD 506.19 million and upstream investment by SEI in Pangkah PSC amounting to USD 529.07 million.

At the end of December 2013, cash provided by short-term bank loans from Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch and PT Bank Sumitomo Mitsui amounted to USD 200 million and USD 100 million, respectively.

## Cash and Cash Equivalents

**COMPOSITION OF CASH AND CASH EQUIVALENTS**

Remarks	2013		2012		Δ (%)
	million USD	Contribution %	million USD	Contribution %	
<b>Cash</b>	0.22	0.02	0.08	0.01	171.73
Bank					
Rupiah	30.33	4.51	60.35	16.56	(49.74)
US Dollar	640.39	95.19	289.27	79.37	121.38
Yen	1.64	0.24	14.59	4.00	(88.76)
SGD	0.18	0.03	0.17	0.05	5.88
<b>Total Bank</b>	<b>672.54</b>	<b>50.98</b>	<b>364.38</b>	<b>23.25</b>	<b>84.57</b>
Cash and Bank	672.76		364.46		84.59
Time Deposits					
Rupiah	221.03	34.19	391.48	32.54	(43.54)
US Dollar	425.40	65.81	811.52	67.46	(47.58)
<b>Total Time Deposits</b>	<b>646.43</b>	<b>49.00</b>	<b>1.203.00</b>	<b>76.75</b>	<b>(46.27)</b>
Total Cash and Cash Equivalents	1.319.19	100.00	1.567.46	100.00	(15.84)

**CURRENCY IN CASH AND CASH EQUIVALENTS**

	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Rupiah	251.58	19.07	451.91	28.83	(44.33)
Dolar US	1,065.79	80.79	1,100.79	70.23	(3.18)
Yen	1.64	0.12	14.59	0.93	(88.76)
SGD	0.18	0.01	0.17	0.01	5.88
Total	1,319.19	100.00	1,567.46	100.00	(15.84)

Cash and cash equivalents decreased by 15.84 %, from USD 1.57 billion in 2012 to USD 1.32 billion in 2013 primarily due to dividend payments of USD 506.19 million , and equity investments in the upstream, which amounted to USD 529.07 million through SEI for a participating Interest in the upstream sector. Cash and cash equivalents totaled USD 672.76 million and time deposits amounted to USD 646.43 million. Cash and cash equivalents were made up of 19.07% IDR, 80.79 % USD, 0.12 % JPY and 0.01 % SGD. Cash equivalents in the form of time deposits were placed at several domestic and foreign banks, with 65.81 %

denominated in USD and 34.19 % denominated in IDR. The average rate of time deposits USD ranged between 0.25% - 2.75 %, and deposits IDR range between 4.00 % - 10.00 %.

**Restricted Cash**

Restricted cash decreased 86.28%, from USD 8.48 million in 2012 to USD1.16 million in 2013. This decrease was due to the maturity of time deposit accounts at Bank Mandiri and BNI related to the escrow account from the gas purchase agreement GEI signed with PT Nugas Energy (NUGAS), PT Gresik Oil & Gas, Energy and PT Sarana PT Indo Taruko Energy is replaced by the SBLC.



### Short-term Investments

In 2013, the value of short-term investments totaled USD85.38 million compared to USD 108.29 million in 2012, a decrease of 21.15%. This was caused by a LPEI Rp 50 billion bond that matured on December 9, 2013. In addition there was a decline in the fair value of the bonds.

The fair value of the Short-Term Investments as at 31 December 2013 were as follows:

Remarks	Rp	Equivalent USD	USD	Total USD
Pertamina		-	61,292,219.00	61,292,219
Antam	25,000,000,000	1,910,564.29	-	1,910,566
Perum Pegadaian	20,000,000,000	1,480,348.48	-	1,480,348
SBSN	-		3,307,160	3,307,160
INDON	-		13,529,352	13,529,352
Lembaga Pembiayaan Ekspor Indonesia	50,000,000,000	3,865,186.22	-	3,865,186
Total				85,384,831

As of December 31, 2012 Short-Term Investments at fair value were as follows:

Remarks	Rp	Equivalent USD	USD	Total USD
Pertamina	-	-	72,739,740.00	72,739,740
Antam	27,176,037,794	2,810,345.17	-	2,810,345
Perum Pegadaian	20,678,231,300	2,138,390.07	-	2,138,390
SBSN	-	-	4,165,800	4,165,800
INDON	-	-	16,024,902	16,024,902
Lembaga Pembiayaan Ekspor Indonesia	100,634,307,190	10,406,856.83	-	10,406,857
Total				108,286,034

Short-Term Investments will always be revalued for each reporting period. For the year 2013, a decrease in unrealized changes in fair value of securities available for sale decreased by USD 15.77 million are reflected in other comprehensive income for the year. The decline in fair value is decreased by 302.29% from USD 7.79 million in 2012.

### Net Accounts Receivable

Net accounts receivable in 2013 increased 8.24% over 2012 to USD 279.96 million. This increase was due to increased distribution sales volume and upward selling price adjustments due to the rising purchase price of natural gas.

Net accounts receivable in 2013 was made up of 88.62% from gas distribution, 11.85% from gas transmission, 2.91% from oil and gas, and 0.96% from fiber optics leases. This totals more than 100% Net accounts receivable in USD amounted to USD 248.11 million from distribution, USD 33.17 million from transmission, USD 8.14 million from oil and gas, and USD 2.69 million from fiber optic leases.

Also in 2013, PGN reserved USD 12.16 million as allowance for impairment of trade receivables, mainly from gas distribution, to cover possible losses from uncollectible accounts. In 2013, the allowance for impairment losses decreased 11.11% from 2012 due to uncollected receivables.

### Current Maturities of Advances

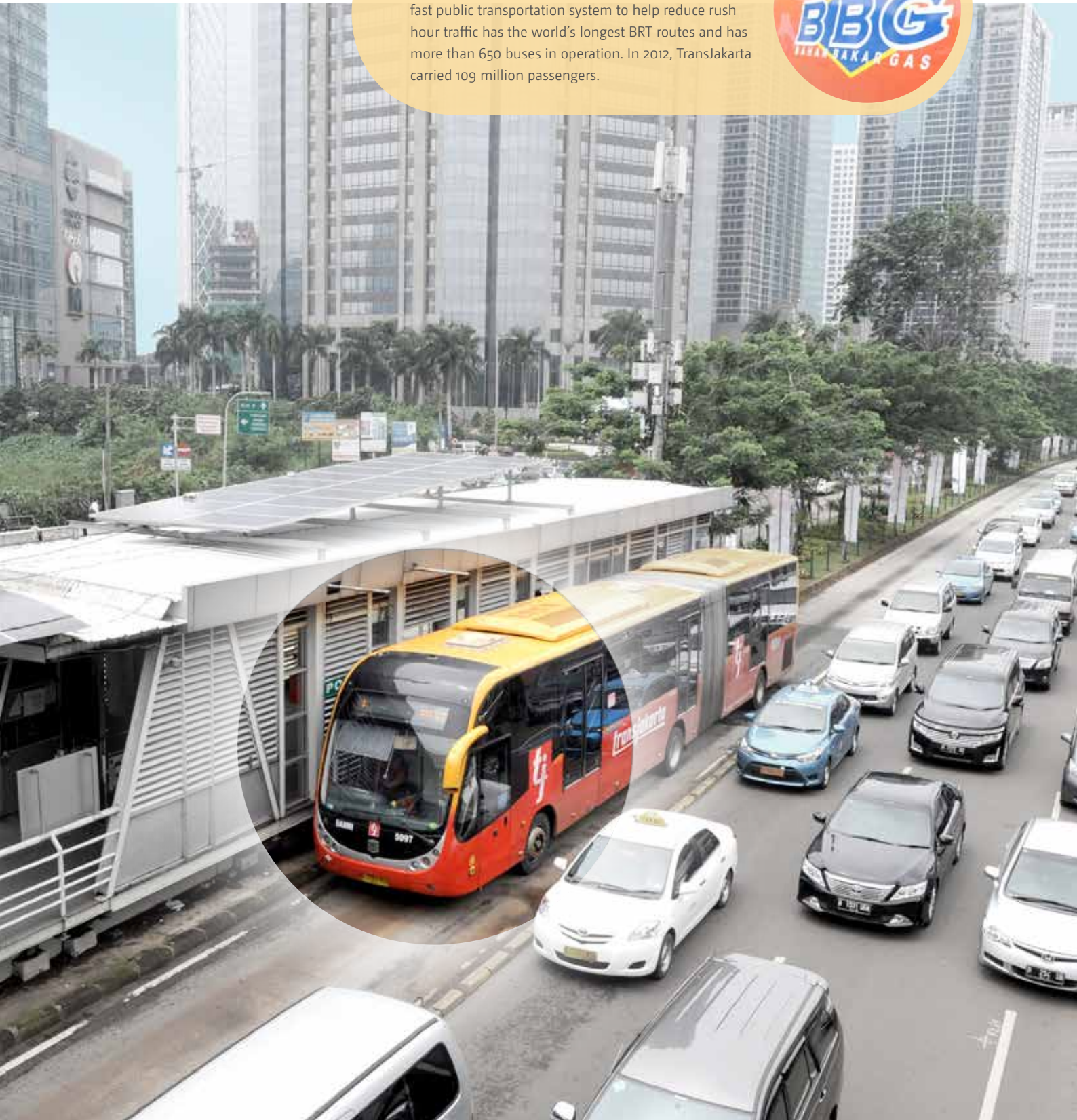
Current maturities of advances were USD 42.69 million in 2013, an increase of 52.59% from USD 27.98 million in 2012. This was primarily due to 8.91% participating interest of South East Sumatera PSC in advances for KNOC and advances take or pay from Walinusa of USD 4.26 million and Sadikun of USD 6.67 million.

### Non Current Assets

#### COMPOSITION OF NON CURRENT ASSETS

Remarks	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Advances - net of current maturities	84.89	3.29	110.92	5.76	(23.47)
Deferred tax assets - net	28.87	1.12	38.26	1.99	(24.54)
Other long-term receivables	40.27	1.56	-	-	-
Investment in shares of stock	95.33	3.69	65.95	3.43	44.55
Fixed assets - net	1,837.23	71.14	1,693.71	88.02	8.47
Exploration and evaluation assets	0.05	0.00	0.05	0.00	-
Oil and gas properties - net	432.62	16.75	-	-	-
Estimated claims for tax refund	33.56	1.30	10.34	0.54	224.56
Goodwill and other intangible assets - net	25.71	1.00	2.89	0.15	789.62
Others	4.13	0.16	2.22	0.12	86.04
Total	2,582.66	100.00	1,924.34	100.00	34.21

TransJakarta, a bus rapid transit (BRT) system in Jakarta Indonesia, uses PGN natural gas as a fuel. TransJakarta which was designed to provide Jakarta citizens with a fast public transportation system to help reduce rush hour traffic has the world's longest BRT routes and has more than 650 buses in operation. In 2012, TransJakarta carried 109 million passengers.



Non-current assets increased by 34.21%, from USD 1.92 billion in 2012 to USD 2.58 billion in 2013. This was mainly due to the addition of oil and gas property assets related to investment in the upstream sector by SEI amounting to USD 554.61 million.

#### Advances – Non Current Maturities

At the end of 2013, advances – non Current maturities amounting to USD 84.89 million, a decrease of USD 26.03 million compared to 2012. This was due to make-up gas from ConocoPhillips totaling USD 27.57 million. ConocoPhillips includes make-up gas when invoicing PGN.

#### Other Long-Term Receivables

In 2013, other long-term receivables related to SEI's operation in Pangkah PSC consist of carry receivables for development costs amounting USD 35.6 million and Receivable from KUPFEC amounting USD 7.77 million represent tax expense incurred in Kufpec Indonesia (Pangkah) B.V. (KIP), currently Saka Indonesia (Pangkah) B.V. (SIP) which will be borne by KUFPEC based on Sales Purchase Agreement of Kufpec Indonesia Pangkah B.V. between SEI with KUFPEC.

#### Investment in Shares of Stock

In 2013, investment in shares of stock is the recognition portion of investment and the profits, especially from Nusantara Regas, which reflect the Company's overall investment ownership percentage of 40%. PGN value of investments increased by 44.55% from USD 65.95 million to USD 95.33 million primarily due to increase financial performance of Nusantara Regas.

#### Fixed Assets – Net

At the end of 2013, fixed assets-net increased by 8.47% from USD 1.69 billion in 2012 to USD 1.84 billion in 2013. This increase was primarily due to the addition of a gas pipeline, compressor, and fiber optic network.

#### Exploration and Evaluation Assets and Oil and Gas Properties

SEI acquired two new assets in the upstream sector in 2013, a USD 53,000 investment in the CBM Lematang PSC and a USD 554.61 million investment in oil and gas property from Ketapang, Bangkanai, South Sesulu and Pangkah PSC.

#### Estimated Claims For Tax Refund

At the end of 2013, estimated claims for tax refund totaled USD 33.56 million. Total monthly prepaid tax in 2013 was greater than the actual tax paid in 2013, due to a decline in fiscal income from 2012.

#### Goodwill

Goodwill amounting to USD 21.69 million was mainly related to SEI's investment in Pangkah PSC in 2013. This reflects the difference between the fair-market value of the investment (assessed through appraisal) and the value stated by the former owner, Kupfec Indonesia Pangkah BV.

#### Liability

PGN's total liabilities at the end of 2013 were USD 1.64 billion, comprised of 54.15% in current liabilities and 45.85% non-current liabilities. The total value of these liabilities increased USD 82.58 million or 5.32% from USD 1.55 billion at year-end 2012. This was due to short-term bank loans made by PGN's business development group, notably USD 200 million from the Jakarta Branch Bank of Tokyo Mitsubishi UFJ and USD 100 million from PT Bank Sumitomo Mitsui Indonesia.



## Current Liabilities

### COMPOSITION OF CURRENT LIABILITIES

Remarks	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Trade payables	158.32	17.87	189.13	40.01	(16.29)
Short-term bank loan	300.00	33.87	-	-	-
Accrued liabilities	180.13	20.34	42.26	8.94	326.24
Short-term employee's benefits liabilities	35.62	4.02	37.30	7.89	(4.50)
Other payables	57.61	6.50	24.80	5.25	132.30
Tax payables	40.14	4.53	80.63	17.06	(50.22)
Current maturities of long-term loans	113.98	12.87	98.63	20.86	15.56
Total	885.80	100.00	472.75	100.00	87.37

Current liabilities rose 87.37% in 2013, from USD 472.75 million in 2012 to USD 885.80 million. Current liabilities are 17.87% of accounts payable. Liabilities are comprised of 33.87% in short-term bank loans, 20.34% in accrued liabilities, 4.02% in short-term employee benefit obligations, 6.50% in other debt, 4.53% in tax debt, and 12.87% in long-term loan maturity within one year.

Increasing the amount of current liabilities of USD 885.80 million, or 87.37%, primarily due to short-term bank loan from Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch of USD 200 million and from PT Bank Sumitomo Mitsui Indonesia amounting to USD 100 million.

## Non Current Liabilities

### COMPOSITION OF NON CURRENT LIABILITIES

Remarks	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Deferred tax liability - net	0.57	0.08	0.65	0.06	(12.31)
Other payables	13.99	1.86	-	-	-
Derivative payables	11.93	1.59	87.12	8.06	(86.31)
Long-term loan - net of current maturities	611.98	81.58	840.01	77.73	(27.15)
Asset abandonment and restoration obligations and other provisions	8.36	1.11	-	-	-
Long-term liabilities for employee's benefits	100.12	13.35	149.50	13.83	(33.03)
Unearned income	3.19	0.43	3.35	0.31	(4.78)
Total	750.14	100.00	1,080.63	100.00	(30.58)



Long-term liabilities decreased 30.58% or USD 330.47 million in 2013, down from USD 1.08 billion in 2012 to USD 750.14 million at year end. This was the result of loan installment payments made during the year. The balance on our JBIC loan was lowered to USD 137.46 million and our HSBC loan to USD 52.00 million.

Composition of long-term liabilities totaled USD 750.14 million, 81.58% of which included net long-term loans that mature in one year. The remainder was made up of 1.59% in debt derivatives, 13.35% in short-term employee benefits liabilities, 1.11% in asset abandonment and restoration obligations and other provisions, and 1.86% in other payables.

## Equity

### EQUITY

Remarks	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Share capital	344.02	12.61	344.02	14.61	-
Treasury stock	(0.25)	(0.01)	(0.25)	(0.01)	-
Other paid-in capital	157.25	5.77	157.25	6.68	-
Retained earnings	2,096.62	76.88	1,742.27	73.99	20.34
Other components of equity	(52.23)	(1.92)	(45.95)	(1.95)	13.67
Non-controlling interests	181.82	6.67	157.45	6.69	15.48
Total	2,727.23	100.00	2,354.79	100.00	15.82

Equity increased to USD 2.73 billion in 2013, up 15.82% from USD 2.35 billion in 2012, caused by an increase in retained earnings as a result of profit attributable to owners of the parent in the current year. Other equity components were actuarial gains and losses and foreign exchange differences arising from translation of financial statements of subsidiaries and the fair value of financial assets available for sale.

## Cash Flow

Cash and cash equivalent positions decreased 15.84% or USD 248.29 million to USD 1.32 billion compared to the year 2012 USD 1.57 billion. The decrease was primarily due to the payment of dividends amounting to USD 506.19 million, and equity investments in the upstream sector by SEI of USD 529.07 million for a participating interest in oil and gas blocks. Additionally, at the end of December 2013, was a short-term bank loan from PT Bank Sumitomo Mitsui Indonesia USD 100 million and Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch of USD 200 million.

<b>CASH FLOW</b>			million USD
Remarks	2013	2012	%
Cash flow from Operation and Activities	828.88	1,166.42	(28.94)
Cash flow from Investment Activities	(666.54)	(250.29)	166.31
Cash flow from Financing Activities	(330.69)	(460.26)	(28.15)
Net Effects foreign exchange differences from cash and cash equivalents	(79.94)	(29.77)	168.53
Net increase (decrease) in cash and cash equivalents	(248.29)	426.10	(158.27)
Cash cash equivalents at the beginning period	1,567.46	1,141.36	37.33
Cash and cash equivalents at the end period	1,319.17	1,567.46	(15.84)

### Cash Flow from Operating Activity

The Company's cash flow from operating activities decreased 28.94% to USD 828.88 million in 2013 compared to USD 1.17 billion in 2012. The decrease was primarily due to a rise in the purchase price of natural gas from ConocoPhillips and Pertamina EP Pagardewa SSWJ in September 2012 and April 2013.

### Cash Flow from Investing Activity

Cash flow used for investing activities increased 166.31% to USD 666.54 million in 2013, a USD418.74million rise from 2012. The increase is primarily due to oil and gas property-related investments in the upstream sector through SEI at USD 370.41 million in oil and gas blocks as well as an increase in fixed assets of 29.81% or USD 47.49 million.

### Cash Flow from Financing Activity

In 2013, cash flow used for financing activities was USD 330.69 million, a 28.15% drop from 2012. Financing activities in 2013 were primarily for short-term bank loans from Bank of Tokyo - Mitsubishi UFJ, Jakarta Branch of USD 200 million and from PT Bank Sumitomo Mitsui Indonesia amounting to USD 100 million.

### Liquidity and Solvency

At the end of 2013, PGN's liquidity remained strong with cash and cash equivalents value of USD 1.32 billion with a current ratio of 201.01%. The Total Cash and Cash Equivalent exceeded total long-term loans.

On December 31, 2013, PGN recorded the total cash and cash equivalents that exceeded total long-term loans. This was in line with the improving solvency reflected in the decline of debt to equity ratio from 0.40 in 2012 to 0.38 in 2013. This indicated an increase in the portion of the Company's financing from internal sources compared to external financing. EBITDA/ (Interest Expense + Principle) ratio decreased to 8.19 in 2013 from 11.75 in 2012 as the result of short-term loans near the end of 2013. Overall PGN's ability to pay its debt remained stable.

Ratio	2013	2012
Payable Ratio to Equity (x)	0.38	0.40
Net Payable/EBITDA (x)	-	-
EBITDA/Interest Expense (x)	51.26	56.04
EBITDA/Interest Expense + Principal Loan (x)	8.19	11.75

### Collectibility

At the end of 2013, the collection period for accounts receivable was lowered to 34 days from 37 days in 2012. The collection period is calculated by dividing the accounts receivable balance at December 31, 2013 with revenue for the year 2013 and multiplied by the total days in a year (365 days). This reflected more efficient management of customers' trade receivables than in 2012. To mitigate risk, payment guarantees apply to all customers. Collateral can be in the form of Bank Guarantee, SBLC, cash and other forms set out in the procedures of subscription. With this guarantee, if customers fail to repay the debt, then the company may redeem the collateral to settle the accounts.

## Capital Structure

Following is the capital structure of PGN at the end of 2013:

### CAPITAL STRUCTURE

Remarks	2013		2012		Δ%
	million USD	Contribution %	million USD	Contribution %	
Short-term loan	300.00	11.00	-	-	-
Total long-term loan	725.96	19.34	938.63	28.50	(22.66)
Maturities in one year	113.98	15.70	98.63	10.51	15.56
Long-term	611.98	84.30	840.01	89.49	(27.15)
Equity	2,727.23	72.66	2,354.79	71.50	15.82
Total invested capital	3,753.19	103.01	3,293.42	100.00	13.96

The capital structure above indicated a debt to equity ratio of 0.38 in 2013, an improvement from 0.40 in 2012. The improvement is in line with the increase in the equity as a result of the accumulation of net income.

### Management's Policy on Capital Structure

As with previous years, the Company established a policy to maintain a capital structure appropriate debt ratios of the financial covenants, namely debt and equity ratio of 66%:33%. In 2013, the Company identified many opportunities for business development and investment in the parent and its subsidiaries, which will require sizeable funding. On that basis, given that the Company's debt ratio is still lower than that required by the financial covenants and the relatively low interest rate in 2013, the Company considered it necessary to obtain external funding in loans from several banks.

### Material Commitments Related to Capital Investment

In 2013, PGN had material commitments with a number of contractors in relation to the construction of FSRU in Lampung which were denominated in Rupiah and USD. The currency for project financing is consistent with the currency used to fulfill PGN's obligations to the contractors of the projects concerned, which are funded by PGN's internal resources.

To mitigate the risks related to foreign currencies, PGN adjusted the currency used to fulfill its obligations to the contractors with the currency used in the contract agreement to avoid foreign translation loss.

The FSRU project development in Lampung is intended for business development and is part of the Company's commitment to strengthen the resilience of the long-term gas supply through LNG regasification process without depending on natural gas producers (conventional gas source), as well as to improve service to customers. This will secure gas supply in the long term to meet the gas needs of customers. This initiative is expected to contribute to the improvement of the Company's revenue.

### Significant Increased in Revenues Associated with Total Sales Volume

The Company's gas selling price to customers is basically applying a regional cost plus concept by which the Company passes through the cost of gas from producers in each region and adjusts it when producers increase the supply price to PGN. The gas price to customers is settled on a business-to-business basis in which price is determined with regard to the purchase price and the costs of gas, customer purchasing power, prices of substitute fuels, etc. The price for residential customers is applied with reference to the Energy and Mineral Resources Minister regulation and is determined by BPH Migas.

In accordance with the decision of the Minister of Energy and Mineral Resources No. 4751/12/MEM.M/2012 dated July 5, 2012 regarding intergrated price adjustment between the upstream and downstream side, the Company adjusted its gas price to customers in two stages:

- (i) 1 September 2012 by 35%,
- (ii) 1 April 2013 by 15%.

As a result of the gas price adjustment in the SBU Distribution Region I Western Java in 2013 the average gas selling price increased to USD 8.87/MMBTU.

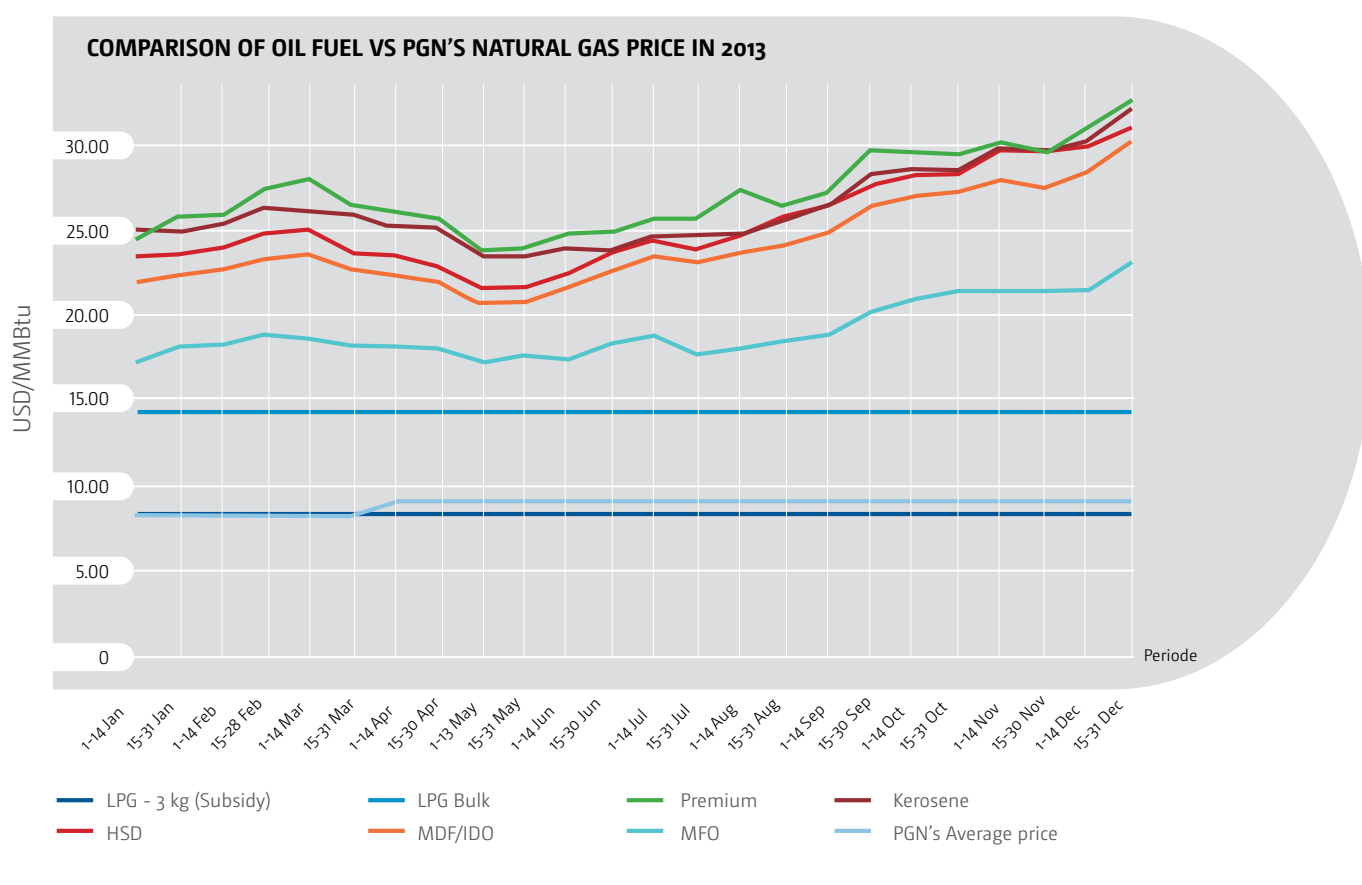
	December 2013*)		December 2012	
Average selling price	USD 7.12/MMBTU + Rp 723/m3	equivalent: USD 8.87/MMBTU	USD 6.43/ MMBTU + Rp 705/m3	equivalent: USD 8.19/ MMBTU

\*exchange rate assumptions Rp 12,189/USD

Although the average selling price of the Company increased, the price remains very competitive compared to non-subsidized fuel oils, especially High Speed Diesel (HSD). Throughout the year 2013, the average selling price of natural gas from PGN was about 34% of the price of. In addition, the price of natural gas tends to be stable, while HSD prices continue to fluctuate.



Chart showing the competitive price of PGN's gas compared to other fuel



### Impact of Gas Price Adjustment on Revenues

The selling price adjustment in September 2012 and April 2013 helped the Company to maintain a stable financial performance for year 2013.

### Material Information after the Reporting Year

- On January 4, 2014, SEI signed a Sales and Purchase Agreement of 100% shares ownership transfer in Hess (Indonesia Pangkah) Limited and Hess Pangkah LLC from Hess Oil and Gas Holding Inc. and Hess NWE Holdings with an enterprise value amounting to USD 26,000,000 and USD 27,440,646. Hess (Indonesia Pangkah) Limited and Hess Pangkah LLC have a 65% and 10% participating interest, respectively, in the Ujung Pangkah Block.

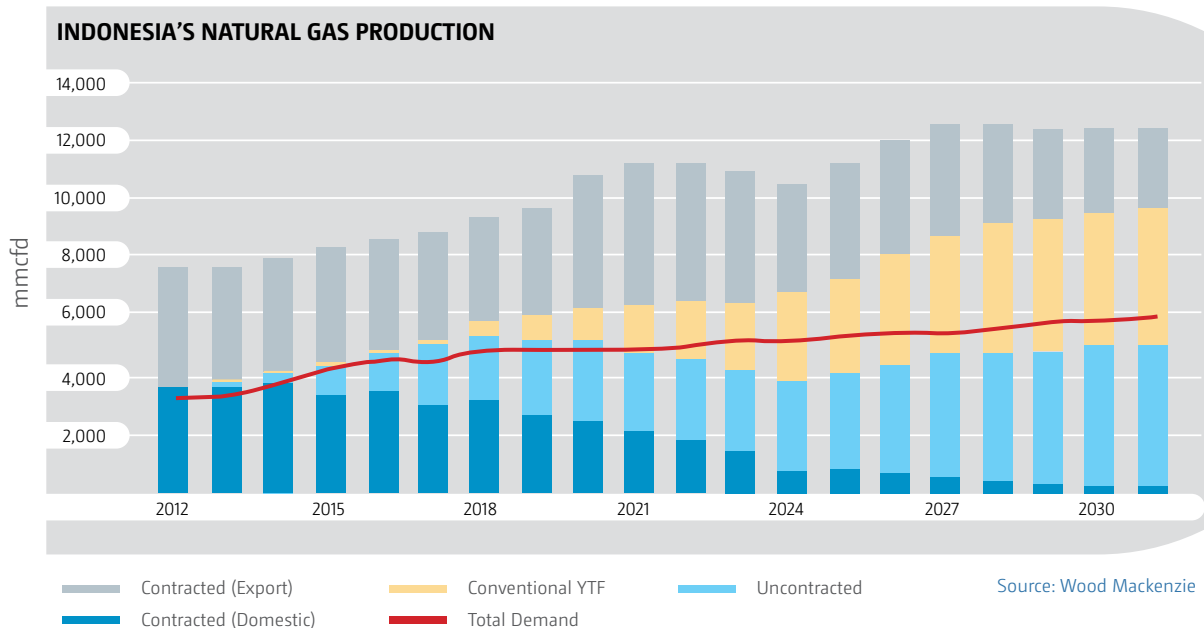
- On January 16, 2014, PT Saka Lematang (SL) signed a Sales and Purchase Agreement for a participating interest in South East Sumatra with KNOC Sumatra Ltd. (KNOC), in which KNOC is the seller and SL is the buyer, with a participating interest amounting to 8.91% worth USD 46,000,000. This agreement will be effective once written consent is received from the Government of the Republic of Indonesia and SKK Migas.

## Business Prospect

PGN's business prospects in 2014 and beyond are wide open, despite the current 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 economic growth. Indonesia's economic growth is projected at 6.2% - 6.4% (based on the 2014 state budget assumption). Therefore, PGN is optimistic that prospects will remain wide open in 2014.

Economic growth in Indonesia is set to accelerate with the planned development and improvement of infrastructure set out in the Master Plan for the Acceleration and Expansion of Indonesian Economic Development (MP3EI). The program initiated an increase in infrastructure to boost electricity supply in Indonesia by adding more power plants and expanding transmission and distribution networks to access electricity.

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 tight gas are taken into account. Reserves of natural gas from CBM, based on SKK Migas data, are estimated at 453.3 TScf. WoodMackenzie data shows that in 2014, production of gas in Indonesia will be around 8,000 MMScfd and will increase every year. All of this points to a massive opportunity for the natural gas industry in Indonesia, particularly the industry and power generation sector as the largest customer of natural gas.



The abundance of gas reserves and growth in natural gas consumption represent an opportunity for the Company. 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.

Prospects in the field of business are also increasingly open to the dispatch of the Decree of the Minister of Energy and Mineral Resources on the 2010-2025 Master Plan for the National Natural Gas Transmission and Distribution Network. As stated in the plan, the Government has opened broad opportunities for stakeholders in the business of transmission and distribution of gas to get into the market. The plan also explained about the purpose and direction of expansion of gas infrastructure in Indonesia, including several sections of the transmission and distribution network area, dedicated upstream segment, open access segment, dedicated downstream segments, own interest segments, and city gas distribution areas.

As one of the stakeholders in the natural gas infrastructure business, PGN takes a positive attitude to the plan. It is seen as a business opportunity to reinforce the company's core business. PGN has also prepared several scenarios for synergy between the Master Plan for Natural Gas Transmission and Distribution Network and the Company's Long Term Plan.

The synergy includes expansion of the 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. PGN also took the initiative to collaborate with the State Electricity Company (PLN) and other stakeholders on meeting fuel needs, either via pipeline or other transportation modes. The operation of LNG FSRU receiving terminal in West Java is the fruitful result of the collaboration.

Another opportunity is presented by PGN's plans to increase LNG supplies from neighboring countries. Based on data from the International Energy Agency, there are several LNG Liquefaction development projects that will be completed in the near future. In addition, natural gas production in the United States also increased sharply after the production of shale gas runs. Increasing the supply of natural gas in the international market is expected to lower the price of natural gas so that it can be an alternative source for PGN.



Along with strategic measures and encouraging facts above, investment flows are expected to accelerate as Indonesia's investment grade was recently upgraded by rating agency Moody's and Fitch.

The year 2010 was a year of transition for the Indonesia's natural gas industry, as the Government stepped up its push to further develop its domestic upstream and downstream gas market for the benefit of the country's economic prosperity. Changes in the regulation of the natural gas sector, coupled with the dynamics of the national and global economies, directly and indirectly influenced PGN's business. In support of the Government's aim to boost domestic use of natural gas, PGN developed a long-term strategic

plan for 2010-2020 and a corporate business plan for 2010-2014. Both plans are transformational in the sense that they expand our primary business model, transforming PGN into an integrated natural gas transportation, distribution, and utilization business. In other words, expanding our presence along the entire natural gas value chain. This encompasses upstream, midstream (infrastructure & transportation), and downstream businesses.

We have launched a number of strategic initiatives designed to meet the growth in demand for natural gas. They include building LNG receiving terminals; ensuring upstream supply through minority, participating investments in conventional and nonconventional gas blocks; developing a CNG business in remote areas; developing a mini LNG operation area beyond PGN's pipeline network; and exploring entry into electric power generation as a way to add value to our natural gas exploitation activities.

Indonesia's national energy policy calls for increased use of natural gas as a cleaner fuel for cars and trucks. PGN has taken a leadership role in promoting this agenda by pioneering mobile CNG refueling stations.





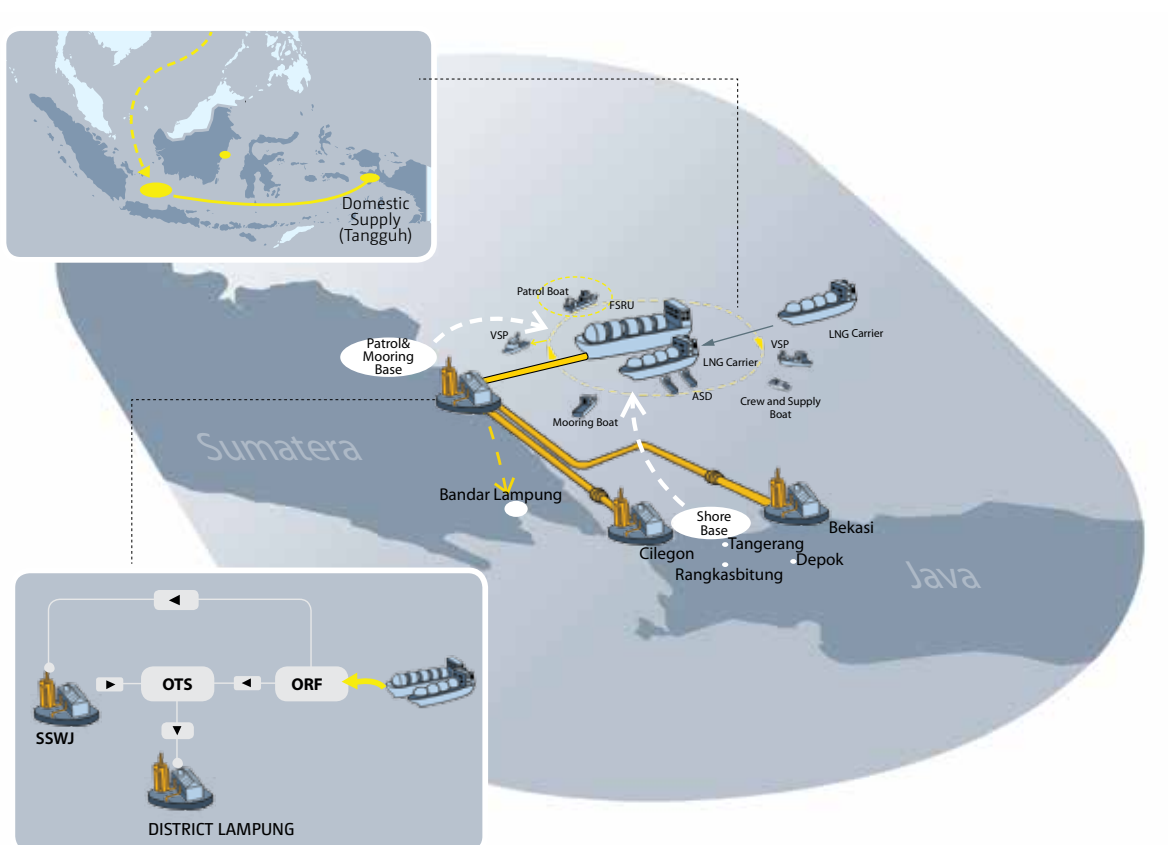
PGN's strong financial position will support this ongoing transformation and enable PGN to meet the future challenges and changes within the energy sector and create value for our shareholders and other stakeholders. Moreover, it will keep us on track to meet our 2020 Vision: becoming a world class energy company in the utilization of natural gas.

In the past year, we have made significant strides in executing our expansion plans. A discussion regarding our transformation activities in 2013 follows:

### LNG Receiving Terminal

In 2013, PGN constructed an LNG Receiving regasification terminal in Lampung, while an LNG FSRU with a capacity of 1.8 MTPA was built in collaboration with Hoegh LNG at Hyundai Heavy Industries Shipyard, Ulsan in South Korea. On the commercial side, PGN has been looking for LNG allocation from BP Tangguh LNG liquefaction plant, in Papua.

The location of the LNG Receiving Terminal in Lampung is shown below.





The Lampung LNG receiving terminal will be operated in 2014, helping to meet natural gas demand in Lampung, West Java and the surrounding area for industry, electricity, commercial and households.

PT PGN LNG, the Company's subsidiary, has developed procedures to support the operation of the terminal which fulfill all prevailing safety standards, including SHE, and regulations related to commercial gas and LNG commodities, and procurement procedures, and has put in place a document filing system, maintenance inspection procedures and an integrated engineering system to support a high standard of operation and maintenance.

For future development, PGN LNG in 2013 signed LNG Master Sales & Purchase Agreements (MSPA) with several international LNG suppliers, including: BG Group, BP Singapore Pte Ltd and Mitsui & Co Ltd.

PGN LNG also stepped into the LNG trading business by proposing LNG imports to Indonesia from Gate IV of Jordan Cove Energy Project in the US.

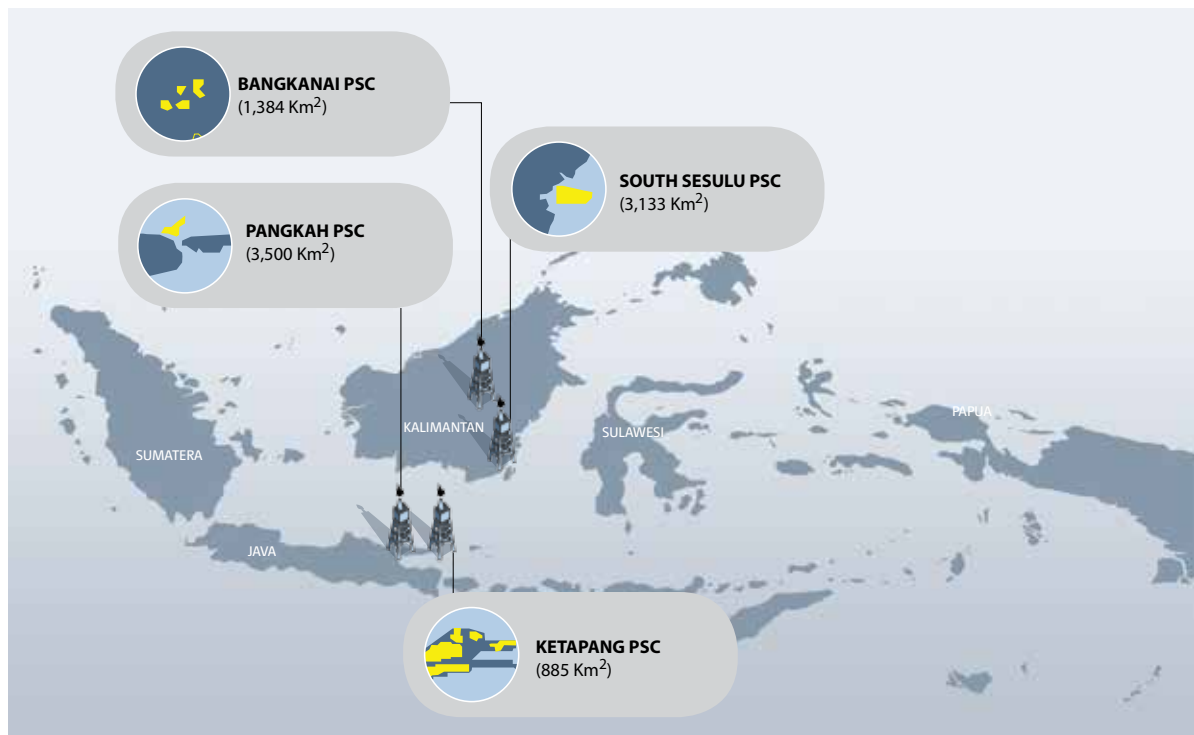
### Upstream Sector

PGN's business has been moving beyond the downstream and midstream business. We are committed to participating in the upstream sector, both in conventional and unconventional hydrocarbon resources to help ensure energy security for the nation. In 2013, the Company saw an opportunity to leverage the upstream sector and enhance its capabilities. A number of E&P Companies took their investment out of Indonesia to concentrate their portfolios on more lucrative business in the US. PGN therefore took a participating interest in some upstream blocks from the development to the production stages, including the following:

Block Name	Participating Interest	Operator	Status	Acquisition Date
Ketapang PSC	20%	Petronas	Development	February 2013
Bangkanai PSC	30%	Salamander Energy	Development	June 2013
Pangkajene PSC	25%	Hess	Production	June 2013
South Sesulu PSC	100%	PT Saka Indonesia Sesulu	Exploration	December 2013

In early 2014, PGN acquired the remaining 75% of Pangkah PSC from Hess Indonesia Pangkah Ltd and Hess Pangkah LLC. This is in line with the long term strategy of the subsidiary, SEI, to become an E&P operator, and to generate a balanced portfolio of exploration and production assets.

From the operational perspective, SEI began production in Ketapang PSC and Bangkanai PSC, and maintained and optimized the current production of Pangkah PSC.



In order to achieve SEI's vision of being a world-class oil and gas company, SEI is acquiring operatorships in production assets and low risk exploration assets. The 2014 operational planning and strategies include:

- Entering the production phase in Ketapang PSC and Bangkanai PSC.
- Maintaining and optimizing the current production of Pangkah PSC.

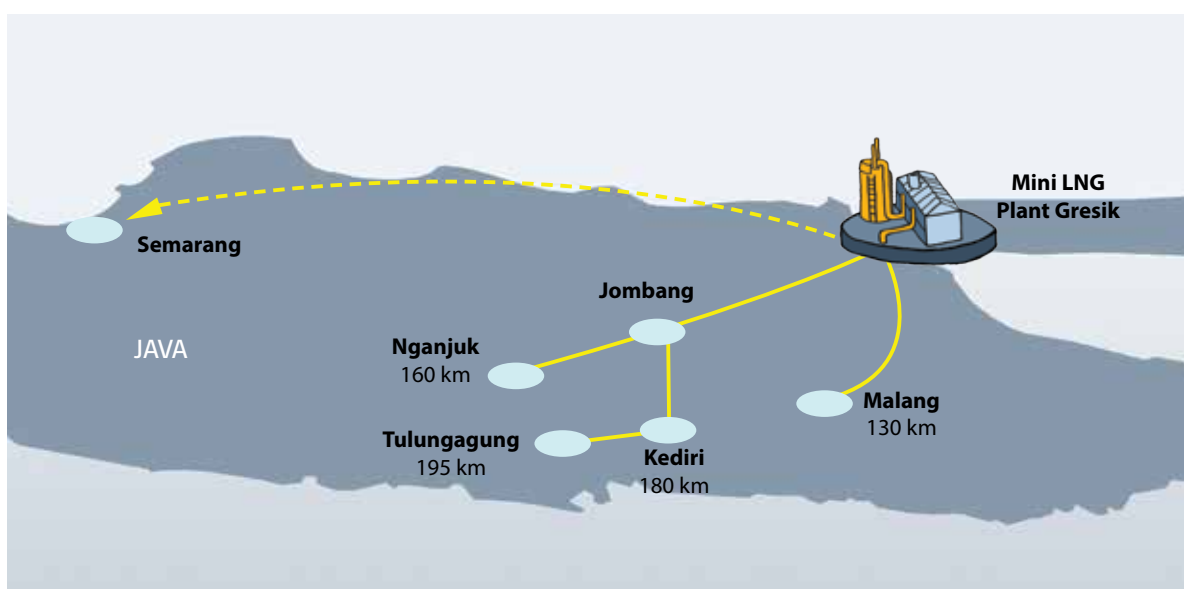
## Gas Trading

PGN is developing a gas trading business along the natural gas value chain through cooperation with Regional Owned Enterprises (ROE) and other gas traders to support the supply and transportation of gas.

Through its subsidiary, Gagas, the Company expands gas distribution and utilization for transportation, electricity generation, industrial, commercial, small & medium enterprise and household customers. In 2013, Gagas delivered gas to IKPP, a pulp & paper industry in Pekanbaru by using the Perawang-IKPP gas pipe.

## Mini LNG

PGN, through its subsidiary PGN LNG, is building small-scale LNG terminals in other areas beyond PGN's gas pipeline network coverage to meet the demand for gas. The Subsidiary has conducted a feasibility study of Mini LNG Gresik. The Company has obtained the shareholders' approval for the establishment of a joint venture company for the Mini LNG Gresik project and to enter into a non-binding Heads of Agreement with US LNG Producer as one of LNG supply alternatives.



## CNG

PGN is developing CNG and procuring equipment for transporting CNG to meet gas demand for industry and BBG (gas fuel) purposes in areas beyond the existing natural gas distribution pipeline network. In 2013, Gagas developed Gas Filling Stations and Mobile Refueling Units (MRU) in Jakarta.

In the near future, Gagas plans to build 16 Gas Filling Stations in Jakarta, Bogor Sukabumi, Surabaya and Perawang (Riau) and penetrate into new areas such as Dumai and Semarang.

## City Gas Distribution

PGN will expand the city gas distribution network in the regions, from the existing Subang and

Purwakarta - Bogor - Sukabumi - Ciawi to new areas such as Dumai and Semarang to meet the needs of gas power generation, small industry, commercial, transportation, and household costumers. Gagas, will be the main operator for this development. City gas distribution is aligned with and intended to support the Government's city gas development program. In future, the program will expand PGN's services to one million customers from the current 91,590 customers.

## Power Plant

As part of our strategy to secure gas supplies, PGN, through GEI, plans to enter the electricity supply business. We believe this will provide added value to our natural gas utilization activities.

## Business Strategy

To capture business opportunities and face the challenges ahead as well as to increase revenue, operating profit, and market capitalization, several strategic business priorities for 2014 are:

- Market Retention & Expansion: Maintaining existing markets and developing new markets.
- Securing the supply of natural gas from existing and potential sources in the form of conventional and non-conventional gas.
- Developing and strengthening infrastructure that integrates both the transmission and distribution in potential areas.
- Developing regulatory management and improving cooperation with stakeholders.
- Business expansion and diversification along the value chain of natural gas.
- Streamlining the business processes by means of technology advancement and information systems.
- Developing the organization and enhancing internal human resources capabilities.
- Continues improvement in operation excellence to achieve safety excellence.





## Achievement of 2013 Targets

2013 was a year of both opportunities and challenges for the Company's business. Some of the Company's stipulated targets were barely met. On the supply side, some gas fields experienced a natural decline while in others, maintenance activities were carried out. Below is the summary of target achievement in 2013:

- Revenues in 2013 were 87.82% of the target. This was mainly due to unmet supply targets, and a reduction in gas consumption in SBU Distribution Area II in line with the emergence of traders and customers switching from gas to other energy sources.
- Cost of revenues in 2013 was 79.04% of the target, in line with the unmet supply volume target.
- Operating profit in 2013 was 111.38% of the target, in line with revenues and cost of revenues realization.

## Next Year's Targets

The Company's consolidated revenues in 2014 are expected to increase in line with strategic initiatives in distribution, both in terms of infrastructure and volume, as well as the LNG business and upstream activities.

The Company is targeting an increase in sales volume of 5%–10% of the 2013 sales volume. Additional supply will be coming from the Grissik field in South Sumatra and the Gajah Baru field in Natuna.

The Company will also commence the operation of the LNG FSRU in Lampung and is expecting a gas volume of 3,200 BBTU from the initial commissioning process.

A further contribution will come from our subsidiary, SEI, which is producing oil and gas from one of its acquired blocks.

## Marketing Aspect

Since 2011, PGN has been proactive in taking the necessary steps to maintain and increase our market share. Most important is our intensive focus on identifying and securing additional supplies of natural gas. One of the measures we took was to enter into either cooperative agreements or sale and purchase agreements with other SOEs and ROEs that hold gas contracts or allocations. Because PGN's infrastructure, the nation's largest, is already in place, natural gas can immediately be utilized. These synergistic relationships also help reduce costs for participating SOEs and ROEs by eliminating their need to allocate funds or seek loans to build new infrastructure of their own.

Keeping our existing customers happy is another way PGN strengthens its market share. Management believes customer service is the principle driver of customer satisfaction. In addition to holding regular meetings with customers and sharing best practices, our Account Executives make onsite customer visits to listen to complaints and suggestions, and to deliver up-to-date information about the natural gas business. All of these activities were carried out in all of PGN's Strategic Business Units and/or Sales and Service Areas.

In September 2013, PGN restructured its SBU distribution areas to optimize sales and better address the needs of the customer. This also helps enhance PGN's role in the development of infrastructure and the national economy.

The restructuring included:

- a. Dividing each SBU into smaller units to optimize customer service.
- b. Establishing a new sales area for the development of new markets.
- c. Simplifying the terminology from "Sales and Service Area" to "Area".

As of 1 April 2013, PGN simultaneously extended new gas sales contracts to commercial, manufacturing, and power generation customers throughout each SBU. These contracts provided customers with some important new benefits. For example, we extended the duration of the original contract from two years to five years and applied automatic rollover for every subsequent year.

Another benefit eases the volume range for the SME sector and labor-intensive, small-scale manufacturing industry. After a thorough study by PGN of the technical and operational factors, we were able to expand the maximum volume from 120% to 500% of the minimum. This gave the SME sector and small-scale manufacturers the flexibility to adjust their energy needs to increase their competitiveness.

In order to enlarge the market coverage of the downstream business, the Company established GEI to develop the gas processing, power plant/cogeneration/microturbine, CNG and Micro LNG businesses. Since 2012, GEI has served industrial and CNG customers, mostly in East Java and North Sumatra. GEI also served gas fuel stations and built MRU to fuel the transportation sector in Jakarta.

In 2013, PGN controlled a 79% share of the distribution market in Indonesia and 52% of the transmission market (including transmission pipelines operated by our subsidiary). However, demand for natural gas in Indonesia is rapidly increasing at a time when supplies are limited. This has encouraged the emergence of many natural gas traders, who are typically licensed for "Trading without Facilities" only. This has caused a rapid surge in competition within Indonesia's natural gas sector.

## Dividend Policy

The IPO prospectus states that PGN's policy on dividends is to pay maximum of 50% of the net income. However, in the last 2 years, the average dividend payout ratio has been 56%. In 2013, the Shareholders, through the AGMS for fiscal year 2012 dated 17 April 2013, decided to pay a cash dividend of Rp4,915,075,492,403 (Equivalent to USD 506,186,971) of the net income, bringing the cash dividend paid out for fiscal 2012 to Rp202.77 per share.

### DIVIDEND PAY OUT FOR THE LAST TWO YEARS

Remarks	2013	2012
Cash Dividend	4,915,075	3,263,185
Dividend Per Share (Rp)	202.77	134.62

Since 2009 until 2012, PGN distributed Interim Dividends as follows:

### INTERIM DIVIDEND

Date	Dividend per Share (in Rupiah)
23 December 2009	10
4 January 2011	10.20
16 December 2011	10.87

### CHRONOLOGY OF DIVIDEND PAYMENT

Fiscal Year	Dividend per Share (in Rupiah)	Payout Ratio (%)
2006	41.69 *	50.00
2007	34.24 *	50.00
2008	41.74 **	98.75
2009	154.20	60.00
2010	154.44	60.00
2011	134.62	55.00
2012	202.77	58.79

\* Adjustment after stock split 5:1

\*\* Part of total cash dividend of Rp 1 trillion with the buyback shares were excluded

### 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 Rp 1,163.3 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, Acquisition or Restructuring of Debt/Capital Involving Conflict of Interest and Transactions with Affiliated Parties

In 2013, the Company saw an opportunity to leverage the upstream sector and enhance its capabilities. A number of E&P Companies moved out of Indonesia and sold their upstream assets to concentrate their portfolios in more lucrative business in the US. PGN therefore invested in participating interests with a transaction value amounting to USD 357 million for some upstream blocks in various stages from development to production, including:

- 25% ownership in Pangkah PSC
- 20% ownership in Ketapang PSC
- 30% ownership in Bangkanai PSC
- 100% ownership in South Sesulu PSC

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

### Changes in Regulations

In 2013, there was no change in regulations that related to the Company's business. Nonetheless, the Company faced issues regarding open access and unbundling policies which were first introduced in Oil & Gas Law No. 22/2001. The issues raised concerns from shareholders and impacted the share performance.

The Company had already expressed its opinion on these issues based on Government Regulation No. 36/2004, which stated that the operation of so-called co-utilization would fulfill technical and economic aspects.

Moreover, the Company's Grissik-Duri and Grissik-Singapore transmission pipelines are technically applying the open access mechanism in accordance with Government Regulation No.19 year 2009. Both pipelines have been open for third party usage since they were first operated, in 1998 and 2003, respectively. In terms of pipeline length, the Company is the largest implementer of open access.

The Government is now evaluating the open access and unbundling concept and related regulations. The Company expects the revised regulation will enable the country to meet the challenges and at the same time develop a mature and efficient gas industry to support national energy security and national competitiveness.

### Changes in Accounting Policy

In 2013, there is no change in accounting policy applied to the Company's financial statements for 2013. The accounting policies applied in the preparation of the consolidated financial statements for year 2013 are consistent with those used in the preparation of the consolidated for the year ended on December 31, 2012.

However, the Company applied a number of Financial Accounting Standards that were revised and came into effect on 1 January 2013. See note 2 to the Company's consolidated financial statements for details of accounting policy.

## OPEN ACCESS, UNBUNDLING AND ADDRESSING INDONESIA'S DOMESTIC NATURAL GAS UTILIZATION CHALLENGES

Indonesia's natural gas industry is in a crucial phase of its development. The introduction of open access and the unbundling mechanism as infrastructure operation and commercial arrangements have a potential impact on PGN as the major player and also on Indonesia's natural gas industry as a whole.

Open access is a gas infrastructure co-utilization method applied commonly in many gas industries all over the world. In Indonesia, the concept of gas infrastructure co-utilization was first introduced in Article 8.3 of the Oil & Gas Law No. 22/2001, which stipulated that gas transportation activities which are related to the public interest or the provision of public services shall be arranged so as to accommodate co-utilization by other users.

The law was articulated in the Government Regulation No. 36/2004, which stated that the operation of such co-utilization should fulfill technical and economic aspects. Technical aspects refer to the availability of excess capacity (unutilized capacity) and assurance that such access will not interrupt the facility owner's operation. The economic aspect referred to assurance that access would not reduce the rate of economic return and the ability to recover the facility owner's investment as planned. In this sense, the provision of access to third parties is focused on the optimization of infrastructure utilization for the public interest.

In terms of infrastructure, the Government has released its 2012-2025 Master Plan for the Natural Gas Transmission and Distribution Network. This determines the pipeline categories that are open access transmission segments, open access distribution network areas, upstream dedicated segments, downstream dedicated segments, own interest segments, and city gas distribution network areas.

It is worth mentioning that all the Company's transmission pipelines are already technically applying the open access mechanism in accordance with Government Regulation No.19 year 2009. This includes the Wampu-Belawan transmission pipeline since 1993, the Grissik-Duri transmission pipeline since 1998, the Grissik-Singapore transmission pipeline since 2003, and the Sumatra-Java transmission pipeline since 2007. In terms of pipeline length, the Company is the largest implementor of open access.

As for distribution pipelines, they were technically designed as downstream dedicated pipelines to serve the Company's customers. Therefore, the implementation of open access on distribution pipelines would require major modifications to comply with transportation (open access) pipeline specifications. Therefore, Government Regulation No. 19 year 2009 applies the 'downstream dedicated' concept for distribution pipelines.



Open access and unbundling are commonly applied in many mature gas industries. Yet, Indonesia's gas industry is in a development phase and it is not yet considered as a mature industry. For example, the availability of gas infrastructure is a huge challenge to be addressed. At present, there is only approximately 12,000 Km gas pipeline available, or only 19.7% of the national gas pipeline infrastructure master plan target. Indonesia has to develop more than 400% of gas pipeline in 11 years to meet the 2025 target. Acceleration is required. At the development stage, many countries apply specific mechanisms to address the pioneering risks. The most common method is to ensure exclusivity rights and bundled services for a certain period of time before access to the pipeline is opened and unbundling is applied.

PGN has communicated these concerns to the Government. The Government has held several discussions and studies on how the open access and unbundling mechanism may affect Indonesia's gas industry and the capacity to meet urgent gas energy needs.

Government has evaluated the concept and currently is studying to prepare a revision for the Ministry Decree No. 19/2009 and other related regulations. The Company expects the revised regulation to enable and equip the country to meet the specific challenges and develop a mature and efficient gas industry to support national energy security and the development of national competitiveness.

PGN understands that the dynamic gas business environment is the nature of business. Capability to realign with the actively changing challenges is a must. PGN as SOE which assigned to support the gas energy management will support the government policies to meet national goals as stated in the constitution. PGN is a major player in Indonesia's gas Industry. PGN has about 6,000 Km gas pipeline or more than 50% of Indonesia's downstream pipelines. Most of all Indonesia gas markets are developed by PGN. PGN is the incumbent with long history in the industry and has developed competencies and capabilities along the journey of the industry. PGN also has transformed its methodologies, adopted best practices in gas business and adapted to changes. As a business entity, PGN is ready to address the challenges.



MRU has been a suitable solution to accelerate conversion of oil to natural gas. The unit is mobile and flexible, making natural gas easy to reach and to get by users.

# 05 | GOOD CORPORATE GOVERNANCE







## GOOD CORPORATE GOVERNANCE

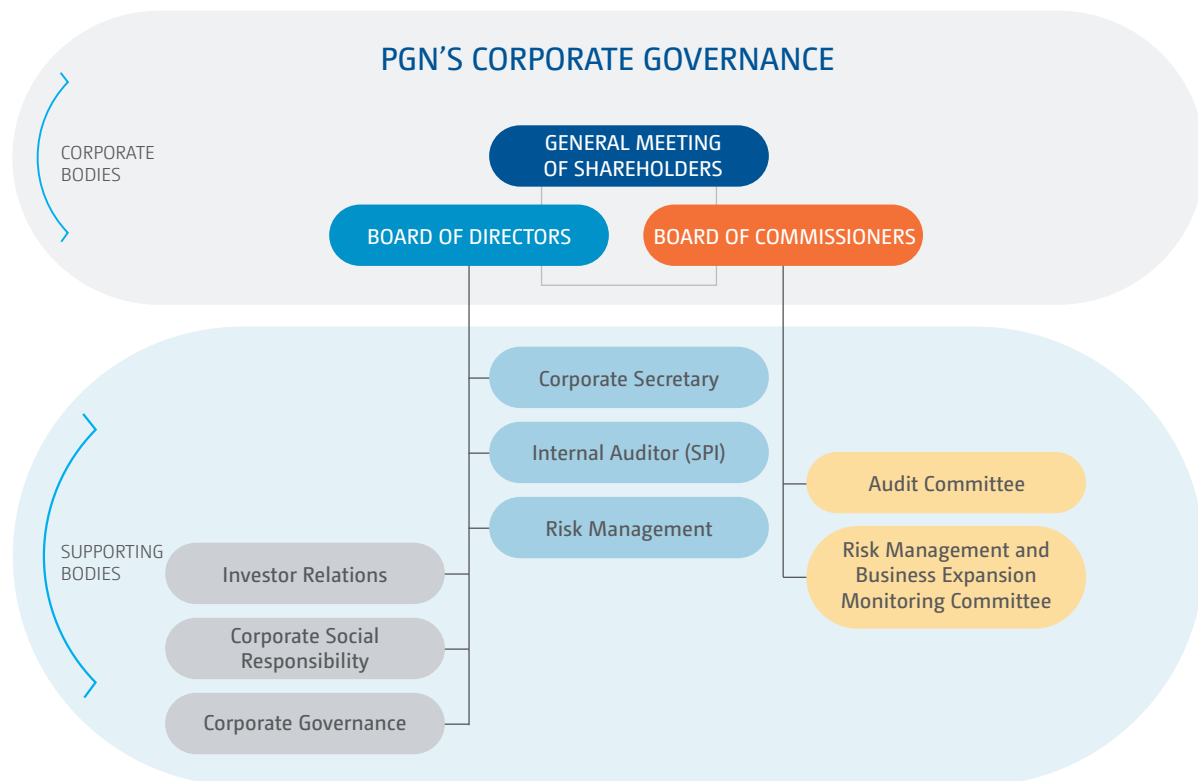


### State Officials' Wealth Report

is mandatory for  
all management levels,  
from supervisors upwards

## Corporate Governance Structure

Pursuant to Law 40 year 2007 regarding Limited Liability Companies, the organs of the Company are the General Meeting of Shareholders (GMS), the Board of Commissioners and Board of Directors. These Corporate organs play a pivotal role in the successful implementation of Good Corporate Governance. 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.



## Implementation of Good Corporate Governance

PT Perusahaan Gas Negara (Persero) Tbk, ("PGN"), has made GCG and the principles of Transparency, Accountability, Responsibility, Independence and Fairness as the basis for improving the Company's performance by continuously updating the guidelines, operational procedures, manuals in response to the legislation changes, transformation programs and Company developments. These updates are reinforced by their socialization and application. Socializing these updates represents the Company's commitment to constantly reminding all stakeholders of the importance of GCG in all work activities.



The implementation of GCG is a reflection of PGN's compliance with Regulation of State Minister of State-Owned Enterprises No.PER-01/MBU/2011 dated 1 August 2011 regarding the Implementation of Good Corporate Governance in State-Owned Enterprises (SOEs).

The application of GCG in PGN is intended to:

1. Optimize PGN's value to ensure that it is highly competitive at both national and international levels, such that it is capable in maintaining its existence and sustainability in order to achieve the corporate mission and objectives;
2. Promote the professional, efficient, and effective management of PGN, 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 PGN's social responsibility to its stakeholders and its environment;
4. Increase PGN's contribution to the national economy;
5. Promote a conducive climate for the development of national investment.

### GCG Assessment

The Company's GCG Assessment in 2013 began with a GCG Assessment Kick Off Meeting on 9 September 2013. The 2013 GCG Assessment was conducted between 9 September 2013 and 7 November 2013.

Six aspects were examined in the GCG Assessment:

1. Commitment to the Continuous Application of GCG
2. Shareholders and GMS
3. Board of Commissioners
4. Board of Directors
5. Information Disclosure and Transparency
6. Other Aspects

The assessment of the performance of the Board of Commissioners and Board of Directors was conducted by an independent assessor from Sinergi Daya Prima. The GCG Assessment began with a GCG Assessment questionnaire, which was filled in by every member of the Board of Directors and Board of Commissioners. It continued with a review of the documents held by the Corporate Secretary and the Secretary of the Board of Commissioners based on the parameters required by SK-16/S.MBU/2012 dated 6 June 2012. The assessment concluded with interviews by the independent assessor of the members of the Board of Commissioners and Board of Directors of PGN.

The continuous implementation of GCG is actualized by the Company by taking into account and following up the recommendations and suggestions from the 2012 assessment by a third party. In 2013 we achieved a total score of 91,616 out of a maximum 100, giving a rating of VERY GOOD, which was an improvement on the 2012 score of 90,720. The score was broken down as follows:

**GCG ASSESSMENT RESULTS IN 2012**

Aspects of GCG Assessment (New Parameters)	Weighting	2013		2012	
		Score	Fulfilment	Score	Fulfilment
1 Good Corporate Governance	7	5.566	79.51%	5.544	79.20%
2 Shareholders and AGM	9	8.518	94.64%	8.468	94.09%
3 Commissioners	35	31.364	89.61%	29.858	85.31%
4 Directors	35	33.628	93.22%	33.289	95.11%
5 Disclosure of Information & Transparency	9	8.540	94.89%	8.561	95.12%
6 Other Aspects	5	5.000	100%	5.000	100%
Total	100	91.616	91.62%	90.720	90.72%

**ACHIEVEMENT AND RATING**

Level	Achievement	Rating
1	$90 \leq x \leq 100$	Very Good
2	$75 \leq x \leq 90$	Good
3	$60 \leq x \leq 75$	Adequate
4	$50 \leq x \leq 60$	Poor
5	$x \leq 50$	Very Poor

The table shows that the GCG assessment score increased from 90.72 ("Very Good") in 2012 to 91.62 (also "Very Good") in 2013.

The aspects that improved in 2013 were:

- Commitment to the continuous application of GCG increased to 79.51% from 79.20% in 2012
- Shareholders and GMS increased to 94.64% from 94.09% in 2012.
- Board of Commissioners increased to 89.61% from 85.31% in 2012.

The improvement in the Company's GCG score is evidence of our commitment to applying GCG in every part of our corporate activities. PGN has implemented various operational improvements to support the management of the Company in accordance with GCG, by putting into effect new guidelines that refer to the prevailing legislation, among which are a human resource policy that includes education and training as well as HR development, an employee assessment system, career system, remuneration and welfare, reward and punishment and an intensification of occupational health and safety and environmental management.

### GOOD PRACTICES BASED ON THE 2013 GCG ASSESSMENT

Aspect	Maximum Score	Score Attained	% Attained	Good Practices implemented by PT PGN (Persero) Tbk
Commitment to Sustainable Implementation of Good Corporate Governance	7	5.566	79.51%	<ul style="list-style-type: none"> <li>The Good Corporate Governance and Employee Code of Conduct guides have been published on the Company's website at <a href="http://pgn.co.id">http://pgn.co.id</a> and Company portal at <a href="http://portal.pgn.co.id">http://portal.pgn.co.id</a>. Both can be accessed by PGN personnel.</li> <li>The Company has published and socialised its policy on compliance to the Disclosure of State Officials Assets (LHKPN) and carried out LHKPN compliance for officials one rank below the Directors.</li> </ul>
Stakeholders and General Annual Meeting of Stakeholders (RUPS)	9	8.518	94.64%	<ul style="list-style-type: none"> <li>The Stakeholders and General Meeting of Stakeholders (RUPS) have duly responded to the termination of the Board of Commissioners in accordance with the Articles of Association with reasons of termination.</li> <li>The decisions made in the General Meeting of Stakeholders are subjected to an open and fair process with considerations given to the suggestions presented during the meeting</li> </ul>
Board of Commissioners	35	31.364	89.61%	<ul style="list-style-type: none"> <li>The Board of Commissioners has provided its agreement to all transactions or actions made within the scope of responsibility of the Board.</li> <li>The Board of Commissioners has given its assessments for Directors nominated for Commissioner and submitted its report to the Stakeholders.</li> <li>The Secretary of the Board of Commissioners has prepared the data/information required by the Board of Commissioners in the forms of explanations from the Directors on every issue pertaining to the management of the Company presented in Joint Meetings, Directors' Reports submitted to the Board of Commissioners, Annual Reports, discerning Company documents, and knowing the policies and actions which had been and will be carried out by the Directors.</li> <li>The Board of Commissioners has copies of the Trimester Reports and Annual Reports to fulfil its duties.</li> </ul>

## GOOD PRACTICES BASED ON THE 2013 GCG ASSESSMENT

Aspect	Maximum Score	Score Attained	% Attained	Good Practices implemented by PT PGN (Persero)Tbk
Directors	35	33.628	93.22%	<ul style="list-style-type: none"> <li>The Company has published a guideline to measure and assess performance (Persero) Tbk in accordance with the Directorial Decree Number: 002000.K/SM.00/UM/2012 on Individual Performance Management System. The system is fully computerized.</li> <li>The Company has set KPIs for each of its Directorates for 2013 and has used Corporate KPI, based on Performance Assessment Criteria (KPKU) of 2013 and presented to the Deputy Director of Strategic and Manufacturing Industries in Letter Number 014000.S/KP/02.01/UT/2013 dated 12th August 2013. The KPIs have been signed by the Directors and Board of Commissioners.</li> <li>The Company has developed an Information and Customer Complaints Centre called Gas Contact Center, which can be reached by phone at 08001500645 (toll free) or 01263330000 or email to <a href="mailto:contact.center@pgn.co.id">contact.center@pgn.co.id</a>. The Centre receives inquiries and complaints from both the public and customers. The Contact Center operates 24 hours a day and 7 days a week.</li> <li>The Company receives an award for Compliant Taxpayer.</li> </ul>
Disclosure and Transparency of Information	9	8.540	94.89%	<ul style="list-style-type: none"> <li>The Company maintains a website to provide information for easy access to the public.</li> <li>The Company also curates other media to communicate important information pertaining to the Company, such as Corporate Portal (<a href="http://pgn.co.id">http://pgn.co.id</a>), PGN Inside internal magazine, and SBU Update newsletter.</li> <li>The information found on the Company website and <a href="http://bumn.co.id">bumn.co.id</a> is regularly updated.</li> <li>Important Company policies and information provided in the Company website are easily accessible.</li> </ul>

### GOOD PRACTICES BASED ON THE 2013 GCG ASSESSMENT

Aspect	Maximum Score	Score Attained	% Attained	Good Practices implemented by PT PGN (Persero) Tbk
Other Aspects	5	5.000	100%	<ul style="list-style-type: none"> <li>• Winner of 100 Annual Report Worldwide Winners in the Vision Award LACP Annual Report Competition held by LACP 2012. In addition, other awards received include Overall Platinum Award, Platinum Winner for the Utilities-Gas Worldwide sector, winner of the Top 50 Annual Report in the Asia-Pacific Region, Special Achievement Award: Platinum Award in The Best Report Cover Worldwide, The Best Report Cover Asia-Pacific Region, and Top 10 Indonesia Annual Reports of 2012.</li> <li>• Third Runner-up in the Non-finance State-Owned Enterprise (BUMN) in the Annual Report Award 2013 competition held by the Financial Services Authority.</li> <li>• The Best Agent Contact Center 2013 in the Bronze category in the event Best Contact Center Indonesia 2013 held by the Indonesian Contact Center Association (ICCA) on 12th June 2013.</li> <li>• Accredited 'A' by the National Archives of the Republic of Indonesia. The accreditation term of 5 years was presented directly by the Head of the Indonesian Archives. The Company is the first BUMN to receive the Archival Unit Accreditation.</li> <li>• Extended &amp; Expanded the Scope of Quality Management Systems ISO 9001:2008 by the LRQA and valid until January 2015.</li> <li>• Zero Accident Award 2013 for the Distribution Zone I SBU (SBU Distribusi Wilayah I) in the National Anugerah K3 2013 organized by the Ministry of Manpower and Transmigration. The award is presented to distinguish Distribution Zone I SBU's success in safety to prevent Loss Time Injury accidents in 2013.</li> <li>• K3 Award for Zero Accident 2013 for Distribution Zone II SBU from the Office of Manpower, Transmigration, and Population of the Provincial Government of East Java.</li> <li>• Increased appreciation from international markets. Forbes magazine named PT PGN (Persero) Tbk as the 1,188th out of 2,000 largest companies in the world. The achievement is measured using three indicators: sales, revenue, and assets.</li> <li>• Winner of the Best Non-financial Sector category in the Annual Report Award 2013 organized by IICD.</li> </ul>
Overall Score	100	91.616	91.62%	
GCG Implementation Quality Rank				Very Good



## THE BOARD OF COMMISSIONERS

### Independence of the Board of Commissioners

The number of Independent Commissioners of PT PGN (Persero) Tbk is in compliance with the Decision of the Board of Directors of PT Bursa Efek Indonesia Number: Kep-305/BEI/07-2004 regarding Rule Number I-A regarding the Listing of Shares and Equity Securities other than Shares Issued Other Than By a Listed Company, which states that every public company must have a Board of Commissioners, of whom at least 30% are Independent Commissioners.

### Affiliation or Relationship of the Member of the Board of Commissioners

None of the members of the Board of Commissioners or Board of Directors have an affiliation or familial relationship with any other member up to the third degree, either vertically or horizontally or through marriage.

### Responsibilities of the Board of Commissioners

Every member of the Board of Commissioners must, in good faith and with 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 individually and collectively 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

During 2013, the Board of Commissioners carried out the following:

1. Approved and ratified:
  - a. The write-off and/or transfer of Land and/or Building assets at Jl. Sleko Semarang, with a land area of 1,934 M2, and building area of 137.97 M2 ;
  - b. The write-off and/or transfer of Corporate Materials and/or Movable Assets in 2013 worth Rp 3,683,006,409.48 for the materials and Rp 42,703,124,939.05 for the movable assets;
  - c. The write-off of office building assets at Jl.Merdeka No.10B Palembang with a physical area of 826 M2, a transfer value of Rp 1,063,099,055.00 and a book value of Rp 627,594,181.02;
  - d. The write-off of Land Assets at Jl.KH.Zainul Arifin No.20 Jakarta with an area of 8,289 M2 (road area of 1,543 M2, drainage and water management area of 186 M2, and regreened garden of 6,560 M2) with a proportional book value of Rp 509,288,717.00;
  - e. The write-off of some of the building assets at Jl.M.I Ridwan Rais No.2-4 Jakarta with a total physical area of 1,242.03 M2 including offices, hydrant house, security post, canteen and generator house with a transfer value of Rp 3,249,263,164.00 and a book value of Rp 1,987,055,415.15;
  - f. The second phase of an increase in capital participation in PT Saka Energi Indonesia amounting to USD 500,000,000 (five hundred million US Dollars) in respect of the acquisition of KUFPEC (Ujung Pangkah PSC and Bangkanai PSC);

- g. The write-off and Transfer of Operational Assets worth Rp 49,140,922,946.73, as follows: in SBU I JBB, worth Rp 30,919,108,979.67; in SBU II Jabati worth Rp 11,436,163,704.25; and in SBU III Northern Sumatra worth Rp 6,785,650,262.81;
  - h. Revision of the Board Manual;
  - i. Revision of the 2013 Corporate Work Plan and Budget (RKAP);
  - j. 2014 Corporate Work Plan and Budget (RKAP).
2. Discussed, gave opinions and advice, and requested clarification on, among other issues:
- a. Strategic issues that influenced the operational running of the Company;
  - b. Progress of the 2013 RKAP and problems thereof;
  - c. KPIs of the Board of Commissioners and Board of Directors, Joint Work Program of the Board of Commissioners and Board of Directors for 2013 and the Division of Duties of the Board of Commissioners;
  - d. Follow-up on the results of the External and Internal Audits;
  - e. The write-off and/or transfer of corporate assets;
  - f. Participation in the Upstream sector through the subsidiary PT Saka Energi Indonesia;
  - g. Implementation of Good Corporate Governance (GCG) practices in the Company;
  - h. Relocation of the FSRU project from Belawan to Lampung;
  - i. Gas supply scenarios for 2014 to meet the needs of customers, the energy diversification program and the development of gas fuel for motor vehicles;
  - j. Investment policy with regard to business development;
  - k. Corporate transformation (Organization and HR) in the interests of addressing the business challenges of the future and policy on outsourcing labor;
  - l. Policies on Public Relations (PR) and Corporate Social Responsibility (CSR) with regard to building the company image and expanding networking;
  - m. Emergency Response to a Leakage on the Labuhan Maringgai – Muara Bekasi Segment of the SSWJ II Transmission pipeline;
  - n. Observing and monitoring PGAS share price movements;
  - o. Revision of the Corporate Long-term Plan (RJPP) and draft RKAP for 2014.
3. Giving opinions on periodic reports from the Board of Directors
- Giving opinions on the Company's Quarterly Financial Statements in 2013 to the Dwiwarna shareholder.
4. Carrying out the Board of Commissioners' responsibilities related to the GMS.
- a. Discussing the agenda for the Annual GMS for fiscal year 2012, which was held on 17 April 2013.
  - b. Discussing and proposing a Public Accountant to audit the Financial statements for the year ending 31 December 2013.
  - c. Discussing and proposing a list of nominees for the Board of Directors and remuneration for the Board of Directors and Board of Commissioners.
  - d. Following up the resolutions from the 2012 GMS.

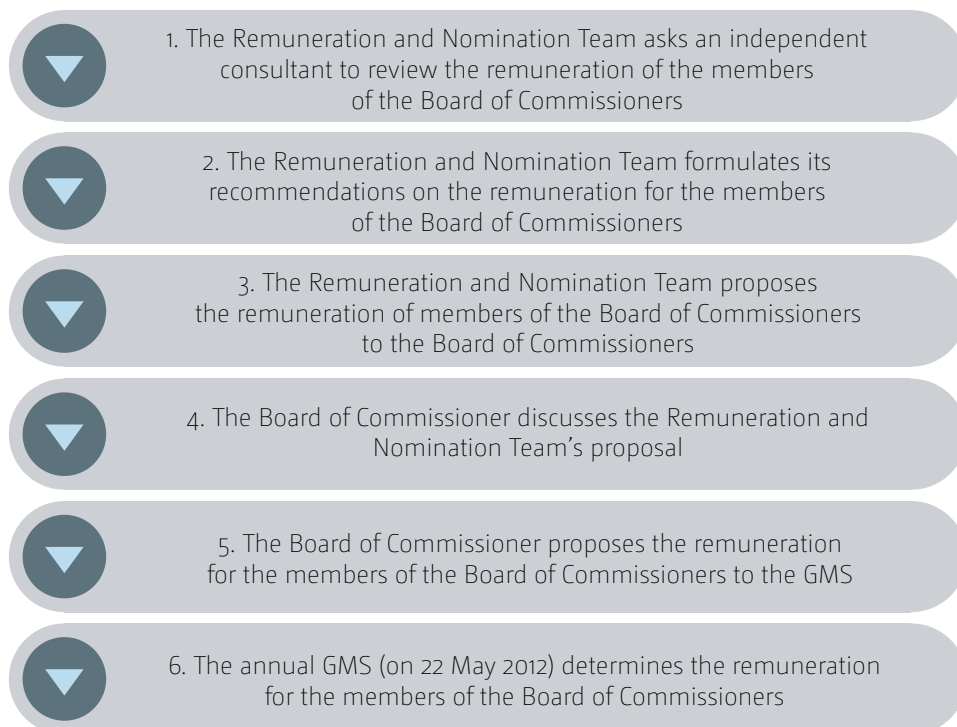
## Guidelines and Working Arrangement of the Board of Commissioners (Board Charter)

In their duty to oversee and advise the Board of Directors, the Board of Commissioners refers to the Board Charter. The Board Charter contains guidance on the management of the work of the Board of Commissioners and Board of Directors and explains the activities step-by-step in a way that is structured, systematic, easily understood and can be put into practice consistently, and can provide a reference for the Board of Commissioners and Board of Directors in carrying out their respective tasks to achieve the Corporate Vision and Mission.

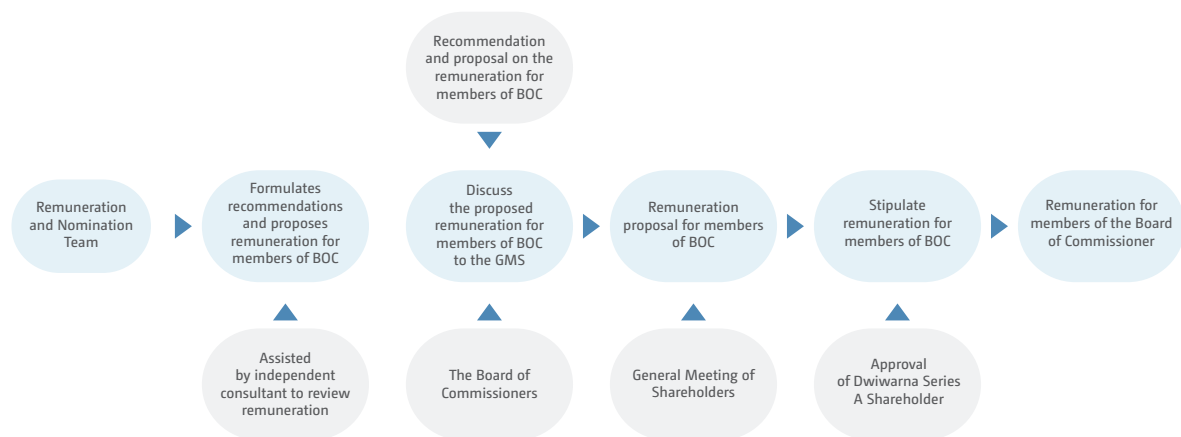
The guidelines and working arrangements of the Board of Commissioners are specifically articulated in Chapter III of the PT Perusahaan Gas Negara Board Charter, and cover:

- Duties and Responsibilities of the Board of Commissioners.
- Rights and Authority of the Board of Commissioners.
- Work Ethics.
- Committees under the Board of Commissioners.
- Secretary of the Board of Commissioners.

## BASIS FOR DETERMINING REMUNERATION



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



### Remuneration for Each Member of the Board of Commissioners Determining the Remuneration

The remuneration for the Board of Commissioners is determined on the basis of the provisions in the Regulation of the Minister of State-Owned Enterprises (SOEs) No. PER-07/MBU/2010 regarding the Guidelines for the Determination of the Income of Members of the Board of Directors, the Board of Commissioners, and the Board of Trustees of State-Owned Enterprises.

According to this Regulation, the income of the Board of Commissioners is determined by the General Meeting of Shareholders (GMS). The Commissioners' income is comprised of:

- Salary/Honorarium;
- Allowances;
- Facilities;
- Performance Bonus/Incentive.

### Relationship between Remuneration and the Company's Performance

In line with the Minister of SOEs Regulation above, each member of the Board of Commissioners receives a bonus with the following provisions:

- A bonus is given if the SOE makes a profit in the fiscal year concerned.
- A bonus is given if achievement measured by the key performance indicators exceeds 70% and soundness is more than 70%.
- The achievement on the key performance indicators calculated for the bonus is a maximum of 150%.
- The bonus is distributed as follows:
  - President Commissioner: 40% of the bonus of the President Director.
  - Members of the Board of Commissioners: 36% of the bonus of the President Director.

The remuneration awarded to each member of the Board of Commissioners is based on the Letter from the President Commissioner to the President Director of PT PGN (Persero) Tbk No. 28/D-KOM/2013 dated 23 April 2013 and refers to the Resolution of the Annual GMS for Fiscal year 2012 on 17 April 2013.

#### REMUNERATION OF THE BOARD OF COMMISSIONERS IN 2013

Position	Remuneration	Total (in Rp)	Total (in USD)
Board of Commissioner	Honorarium	3,379,200,000	277,234
	Allowance	2,806,400,000	230,240
	Incentive	10,651,888,639	873,894
Total		16,837,488,639	1,381,368

• For comparison purposes, using the BI middle rate at end of 2013, 1USD=Rp. 12,189

• Incentives were given to six Commissioners including Commissioners who served until AGM 22 May 2012 and AGM 17 April 2013

#### Policy on Frequency of Meetings of the Board of Commissioners

In accordance with the Regulation of the Minister of SOEs PER-01/MBU/2011 dated 1 August 2011, regarding the Implementation of Good Corporate Governance in State-Owned Enterprises, specifically Article 14, and the provisions in Article 16 of the Company's Articles of Association, Board of Commissioners' meetings must be held at least one every month, and the Board of Commissioners may invite the Board of Directors to those meetings.

#### Frequency of Meetings:

In 2013, the Board of Commissioners held 23 meetings, as specified below:

- 1 January – 17 April 2013 : 7 meetings.
- 18 April – 31 December 2013 : 16 meetings.

## Attendance of the Board of Commissioners

### PERIOD 1 JANUARY – 17 APRIL 2013

	Meetings Attended*	% Attendance
Bayu Krisnamurthi	5	71.43%
Kiagus Ahmad Badaruddin	6	85.71%
M. Zamkhani	7	100%
Bambang Dwijanto	6	85.71%
Pudja Sunasa	7	100%
Widya Purnama	7	100%

\* Absence in meetings were due to official business trips and/or the concerned members were taking leaves

### PERIODE 18 APRIL – 31 DECEMBER 2013

	Meetings Attended*	% Attendance
Bayu Krisnamurthi	12	75%
Kiagus Ahmad Badaruddin	11	68.75%
M. Zamkhani	10	62.50%
Firmanzah	9	56.25%
Pudja Sunasa	14	87.50%
Widya Purnama	14	87.50%

\* Absence in meetings were due to official business trips and/or the concerned members were taking leaves

## Joint Meetings of the Board of Commissioners and Board of Directors

In 2013, 22 Joint Meetings of the Board of Commissioners and Board of Directors were held, as below:

- 1 January – 17 April 2013 : 6 meetings.
- 18 April – 31 December 2013 : 16 meetings.

## TRAINING PROGRAM TO IMPROVE BOARD OF COMMISSIONER'S COMPETENCE

Throughout 2013, the commissioner of PT PGN (Persero) Tbk has participated in trainings, workshop, conference and seminar to improve capability in performing duties.

### INDEPENDENT COMMISSIONER/WIDYA PURNAMA

No.	Date	Program	Venue
1	11 February 2013	Socialization on SOE Minister regulation regarding supporting bodies of Board of Commissioner held by SOE Ministry	Jakarta
2	20-24 March 2013	ASEAN Investment Conference	Hongkong
3	22-29 September 2013	Bench Marking of Enterprise Risk Management (ERM) based on ISO 31000	Australia
4	3 December 2013	Indonesia's Economic Prospect 2014 held by National Economy Committee	Jakarta

Other commissioners did not attend training, workshop, conference and seminar in 2013.



## THE BOARD OF DIRECTORS

### Independence of the Board of Directors Affiliation or Relationship of the Member 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 affiliation or familial relationships up to the third degree, whether vertically, horizontally or by marriage (as parents-in-law or siblings-in-law).

### Scope of Work and Responsibilities of the Board of Directors

The Board of Directors must undertake its tasks in good faith and with full responsibility. Each member of the Board of Directors is individually and collectively 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 to be responsible for the application and monitoring of GCG in the Company.

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.

Board of Directors work and are accountable collegially. Each Director may act and make decisions in accordance with his or her tasks and

authority. However, the implementation of their duties by each Director is a joint responsibility. The status of Each member of the Board of Directors, including the President Director, has equal status with the other Directors. The task of the President Director, as *primus inter pares*, is to coordinate the activities of the Board of Directors.

### 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 Resolutions of the GMS.

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; the planning, engineering and construction of the natural gas transmission and distribution pipelines, other modes of transportation and ancillary 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 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 ancillary facilities, as well as other businesses 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:

The 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, as well as to 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, as well as to develop policies on natural gas supply.
- d. To plan, manage and control, as well as to 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:

The 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 Human Resources 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 and the corporate culture, logistics, general services, Company security and asset management.

### Responsibilities:

- a. To plan, manage and control policies and activities related to workforce planning and human resource development and empowerment.
- b. To plan, manage and control policies and activities related to remuneration and industrial relations.
- c. To plan, manage and control policies and activities related to education and training.
- d. 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.
- e. To plan, manage and control policies and activities related to logistics, including the procedures for goods and service procurement.
- f. To plan, manage and control policies and activities related to services, the supply and maintenance of office buildings, and Company security.

- g. To plan, manage and control policies on asset management.
- h. To preserve and develop Knowledge Management-based core corporate competencies.

## 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.

## Guidelines and Working Arrangement of the Board of Directors (Board Charter)

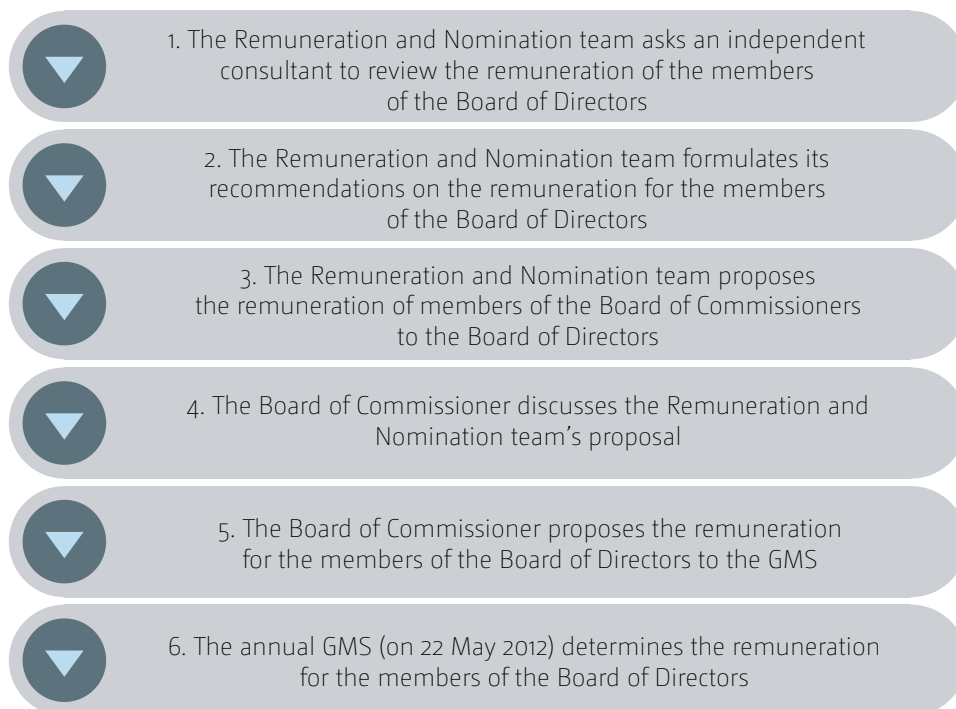
In carrying out their management role and function and managing their relationship with the Board of Commissioners, the Board of Directors refers to the Board Charter. The Board Charter contains guidance on the management of the work of the Board of Commissioners and Board of Directors and explains the activities step-by-step in a way that is structured, systematic, easily understood and can be put into practice consistently, and can provide a reference for the Board of Commissioners and Board of Directors in carrying out their respective tasks to achieve the Corporate Vision and Mission.

The guidelines and working arrangements of the Board of Directors are specifically articulated in Chapter III of the PT Perusahaan Gas Negara Board Charter, and cover:

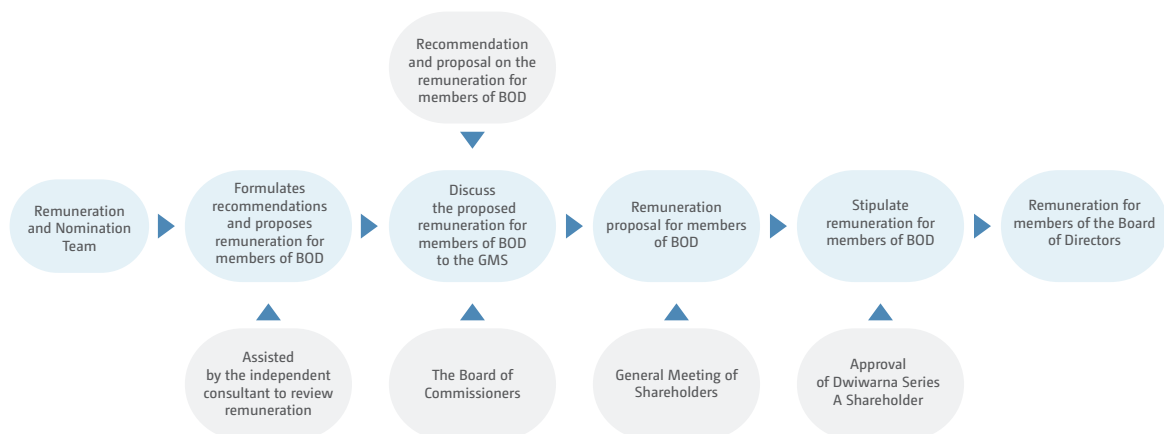
- Duties and Obligations of the Board of Directors
- Responsibilities of the Board of Directors
- Rights and Authority of the Board of Directors
- Delegation of Authority of the Board of Directors
- Independence of the Board of Directors
- Work Ethics
- Determination of Corporate Administration Policy
- Division of Tasks of the Board of Directors
- Corporate Secretary
- Board of Directors' Meetings
- Relationship with the subsidiaries

## Basis for Determining Remuneration

The remuneration for the Board of Directors is determined on the basis of the provisions in the Regulation of the Minister of State-Owned Enterprises No. PER-07/MBU/2010 regarding the Guidelines for the Determination of the Income of Members of the Board of Directors, the Board of Commissioners, and the Board of Trustees of State-Owned Enterprises.



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





## Relationship between Remuneration and the Company's Performance

Pursuant to the Ministerial Regulation above, the remuneration of the members of the Board of Directors is determined by the Annual General Meeting of Shareholders. The components of the Board of Directors' remuneration are as follows:

### a. Salary

For the year 2012, 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 a religious holiday allowance of at most 2 (two) month's salary, taking into consideration the financial capability of the Company.
2. Members of the Board of Directors are entitled to receive an annual leave allowance of at most 1 (one) month's salary. The annual leave allowance may 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 a long service leave allowance of at most 2 (two) months' salary. The long service leave allowance may still be paid even if the leave entitlement is not used or permission is not granted due to the corporate interest. The long service leave entitlement is granted after the BoD member has served for 3 consecutive years in one term of office.
4. Each member of the Board of Directors is entitled to receive a communication allowance, paid at cost.

5. At the end of every term of office, each member of the Board of Directors is entitled to receive a post-service benefit, which is given in the form of insurance or a pension program. The premium or annual contributions are borne by the Company, up to a maximum of 25% of the Director's annual salary or honorarium, and the amount of which should be stated in the annual work plan and budget in each fiscal year. The choice of insurance or pension program is left to the BOD to decide.
6. Each member of the Board of Directors is entitled to receive a housing allowance of up to 30% of the monthly salary.

### c. Facilities for Directors

1. The Company shall provide 1 (one) office car, including a maintenance and operational allowance, for each member of the Board of Directors, the type and size of which are determined by taking into consideration the propriety and financial capability of the Company.
2. The Company shall provide a health program for each member of the Board of Directors in accordance with the applicable Company regulations.
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 provides up to 2 Club/ Corporate Memberships for members of the Board of Directors, taking into consideration the financial capability of the Company. Such membership facilities include only enrollment fees and annual dues.

#### d. Bonus/ Performance Incentives

#### e. The determination of the bonus/ performance incentives for the Board of Directors is governed by the Ministerial Decree, which covers:

1. A bonus may be awarded to the members of the Board of Directors, if the SOE makes a profit in the fiscal year concerned.
2. Members of the Board of Directors may be awarded a bonus or performance incentive if the achievement of the Key Performance Index (KPI) and level of soundness are above 70%.
3. The maximum achievement of the Key Performance Index for the calculation of the bonus and performance incentives is 150%.
4. The amount of the bonus is determined as follows:
  - President Director 100%
  - Members of the Board of Directors: 90% of the President Director's amount

The Company may award a bonus to the members of the Board of Directors in the event of an improvement in the Company's performance even if the Company is still suffering losses in the fiscal year concerned, or an accumulation of losses from previous fiscal years.

The payment of remuneration for each member of the Board of Directors is stipulated in the resolution of the GMS on 27 June 2011 and the Resolution of the AGMS for Fiscal Year 2013 on 17 April 2013.

#### REMUNERATION OF THE BOARD OF DIRECTORS IN 2013

Position	Remuneration	Total (in Rupiah)	USD**
Board of Directors	Honorarium	8,449,000,000	693,083.93
	Allowance	6,635,600,000	544,392.49
	Incentive*	27,737,692,111	3,513,109.53
Total		42,821,292,111	4,750,585.95

\* Incentives were given proportionally

\*\* for comparison purposes using BI exchange rate as of end 2013, where USD1 = Rp12,189

## Remuneration of the Directors in 2013

### Company Policy on Frequency of Directorial Meeting

The Company agrees to hold regular directorial meetings at least once every month and joint meetings with the Board of Commissioners/Board of Trustees at least once every month in accordance with the Decree of the State Minister of State-owned Enterprises No. PER-01/MBU/2011 dated 1st August 2011 on the Implementation of Good Corporate Governance in State-owned Enterprises and Circular Letter of the State Minister of State-owned Enterprises No. S-357/MBU.WK/2011 dated 5th December 2011 on the Policy of the State Minister of State-owned Enterprises in Management and Regulation.

In 2013, the Directors have conducted Directorial Meetings 49 (forty-nine) times, as follows:

- 1st January to 17th April 2013: 12 meetings
- 17th April 2013 to 31st December 2013: 37 meetings

#### ATTENDANCE OF THE BOARD OF DIRECTORS PERIOD 1 JANUARY – 17 APRIL 2013

Name	Meetings Attended*	% Attendance
Hendi Prio Santoso	8	67
Jobi Triananda Hasjim	9	75
Djoko Saputro	11	92
M. Riza Pahlevi Tabrani	11	92
Hendi Kusnadi	11	92
M. Wahid Sutopo	11	92

\* Absence in meetings were due to official business trips and/or the concerned members were taking leaves

#### ATTENDANCE OF THE BOARD OF DIRECTORS PERIOD 17 APRIL - 31 DECEMBER 2013

Name	Meetings Attended*	% Attendance
Hendi Prio Santoso	27	73
Jobi Triananda Hasjim	28	76
Djoko Saputro	33	89
M. Riza Pahlevi Tabrani	29	78
Hendi Kusnadi	33	89
M. Wahid Sutopo	31	84

\* Absence in meetings were due to official business trips and/or the concerned members were taking leaves

## General Meeting of Shareholders (GMS)

The 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, amend the Articles of Association, appoint and terminate the Directors and members of the Board of Commissioners, decide on the division of management tasks and authority between the Directors, and so on. The Company ensures that all information related to the Company is disclosed to the General Meeting of Shareholders, provided that it does not conflict with the interests of the Company or the laws and regulations.

In 2012, PGN held its Annual General Meeting of Shareholders (AGMS) on 17 April 2013. The AGMS was held pursuant to Law No. 40 year 2007 regarding Limited Liability Companies, and BAPEPAM Rule No. IX.I.1 regarding the plan and the implementation of the General Meeting of Shareholders.

### AGMS on 17 April 2013

- Notices of the plan to hold an EGMS were published in 3 national newspapers on 18 March 2013.
- The invitation to the AGMS was published in 3 national newspapers on 2 April 2013.
- The results of the EGMS were announced in 3 national newspapers on 19 April 2013.

The agenda of the AGMS on 17 April 2013 was as follows:

1. Approve the Company's Annual Report for Fiscal Year 2012 and the Report on the Partnership and Community Development Program for fiscal year 2012 and the Implementation of the Board of Commissioners' Oversight Duties for fiscal year 2012.
2. Ratify the Company's Annual Financial Statements for fiscal year 2012, including the Financial Statement on the Partnership and Community Development Program for fiscal year 2012, and release and discharge the members of the Board of Directors and the Board of Commissioners from their responsibilities for fiscal year 2012.
3. Determine the utilization of the Company's profits for fiscal year 2012, and determine the dividend.
4. Determine the Public Accountant who will audit the Financial Statements for fiscal year 2013 and the Financial Report of the Partnership and Community Development Program for fiscal year 2013.
5. Determine the remuneration of the members of the Board of Commissioners and Board of Directors.
6. Make changes in the Company's Management.

The results of the AGMS on 17 April 2013 were as follows:

1. Approved the Annual Report on the condition and operation of the Company and the Report on the Implementation of the Board of Commissioners' Oversight Duties during fiscal year 2012 and the Annual Report on the Partnership and Community Development Program for fiscal year 2012.

2. a. Approved the ratification of:
  - 1) The Company's Consolidated Financial Statements for fiscal year 2012, which were audited by the Public Accountants Purwantono, Suherman & Surja, a member firm of Ernst & Young Global Limited, pursuant to their report No. RPC-3281/PSS/2013 dated 18 February 2013 with the opinion: "the consolidated financial statements of PT Perusahaan Gas Negara (Persero) Tbk and its subsidiaries presents fairly, in all material respects, the financial position of PT Perusahaan Gas Negara (Persero) Tbk and its subsidiaries as of 31 December 2012 and 2011 and 1 January 2011/31 December 2010, and the results of their operations and cash flows for the years ended on 31 December 2012 and 2011, in compliance with the Indonesian Financial Accounting Standards."
  - 2) The financial statements on the Partnership and Community Development Program for fiscal year 2012, which were audited by Public Accountants Zainal, Juhana and Partners pursuant to their report No.03/LAI/2013 dated 8 February 2013, with the opinion: "presents fairly, in all material respects, the financial position of the Partnership and Community Development Program PT Perusahaan Gas Negara (Persero) Tbk as of 31 December 2012 and 2011, and their activities and cash flows for the year ended on that date in accordance with the Financial Accounting standards for Entities with No Public Accountability."
  - b. Released and discharged the members of the Board of Directors in full from their responsibilities (volledig acquit et decharge) for the management of the Company and to the members of the Board of Commissioners for the oversight of the Company and for the management and oversight of the Partnership and Community Development Program that was implemented during fiscal year 2012, provided that such actions are recorded in the Annual Report and Financial Statements of the Company for fiscal year 2012, and the Financial Statement of the Partnership and Community Development Program for fiscal year 2012 and is not in conflict with the provisions and laws.
3. a. Approved the utilization of Current Earnings that can be Attributed to the Owners of the Holding Entity (Current Earnings) for fiscal year 2012, which amount to a total of USD 890,885,456 (Eight hundred ninety million, eight hundred eighty-five thousand, four hundred fifty-six US Dollars), as follows:
  - 1) Rp 4,915,075,492,403 (four trillion, nine hundred fifteen billion, seventy-five million, four hundred ninety-two thousand, four hundred three Rupiah) from current earnings or Rp 202.77 (two hundred two point seventy-seven Rupiah) per share will be paid out in cash to the shareholders.
  - 2) The remainder of the current earnings that can be Attributed to the Owners of the Holding Entity (current earnings) after the payment of the Dividend in Point 3).a.1 above will be recorded as an Appropriated Reserve to support the operational activities and development of the Company.

- b. Decided not to allocate current earnings for fiscal year 2012 to fund the Partnership and Community Development Program. The Company will finance Social and Environmental Responsibility activities for fiscal year 2013 according to the needs and financial capacity of the Company.
- c. The Board of Directors was authorized to make further arrangements for the payment of the dividend and to announce it with due attention to the prevailing laws and regulations.
- 4. Appointed Public Accountants Purwantono, Suherman & Surja, a member firm of Ernst & Young Global Limited, to undertake a general audit of the Financial Statements for fiscal year 2013 and to audit compliance with the laws and regulations and Internal Control, and to audit the financial statements of the Partnership and Community Development Program for the fiscal year ending on 31 December 2013.
- 5. Approved:
  - a. That the salary of the President Director for fiscal year 2013 should be paid in the amount of Rp128,000,000 (one hundred twenty eight million Rupiah) per month as of 1 January 2013.
  - b. That the calculation of the amount of the salary/Honorarium for members of the Board of Directors and members of the Board of Commissioners should be based on their position as stipulated in Regulation of the Minister of State for SOEs No. PER-07/MBU/2010 article 5 paragraph (5).
  - c. That the allowances and facilities for the Board of Directors and Board of Commissioners in 2013 should be determined in accordance with the Regulation of the Minister of State for SOEs No. PER-07/MBU/2010.
  - d. That the total gross bonus (including tax) for the Board of Directors and Board of Commissioners for performance in 2012 should amount to Rp54,494,625,000 (fifty-four billion, four hundred ninety-four million, six hundred twenty-five thousand Rupiah), with the following provisions:
    - 1) Members of the Board of Directors and members of the Board of Commissioners receive a bonus in accordance with their position.
    - 2) The bonus for fiscal year 2012 is paid proportionally in accordance with the length of time served by the individual concerned in fiscal year 2012.
    - 3) Any taxes on the bonus are borne by the parties concerned.
- 6. Approved:
  - a. The reappointment of Mr. Riza Pahlevi Tabrani as Director of Finance, as of the close of this GMS until the close of the 5th AGMS after this meeting, without prejudicing the right of the GMS to dismiss him at any time before his terms of office ends.
  - b. The honorable discharge of Mr. Bambang Dwijanto as a member of the Board of Commissioners of PT Perusahaan Gas Negara (Persero) Tbk, with our thanks for his dedicated service since being appointed to that position.
  - c. The appointment of Mr. Firmanzah as a Commissioner of PT Perusahaan Gas Negara (Persero) Tbk.  
The discharge and appointment of members of the Board of Commissioners shall be effective as of the close of the GMS.



## TRAINING PROGRAM FOR THE BOARD OF DIRECTORS

### Training Program to Improve Board of Directors' Competence

Throughout 2013, the Directors of PT PGN (Persero) Tbk have participated in trainings, workshops, conferences, and seminars to improve their capability in performing their duties:

#### PRESIDENT DIRECTOR

No.	Date	Program	Venue
1	25-26 April 2013	Panelist in KPMG Global Energy Conference	Singapore
2	11-13 June 2013	BAML CalGEMS Conference 2013	California, USA
3	4-7 October 2013	APEC CEO Summit 2013	Bali
4	13-17 October 2013	International Business Awards (Stevie Awards - Best Annual Report)	Barcelona, Spain
5	25-26 October 2013	Gas Union Council Meeting 2013 (IGA)	Beijing, China
6	12 November 2013	Indonesia HR Summit 2013	Bali
7	12-16 November 2013	Speaker at Indonesia Oil and Gas Seminar	Melbourne, Australia

#### DIRECTOR OF TECHNOLOGY AND DEVELOPMENT

No.	Date	Program	Venue
1	26 January 2013	GE Oil and Gas, Annual Meeting 2013	Florence, Italy
2	06 May 2013	Regional Workshop on the Changing Global Gas Market and Unconventional Gas	Jakarta
3	09 September 2013	Indonesia - Yemen Working Group on Gas : LNG Projects and Infrastructures - Roles of PGN in Indonesia Gas Industry Now and The Future	Jakarta
4	23 September - 07 October 2013	Management of International Petroleum Project : From Concept to Set-Up and Optimizing Integrated Gas Processing, Refining and Petrochemical Facilities	Boston, USA
5	26 September 2013	27th Annual ARC Gold and Gala - Winners of Annual Report	New York, USA
6	22 October 2013	4th Annual Power and Electricity Indonesia Conference - PGN's Role in Providing Gas For Indonesia's Domestic Electricity Demand	Jakarta

**DIRECTOR OF FINANCE**

No.	Date	Program	Venue
1	21-22 May 2013	CIMB Australia Energy forum	Australia
2	9-20 September 2013	Training Programs Enrollment Form - Financial Modeling & Petroleum Project Economics	Boston, USA

**DIRECTOR OF COMMERCE**

No.	Date	Program	Venue
1	27-29 January 2013	GE Oil and Gas, Annual Meeting 2013	Florence, Italy
2	18-22 March 2013	International Gas Business Workshop (IHRDC)	Bali
3	7-18 October 2013	Upstream and Downstream Gas Business (IHRDC)	Boston - USA
4	2-6 December 2013	Technical Assistance and Joint Value Development with GDF Suez	Paris, France

**DIRECTOR OF GENERAL AFFAIRS AND HUMAN RESOURCES DEVELOPMENT**

No.	Date	Program	Venue
1	22 February 2013	Workshop and Sharing Session Key Performance Indicators for Business Excellence	Bandung
2	28 March 2013	Seminar on Building Innovation Collaboration between Industry, Government and Higher Education to Make the Country's Industry More Competitive	Bandung
3	23-25 June 2013	Workshop on Strengthening Integrity Through Public Private Partnership Preventing Facilitation Payments and Controlling Gratuities	Medan
4	29 July 2013	Workshop: Introducing the Anti-Graft Program	Jakarta
5	24 October 2013	Workshop on Governance of Natural Gas Pipeline Activities	Jakarta
6	"28 September - 4 October 2013"	Mandiri Sekuritas and Barclays' Indonesia Corporate Days	London, UK
7	01 November 2013	Seminar: Keeping Out Corruption with a Clear Conscience and Common Sense	Bandung
8	04 December 2013	National Conference on Eradicating Corruption 2013	Jakarta

**DIRECTOR OF INVESTMENT PLANNING AND RISK MANAGEMENT**

No.	Date	Program	Venue
1	10-11 January 2013	Workshop: "Intoduction to Upstream Oil & Gas Business Activities"	Jakarta
2	11 February 2013	Workshop: "Co-Generation Business Potential"	Jakarta
3	21 February 2013	Workshop: "To Find Solution towards Gas Crisis Threat for Local Industry"	Medan
4	28 February 2013	Executive Leadership Forum: "Being an Extra Ordinary Leaders"	Jakarta
5	4-5 March 2013	Business Seminar: "Energy, Oil and Gas"	Jakarta
6	13-15 March 2013	CLSA ASEAN Corporate Access Forum 2013	Bangkok, Thailand
7	19 March 2013	Workshop: "Direction and Policy on Indonesia;s Gas Industry Development"	Surabaya
8	30 March 2013	The 2nd International Workshop on Agent-Based Modelling and Simulation for Policy Development	Jakarta
9	06 May 2013	"A Regional Workshop on The Changing Global Gas Market & Unconventional Gas"	Jakarta
10	21 May 2013	"Wood Mackenzie Global Gas Forum"	Singapura
11	22 May 2013	"4th Annual dbAccess Asia Conference 2013"	Singapura
12	12 June 2013	Seminar: "New Era of Indonesia's Oil and Gas Industry"	Jakarta
13	13 June 2013	Seminar: "Media and Business towards Powerful Indonesia"	Bali
14	25-27 September 2013	"20th CLSA Investors Forum"	Hong Kong
15	10 October 2013	Focus Group Discussion: "Feasibility Study of Technical and Economical Aspect of Biomass Power Plant, Biogas and City Waste Development"	Jakarta
16	4 December 2013	Risk & Governance Summit 2013 "Passion to Governance : Towards a Prosperous and Sustainable Future"	Jakarta
17	12 December 2013	National Symposium: "Towards COSO 2013 and ERM implementation in SOE environment"	Jakarta
18	19 December 2013	Seminar Gas Development Master Plan (GDMP)	Jakarta

Implementation of the Resolutions of the 2013 GMS on 17 April 2013

1. The net income for fiscal year 2012 has been distributed as mandated by the GMS;
  - a) The cash dividend of Rp 4,915,075,492,403 (Four Trillion, nine hundred fifteen billion, seventy-five million, four hundred ninety-two thousand, four hundred three Rupiah) was paid on 29 May 2013.
  - b) The Company has decided not to allocate any of the current earnings for fiscal year 2012 of finance the Partnership and Community Development Program.
  - c) The Company will finance the Environmental and Social Responsibility activities in fiscal year 2013 in accordance with the needs and financial capacity of the Company. The remaining net income will be recorded as an Appropriated Reserve to support the operations and development of the Company.
2. Public Accountants Purwantono, Suherman & Surja, a member firm of Ernst & Young Global Limited, were appointed to perform a general audit of the Financial Statements for fiscal year 2013 and to audit Compliance with the Laws and Regulations and Internal Control, and to audit the Financial Statement of the Partnership and Community Development Program for the fiscal year ending 31 December 2013.
3. The Salary, Honorarium and Allowances for the Board of Directors and the Board of Commissioners have been adjusted in accordance with the mandate of the GMS.
4. The bonus for the Board of Directors and Board of Commissioners was paid on 25 April 2013.
5. The Company's new management have performed their duties effectively since the close of the GMS.

## Assessment of the Members of the Board of Commissioners and/or Directors

### Assessment Process

The assessment of the performance of the Board of Commissioners is conducted through the General Meeting of Stakeholders. The meeting is held by the Directors to satisfy certain requirements or written requests from one or more members of the Board of Commissioners, or written requests from one or more stakeholders whose accumulated shares are 1/10 of the entire shares with voting rights.

### Performance Criteria/Indicators

The criteria for assessing the performance of the Board of Commissioners is in how it conducts its duties, namely: supervising the Company's policy and direction, advising the Directors in the interest and aims of the Company, and satisfying additional tasks in accordance with the Articles of Association of the company and/or decisions of the General Meeting of Stakeholders according to prevailing laws.

Performance indicators for Directors consists of:

1. Fulfilment of duties and responsibilities for members of the Directors in accordance with the Articles of Association of the Company;
2. Meeting the decisions of the Annual General Meeting of Stakeholders of 2013.
3. Realization of Directors' Key Performance Indicators (KPI) of 2013 based on the Performance Assessment Criteria, which covers 5 Perspective:
  - Financial and Market Perspective
  - Customer Focus Perspective
  - Product and Process Effectiveness Perspective
  - Employee Focus Perspective
  - Leadership, Governance, and Social Responsibility Perspectives

**REALIZATION OF BOD'S KEY PERFORMANCE INDICATORS IN 2013 BASED ON  
EXCELLENT PERFORMANCE EVALUATION CRITERIA**

Perspective		Target 2013	Result	% Realization
		Weighting	Score	
Product & Process Effectiveness		20	19.89	
I-1	Natural Gas Volume Delivery (Distribution + Transmission of PGN + TGI)	7	6.89	98.4%
I-2	Transmission Network Reliability	5	5	100.0%
I-3	Safety, Achievement of Zero Accident	5	5	100.0%
I-4	Certification ISO	3	3	100.0%
Focus on Customer		22	22	
II-1	Customer Satisfaction	8	8	100.0%
II-2	Handling or Enquiries Customer’s Complaint	7	7	100.0%
II-3	Time Response	7	7	100.0%
Focus on Employee		17	17	
III-1	Employee Competency Enhancement	8	8	100.0%
III-2	Employee Productivity	5	5	100.0%
III-3	Employee Satisfaction	4	4	100.0%
Leadership, Corporate Governance, CSR		17	17	
IV-1	strategic Plan (RJPP dan SBP)	4	4	100.0%
IV-2	KPKU Score	4	4	100.0%
IV-3	GCG Index	3	3	100.0%
IV-4	Disbursement of Partnership Program	3	3	100.0%
IV-5	Collectibility of Partnership Program	3	3	100.0%
Financial and Marketing Aspect		24	22.3	
V-1	EBITDA	8	8	100.0%
V-2	ROE	5	5	100.0%
V-3	Infrastructure Development	6	4.3	71.7%*
V-4	Revenues from New Business Expansion	5	5	100.0%
Total Score		100	98.19	

\* The physical progress was 71.7%, yet if the Duri Dumai and gas booster, the Semarang distribution pipeline and Ringline 2 projects hold were to be considered realized, the actual physical progress would increased by 19.73% to 91.08%.



## Assessors

The performance of the Board of Commissioners is assessed 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 2013, including the implementation of their tasks and responsibilities, at the GMS that will be held in 2014.

## GCG Assessment of the Board of Commissioners and Board of Directors

In 2013, 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.

The score achieved by the Board of Commissioners in the GCG assessment was 89.61%, 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 93.22%, indicating that the application of GCG in the domain of the Board of Directors was also running well.

## GCG Assessor

The assessment of GCG application by the Board of Commissioners and Board of Directors was conducted by an independent institution, PT Sinergi Daya Prima, using assessment parameters that refer to SK-16/S.MBU/2012 dated 6 June 2012, regarding the Indicators for the Assessment and Evaluation of GCG Implementation in State-Owned Enterprises.

## Committees

Pursuant to Regulation PER-01/MBU/2011 regarding the organs supporting the Board of Commissioners/Board of Trustees in State-Owned Enterprises, the Company has two committees:

1. Audit Committee
2. Risk Management and Business Expansion Monitoring Committee

### Audit Committee

The Audit Committee of PT Perusahaan Gas Negara (Persero) Tbk. 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 the Decision of the Chairman of Bapepam No. Kep-29/ PM/2004 dated 24 September 2004 as amended and changed to Attachment to the Decree of the Chairman of Bapepam LK No 643/ BL/2012 dated 7 December 2012, 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 Indonesia Stock Exchange (formerly Jakarta 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 referred to Article 70 of Law No. 19 year 2003 dated 19 June 2003 regarding SOEs, which states that the Board of Commissioners or Board of Trustees

of a State-Owned Enterprise must establish an Audit Committee. Further rules regarding Audit Committees are found in the Regulation of the State Minister No. Per-12/MBU/2012, which is an amendment of the Decree of the Minister of State-Owned Enterprises Per-10/MBU/2012, regarding Supporting Organs of the Board of Commissioners/Board of Trustees of State-Owned Enterprises. The Decree of the Minister of SOEs No. KEP-117/ MMBU/2002, regarding the Application of Good Corporate Governance Practices in SOEs, also contain 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 the Decision of the President Commissioner of PT PGN (Persero) Tbk No: 002/11/KOM-1/2004 dated 30 March 2004, and most recently amended by Decree of the Board of Commissioners No. Kep-010/D-KOM/2013 dated 14 November 2013, 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.
  - Providing an independent opinion in the event of a difference of opinion between the management and the Accountant regarding the services provided.
  - Scrutinizing the internal control system implemented by the Internal Audit Unit, including ensuring the effectiveness of the internal control system and the effectiveness of task implementation, and 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 Accountant to the Board of Commissioners.
  - Scrutinizing the implementation of the audit by the external auditor, including ensuring the effectiveness of the internal control system and its implementation, and 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 review procedure for all the information disclosed by the Company.
  - Scrutinizing and giving advice to the Board of Commissioners in relation to potential conflicts of interest in 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.
  - To communicate directly with employees, including the Board of Directors and the parties who carry out the functions of Internal Audit, risk management and accounting in relation to the duties and responsibilities of the Audit Committee.
  - Involving independent parties from outside the Audit Committee to assist in the implementation of their duties (if required).
  - To exercise any other authority given by the Board of Commissioners.
  - To work with the Internal Audit Unit (IAU), on the following, among other matters:
  - 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 perspectives from external parties to provide technical or other related guidance at the Company's expense.

#### c. Composition

The membership of the Audit Committee for the period of 1 January – 31 December 2012 was as follows:

Chair	: Pudja Sunasa- Independent Commissioner
Member	: Mohammad Slamet Wibowo
Member	: Imbuh Sulistyarini
Member	: Gunawan Indradi (Starting 1 March 2013)
Member	: Kanyatama P. Mulyono (Starting 1 November 2013)
Member	: Tjahjanto Budisatrio (Until 28 February 2013)
Member	: Shalahuddin Haikal (Until 31 October 2013)

### Educational Qualifications and Experience of Audit Committee Members

#### Pudja Sunasa

Audit Committee Chair since 22 May 2012.

An Indonesian citizen, born in Cirebon on 11 February 1952. He returned to the Board as a Commissioner on 6 April 2011, and was Chair of the Remuneration Committee from 5 July 2007 to 13 June 2008, Chair of the Remuneration and Nomination Committee and a member of the Insurance Committee and the GCG Committee since 19 April 2011. He graduated with a degree in Oil Engineering from the Bandung Institute of Technology in 1980. His career includes terms as Head of the Statistics Sub-Department at the Directorate General of Oil and Gas (1988-1993), Head of the General Planning Department, Bureau of Planning at the Department of Mining and Energi (1993-2001), Head of the General Affairs Bureau of the Ministry of Energy and Mineral Resources (2001-2004) and Inspector I of the Ministry of Energy and Mineral Resources (2004-2007). He served as a Commissioner of the Company between 2002 and 2008. He held the post of Inspector General of the Ministry of Energy and Mineral Resources from 2007 to 2012.

**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 Indonesia 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 Mendès-France in Grenoble, France in Management Information Systems, and an MBA from the University of Missouri, Kansas City, USA.

**Imbuh Sulistyarini**

A member of the Audit Committee since 1 April 2007. She was a Deputy Head of the UKM Center at the University of Indonesia Faculty of Economic (FEUI) and a Member of the Audit Committee at PT Adhi Realty, as well as an Examiner for the Malcolm Baldrige Criteria at the Indonesia Quality Award Foundation. She has been a since 1997, She has been a consultant at the FEUI Institute of Management since 1997 and is a lecturer at FEUI's Department of Management. She holds a Master's degree in accountancy from the University of Indonesia.

**Gunawan Indradi**

An Indonesian citizen, born in Kebumen, Central Java, on 28 November 1972. A Member of the Audit Committee since 1 March 2013. He was formerly an accountant at Public Accountants Maksum, Hirdjan, Syafii. Since 2006, he has worked at the Finance Bureau of the Secretariat General of the Ministry of Energy and Mineral Resources, starting in the Accounting Department, and is currently Head of the Sub-Department of Financial Reporting in the Finance Bureau of the Secretariat General of the Ministry of Energy and Mineral Resources. He holds a degree in Accountancy from Gadjah Mada University.

**Kanyatama P. Mulyono**

An Indonesian citizen, born in Jakarta on 3 August 1972. A Member of the Audit Committee since 1 November 2013. She was an internal auditor at HagaBank, and later became an accountant at Public Accountants KPMG Hanadi Soedjendro and Partners. She was a Member of the Nomination and Remuneration Committee at PT. Bank Rakyat Indonesia, (Persero) Tbk. from November 2009 until October 2013. She has a degree in Accounting from the Faculty of Economics at the University of Indonesia and Master's in Industrial and Organizational Psychology, also from the University of Indonesia.

### 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 and lecturer in the FEUI since 1992. He holds a master's in economics from the Australian National University, and is currently doing doctoral studies at FEUI, focusing on Industrial Economics. He was the 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 Director of Business Activities at the University of Indonesia.

### Shalahuddin Haikal

A member of the Audit Committee since 1 June 2008 and a lecturer at the University of Indonesia. He graduated from the School of Law, Faculteit der Rechtsgeleerdheid at Erasmus University, Rotterdam in 2005. He worked as a research analyst for, among others, PT Danareksa Sekuritas, PT Inter-Pacific Securities and PT Bahana Securities, and served as a member of the Audit Committees of PT Akasha Wira International, Tbk and PT Wijaya Karya (Persero), Tbk.

#### d. Committee Independence

The Audit Committee is chaired by an Independent Commissioner and four of the members are professionals from outside the Company. This complies with the provision in the Decree 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, as amended and changed to Attachment to the Decree of the Chairman of Bapepam LK No 643/BL/2012. The Audit Committee undertakes its tasks and responsibilities professionally and independently.



## Company Policy Regarding the Frequency of Audit Committee Meetings

Pursuant to Bapepam-LK 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, which is referred to in the Audit Committee Charter, the Audit Committee must meet at least once every month.

### Frequency of Meetings

In 2013, the Audit Committee held 36 meetings, with details of attendance as follows:

Pudja Sunasa	97%
Tjahjanto Budisatrio *)	71%
Imbuh Sulistyarini	100%
Slamet Wibowo	92%
Shalahuddin Haikal*)	55%
Gunawan Indradi*)	68%
Kanyatama P Mulyono*)	86%

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

## Discharge of Duties

The Audit Committee's activities in 2013 were in accordance with the Audit Committee Charter, as follows:

- Reviewing and assessing the adequacy of the audit performed by the external auditors, as well as providing a response to the results of the audit of the Company's Financial Statements for Fiscal Year 2012.
- Reviewing and providing a response to the Company's Quarterly Financial Statements and the results of the external auditors' review of the Company's Mid-Year Financial Statements for Fiscal Year 2013.
- Reviewing the Work Plan and Budget (RKAP) in 2013 and providing input as advice to the Board of Commissioners on the ratification of the 2013 RKAP.
- Evaluating the performance, competence, independence and objectivity of the public accountants who conducted the previous year's audit and making recommendations for the Board of Commissioners to consider and propose to the GMS regarding the auditor of the Consolidated Financial Statements for fiscal year 2013.

- Reviewing the Audit Report of the Internal Audit Unit (IAU) for 2013 and alerting the Board of Commissioners to matters requiring their attention.
- Discussing the audit methodology and monitoring the progress of the audit of the 2013 consolidated financial statements conducted by an external auditor.
- Reviewing the Company's observance of the laws and regulations in the capital market and other regulations and alerting the Board of Commissioners to matters requiring their attention.
- Implementing specific tasks assigned by the Board of Commissioners
- Developing a work plan, and making periodic reports on the implementation of the tasks of the Audit Committee.

The results of the analysis, assessments, advice and recommendations of the Audit Committee related to the performance of their duties, authority and responsibilities have been communicated to the Board of Commissioners for their attention.

## AUDIT COMMITTEE PROFILE



### **PUDJA SUNASA**

Head of Audit Committee

For a complete biography, please refer to the 'Profile of the Board of Commissioners'.



### **M. SLAMET WIBOWO**

Member of Audit Committee

An Indonesian citizen, born in Jakarta on 28 October 1964. 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 Indonesia 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 Mendès France in Grenoble, France in Management Information Systems and an MBA from the University of Missouri, Kansas City, USA.



### **IMBUH SULISTYARINI**

Member of Audit Committee

An Indonesian citizen, born in Kebumen on 12 March 1971.

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 has

been an examiner for the Malcolm Baldrige Criteria for Performance Excellence for the Indonesia Quality Award. She holds a Master's in Accountancy from the University of Indonesia.

### **GUNAWAN INDRADI**

#### Member of Audit Committee

An Indonesian citizen, born in Kebumen, Central Java, on 28 November 1972.

A Member of the Audit Committee since 1 March 2013. He was formerly an accountant at Public Accountants Maksum, Hirdjan, Syafii. Since 2006, he has worked at the Finance Bureau of the Secretariat General of the

Ministry of Energy and Mineral Resources, starting in the Accounting Department, and is currently Head of the Sub-Department of Financial Reporting in the Finance Bureau of the Secretariat General of the Ministry of Energy and Mineral Resources. He holds a degree in Accountancy from Gadjah Mada University.



### **KANYATAMA P. MULYONO**

#### Member of Audit Committee

An Indonesian citizen, born in Jakarta on 3 August 1972. A Member of the Audit Committee since 1 November 2013. She was an internal auditor at HagaBank, and later became an accountant at Public Accountants KPMG Hanadi Soedjendro and Partners. She was a Member of the Nomination and Remuneration Committee at

PT. Bank Rakyat Indonesia, (Persero) Tbk. from November 2009 until October 2013. She has a degree in Accounting from the Faculty of Economics at the University of Indonesia and Master's in Industrial and Organizational Psychology, also from the University of Indonesia.



## Risk Management and Business Expansion Monitoring Committee

The establishment of the Risk Management and Business Expansion Monitoring Committee was based on the Regulations of the Minister of State-Owned Enterprises No. PER-01/MBU/2011 regarding the Implementation of Good Corporate Governance in State-Owned Enterprises and No. PER-12/MBU/2012 regarding the Auxiliary Organs of the Boards of Commissioners/Boards of Trustees in State-Owned Enterprises. The Risk Management and Business Expansion Monitoring Committee was established to assist the Board of Commissioners in monitoring and evaluating the risk management policy and the realization of the business plan, and in evaluating the planned expansion of the Company's business.

### a. Duties and Responsibilities

- Assessing and recording the Board of Directors' commitment to the Board of Commissioners with regard to the Business Risks and Business Expansion set forth or referred to in the Corporate Long-term Plan (RJPP), RKAP, BOC Recommendations and minutes of other meetings.
- Evaluating and monitoring and providing input to the Board of Commissioners on the implementation of the Board of Directors' commitment with regard to business risks and business expansion.
- Designing and agreeing on the format and criteria for the internal evaluation of the Risk Management and Business Expansion Monitoring Committee, which shall be reported to the Board of Commissioners.

### b. Authority

- To access Company records or information, with the approval of the Board of Commissioners, in relation to the performance of its duties.
- In exercising its authority, the Committee may cooperate with relevant work units and is required to maintain the confidentiality of any documents, data and information on the Company collected from internal or external parties. All documents, data and information shall be used only for the purpose of implementing the Committee's duties.

### c. Committee Composition and Term of Office

The Members of the Risk Management and Business Expansion Monitoring Committee as of 1 January 2013 were as follows:

Chair	: Widya Purnama/Independent Commissioner
Member	: M. Arsyad Rangkuti
Member	: Wahyu Wijayadi
Member	: Hari Kustoro

### d. Committee Independence

The Risk Management and Business Expansion Monitoring Committee is chaired by an Independent Commissioner and the three members are professionals from outside PT Perusahaan Gas Negara (Limited) Tbk. The Risk Management and Business Expansion Monitoring Committee carries out its duties and responsibilities professionally and independently.

## e. Frequency of Meetings

During 2013, the Risk Management and Business Expansion Monitoring Committee met 19 (nineteen) times, with the level of attendance as follows:

**ATTENDANCE OF THE COMMITTEE MEMBERS**

Name	Meetings Attended	% Attendance
Widya Purnama	19 Kali	100%
M. Arsyad Rangkuti	18 Kali	94.73%
Wahyu Wijayadi	19 Kali	100%
Hari Kustoro	19 Kali	100%

In addition to holding meetings, the Risk Management and Business Expansion Monitoring Committee also undertook 3 (three) duty missions to the Company's operational areas.

## f. Discharge of Duties

In 2013, the Risk Management and Business Expansion Monitoring Committee conducted the following activities:

- Drafting the Work Program for the Risk Management and Business Expansion Monitoring Committee for 2013 and 2014;
- Discussing the 2013 Risk Management and Investment Planning Program with the Director of Investment Planning and Risk Management;
- Discussing the request for an additional equity participation in PT Saka Energi Indonesia;
- Convening a Sharing Session on the theme of "PGN Agility in Capability", which was attended by the Board of Directors and the related functions within the Company;
- Discussing the Risk Awareness Raising Program with the Risk Management Division and the related staff within the Company;
- Discussing the Performance Progress of the Subsidiaries (PT Saka Energi Indonesia, PT Gagas Energi Indonesia, PT PGASCom and PT PGAS Solution);
- Discussing and following up the recommendation of the GCG Assessment conducted by PT Sinergi Daya Prima;
- Undertaking work missions in the interests of observing the performance of the FSRU Lampung Project in Labuhan Maringgai;
- Undertaking work missions in the interests of observing the performance of SBU III Northern Sumatra in Medan and its environs;
- Undertaking work missions in the interests of observing the performance of SBU Transmission Sumatra Java, particularly the South Sumatra Operational Area, and observing first-hand the Natural Gas Receiving Station in Pagardewa;
- Carrying out routine evaluations of the progress of the Risk Management and Business Expansion Monitoring Committee.



## RISK MANAGEMENT AND BUSINESS EXPANSION MONITORING COMMITTEE



### WIDYA PURNAMA

Head of Risk Management and Business Expansion  
Monitoring Committee

For a complete biography, please refer to  
the 'Profile of the Board of Commissioners'.



### ARSYAD RANGKUTI

Member of Risk Management and Business Expansion  
Monitoring Committee

An Indonesian citizen, born in South  
Tapanuli on 7 November 1955.  
He became a member of the Risk  
Management and Business Expansion  
Monitoring Committee on 14 June  
2012. He graduated in Engineering  
from the University of North Sumatra,

Medan in 1983 and earned an MSc from  
the University of Salford, UK in 1994. He  
currently serves as President Director of  
PT Transportasi Gas Indonesia and was  
Head of the Operational Division at  
PT Perusahaan Gas Negara from 2008  
to 2010.



### WAHYU WIJAYADI

Member of Risk Management and Business Expansion  
Monitoring Committee

An Indonesian citizen, born in Tulung  
Agung on 27 April 1957. He became a  
member of the Risk Management and  
Business Expansion Monitoring Committee  
on 14 June 2012. He graduated in Electrical  
Engineering from the Bandung Institute  
of Technology in 1982 and earned his MBA

from Institute Pengembangan Manajemen  
Indonesia (IPMI) in 1989. He has been a  
Director of PT Elang Mahkota Teknologi  
since 2009, and served as Corporate Service  
Director of PT Indosat in 2007 and as  
Commerce Director of PT Indosat in 2006.



### HARI KUSTORO

#### Member of Risk Management and Business Expansion Monitoring Committee

An Indonesian citizen, born in Pontianak on 5 September 1953. He became a member of RM & BEM Committee Since 2013. He was graduated in Petroleum Engineering from the Bandung Institute of Technology in 1978 and also earn a degree in economy for University

of Indonesia. He was the Director for Upstream at PT Pertamina (Persero) for the period of 2004-2006 and President Commissioner on Commissioner of PT ENUSA Tbk from 2004 to 2010 as well as commissioner at PT Pertamina EP.

### Other Committees

Formerly, committees were established pursuant to KEP - 117/M-MBU/2002 dated 31 July 2002. Until 29 May 2012, the Company had four such committees:

1. Audit Committee
2. Remuneration and Nomination Committee
3. Insurance and Business Risk Committee
4. Good Corporate Governance Committee

The Board of Commissioners dissolved these four committees on 29 May 2012.

### Remuneration and Nomination Team

The Remuneration and Nomination Team was established pursuant to Decree of the Board of Commissioners of PT Perusahaan Gas Negara No.: Kep-03/D-KOM/2013 dated 18 March 2013, to prepare materials related to General Meeting of Shareholders (GMS) for fiscal year 2012. The Remuneration and Nomination Team was established as an ad hoc committee, given that the Board of Commissioners can establish only a maximum of 2 Committees, as ruled in Regulation of the State Ministers for State-Owned Enterprises No. PER-12/MBU/2012 regarding the Auxiliary Organs of the Boards of Commissioners/Boards of Trustees in State-Owned Enterprises. As such, the Remuneration and Nomination Team was dissolved after the accountability report on the implementation of its duties was accepted by the Board of Commissioners.

*The Remuneration and Nomination Team was established as an ad hoc committee as ruled in Regulation of the State Ministers for State-Owned Enterprises No. PER-12/MBU/2012*

a. Duties and Responsibilities

- To prepare the materials required to formulate the policy on the remuneration of the Board of Directors and Board of Commissioners of PT Perusahaan Gas Negara (Persero) Tbk;
- To propose the remuneration of the Board of Directors and Board of Commissioners of PT Perusahaan Gas Negara (Persero) Tbk, including the: salary/honorarium; allowances; and Bonuses;
- To ensure that the application of the compensation and remuneration for the Board of Directors and Board of Commissioners of PT Perusahaan Gas Negara (Persero) Tbk is consistent with the prevailing provisions;
- To propose nominations for candidates for the Board of Directors with regard to implementing the other agenda items at the AGMS for fiscal year 2012, with reference to the letter from the Deputy for Strategic and Manufacturing Industries of the Ministry of SOEs No. S-21/D2.MBU/2013 dated 1 March 2013 regarding the Talent Pool for Candidates for the Board of Directors of SOEs and the applicable provisions.

## b. Authority

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

## c. Team Composition

The composition of the Remuneration and Nomination Team was as follows:

Chair	: Bambang Dwijanto/ Commissioner
Secretary	: Suhartono/Secretary to the Board of Commissioners
Member	: 1. Kiagus Ahmad Badaruddin/ Commissioner 2. M. Zamkhani/Commissioner 3. Pudja Sunasa/Independent Commissioner 4. Widya Purnama/Independent Commissioner

## d. Team Independence

The Remuneration and Nomination Team carried out its tasks and responsibilities professionally and independently, without intervention from any party that is not in accordance with the rules and regulations.

## e. Discharge of Duties

Pursuant to the Decree of the Board of Commissioners No.: Kep-03/D-KOM/2013 dated 18 March 2013, the Remuneration and Nomination Team carried out the following tasks:

- Appointed an independent consultant to review the remuneration of the members of the Board of Directors and Board of Commissioners;
- Discussed the results of the review by the independent consultant, "PT Daya Dimensi Indonesia", on the remuneration for the members of the Board of Directors and Board of Commissioners.
- Submitted the proposed remuneration for the members of the Board of Directors and Board of Commissioners to the Board of Commissioners;
- With the Board of Commissioners, discussed the remuneration for the members of the Board of Directors and Board of Commissioners that would be proposed to the GMS;
- Proposed nominations for candidates for the Board of Directors to the Board of Commissioners.

## Corporate Secretary

### Functions and Duties of the Corporate Secretary

The Corporate Secretary's function and responsibilities cover the preparation of the policy, planning and control related to legal affairs, corporate communications, institutional relations, investor relations, strategic management and the corporate secretariat.

### Legal Basis for the Appointment and Term of Office of the Corporate Secretary

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 and in accordance with the Decree of the Board of Directors of PT Perusahaan Gas Negara (Persero) Tbk No. 062900.K/OT.00/UT/2013 dated 29 November 2013, the Corporate Secretary has the following tasks:

- To control the management of the communications strategy in order to build the corporate image.
- To act as the Company's representative in communicating the Company's activities accurately and promptly to all its stakeholders.
- To control the management of corporate activities related to legal aspects and legislation and to advise and assist the Board of Directors in accordance with their tasks and responsibilities to ensure regulatory compliance.
- To control the delivery of information on the Company's performance and corporate actions to the capital market authority, the stock exchange authority, investors, the Board of Commissioners and the related Ministries.

- To control the management of the mechanisms for information disclosure, both internally and externally, in accordance with the interests of the Company and the needs of the shareholders and other parties with a relationship to the Company.
- To submit the Company's Annual Report, Financial Statements and Sustainability Report to stakeholders.
- 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 and storage of corporate documents.
- To control the implementation of assessments and the provision of recommendations to the Board of Directors with regard to various strategic issues, the provision of information and reports to the Board of Directors, and the management of the activities of the Board of Directors secretariat.

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

- Legal Unit
- Corporate Communications Unit
- Institutional Relations Unit
- Investor Relations Unit
- Strategic Management Unit
- Corporate Secretariat

Since 1 December 2011, the Corporate Secretary position has been held by Heri Yusup.

### Tasks performed by the Corporate Secretary in 2013

Among the stakeholder engagement activities implemented by the Corporate Secretary in 2013 were the following:

1. Organizing the 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 Enterprises, Ministry of Energy and Mineral Resources, the State Secretariat, BPH Migas, OJK, Self-Regulatory Organizations (BEI, KSEI, KPEI), BAE and other related institutions.
5. Organizing parliamentary hearings and official visits with Parliament (DPR-RI).
6. Attending all meetings of the Board of Commissioners and Board of Directors and taking the Minutes of Meetings for such meetings.

**Career History, Educational Background and Work Experience of the Corporate Secretary**  
Indonesian citizen, born in Bandung on 8 February 1963. Graduated from Padjajaran University, Bandung in 1987 with a degree in law and earned a Master's degree from the Widener University School of Law, USA in 1999. He attended the Advanced Management Program at the Wharton School, University of Pennsylvania, USA in 2006.



**HERI YUSUP**

Corporate Secretary

He was appointed as the Corporate Secretary in December 2011. He began his career at the Company as Assistant II for Legislation and Control Administration (1991), before becoming Head of the Legal Department (2005), Head of the Legal Department and Corporate Secretary (2008) and Head of the Corporate Legal Bureau (2009). He has also served as a Commissioner of PT Transportasi Gas Indonesia since November 2012.

### Information Disclosure

To comply with the regulations on the disclosure of information to the public, the Corporate Secretary, together with the units under the Investor Relations Division, consistently submits reports to the Financial Services Authority and the Indonesia Stock Exchange (IDX) as the capital market.



### Investor Relations Activities in 2013

Since it was established in 2004, the Investor Relations division has been the bridge between PGN's management and the 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 transparency 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 ([www.pgn.co.id](http://www.pgn.co.id)), and conference calls.

Investor Relations is a unit under the supervision of the Corporate Secretary that interacts with the Board of Directors and related Divisions in the Company to support the disclosure of information about the Company. Investor Relations also communicates opinions, inquiries, criticism and advice from investors to the Management of the Company.

In addition, the Company regularly engages analysts and investors through forums such as public exposes, analyst's meetings, conference calls, analysts' visits, site visits, participation in conferences and non-deal roadshows.

The following investor relations activities were held in 2013 to present and explain the Company's continuously improving condition and achievements to shareholders.

Description	Frequency
External Report - Report to Bapepam-LK - Report to BEI	55x
Non-Deal Roadshow and Conference	13x
Analysts' Visit	91x
Conference Call: - Global Conference Call: - In house Conference Call:	27x
Site Visit	2x
GMS	2x
Public Expose	1x
Investor Summit	1x
Annual Report	1x

During 2013, the Company attended 13 Non-Deal Roadshows (NDR) and Conferences held by international securities companies such as Merrill Lynch, UBS, Goldman Sachs, Macquarie, Morgan Stanley, Daiwa and Deutsche. The Company also participated in an Investor Summit held by the Indonesia Stock Exchange. The Investor Relations Division hosted 194 company visits by analysts and fund managers in this country and abroad as well as 30 conference calls. Investor Relations consistently implements the principles of transparency and disclosure to comply with the regulations applicable to publicly listed companies.

**NUSANTARA SUYONO**

Head of Investor Relations Unit



PGN's Investor Relations team reaches out to the financial community and investing public in many ways. In FY 2013 we conducted more than 200 visits, calls and presentations. Pictured here is one of our site visits for management, analysts and regulators; they strengthen our commitment to transparency and depth in our financial reporting.

## Internal Audit Unit

The internal audit function at PT PGN (Persero), Tbk is performed by the Internal Audit Unit (IAU). The IAU is led by the Head of the IAU and reports directly to the President Director. The audit results are reported through the Audit Report, which is submitted not only to the President Director but also to the Board of Commissioners at the same time. The Head of the IAU is appointed and dismissed by the President Director, with the approval of the Board of Commissioners.

The Head of the IAU is assisted in performing his/her supervisory function by the Principal Auditors and Auditors and the Secretariat. The number of staff in the IAU is as follows:

Internal Audit Unit	Total employee
Head of Internal Audit Unit	1
Senior Auditor	3
Auditor	12
Secretariat	5
Total	21

### Implementation of the Duties and Responsibilities in the Internal 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.

Operationally, the implementation of the audit is based on the Internal Audit Operational Procedures as stipulated by Instruction of the Board of Directors 021200.I/HK.00.01/UT/2013 dated 12 April 2013.

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 others;
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. Developing a program to evaluate the quality of the internal audits performed; and
9. Conducting special audits if required.

## Internal Audit Unit (IAU) activities in 2013

### Routine Audits

In accordance with the 2013 IAU Annual Audit Work Program, which was stipulated by Decree of the President Director 021100.K/HK.00.01/UT/2013 dated 12 April 2013, three audits were performed in 2013, as follows:

Auditee	Audit Period
Investment & Operational Activities in SBU 1	1 April – 31 May
Revenue Recognition in SBU 1, 2 & 3	3 June – 7 August
Investment & Operational Activities in SBU TSJ	26 August – 31 October

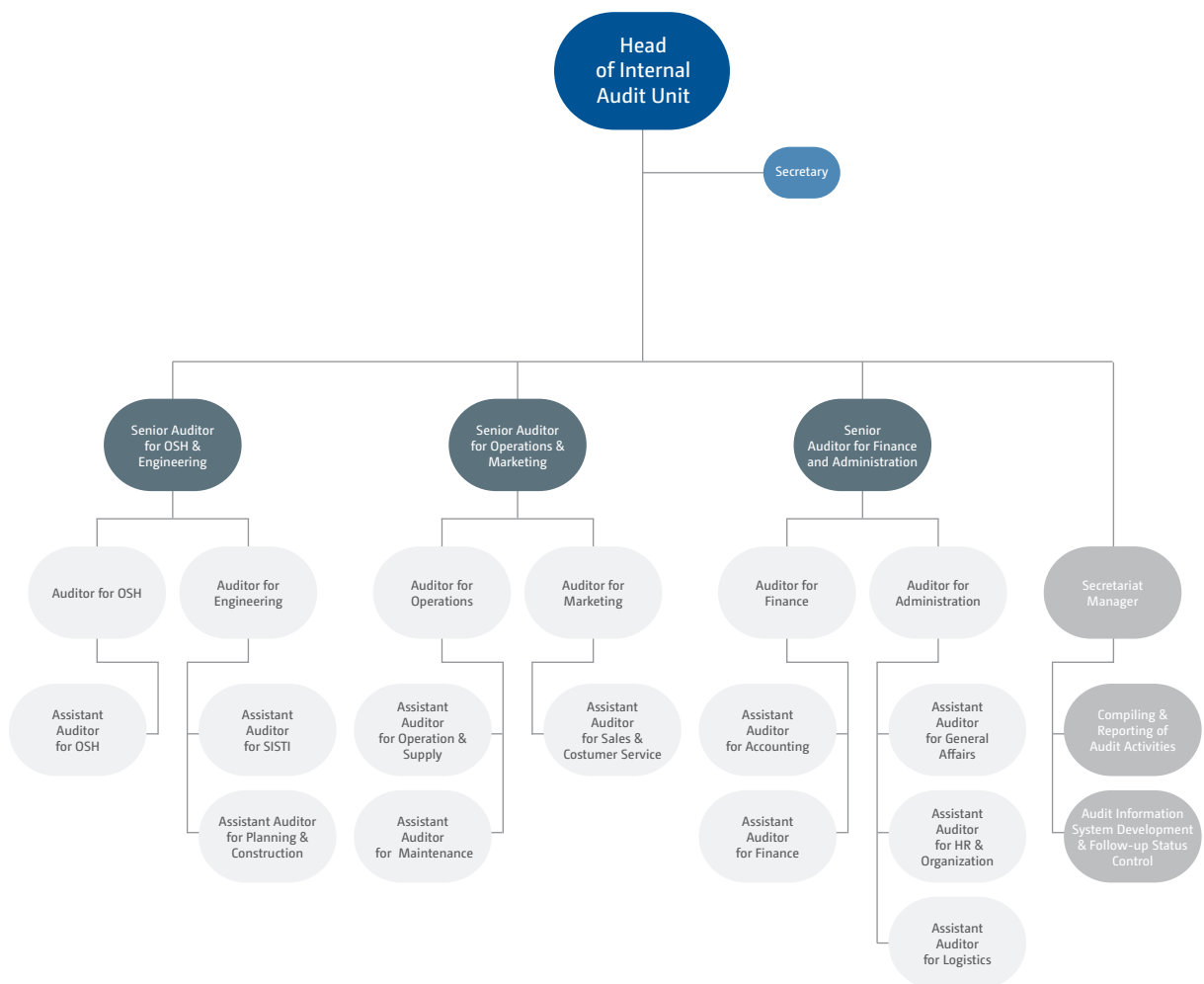
At the end of the year, IAU held a meeting to evaluate. Implementation of audit result for the current year and discuss the Audit program for the next year. The meeting held in Cirebon on 11-13 December 2013.

### 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.

## INTERNAL AUDIT UNIT ORGANIZATIONAL STRUCTURE



### Head of the Internal Audit Unit

The position of Head of the Internal Audit Unit is currently held by Pramono Harjanto, who was appointed on 7 February 2013 pursuant to Decree of the Board of Directors of PT Perusahaan Gas Negara (Persero) Tbk No.: 001600.K/HK.00.01/UT/2013 dated 23 January 2013.

### Career History and Legal Basis for Appointment

Graduated with a degree in Accounting Economics from the Gadjah Mada University, Yogyakarta, in 1996, and is registered State Accountant.

He began his career in the Oversight Division as an external Auditor at Public Accountants Hans Tuanakota & Mustofa (HTM)/ Deloitte Touche Tohmatsu International as a Senior Auditor from 1997 to 2001, and then became Internal Audit Supervisor at Petrochina International Companies from 2001 to 2005. He was Senior Manager of the Internal Audit at PT Transportasi Gas Indonesia from 2005 until 2013.

In addition to his structural positions he has also been active in the Internal Audit Unit Communication Forum (FKSPI) as Chairman IV of the Organizational Division since 2013.

The legal basis for the appointment is Decree of the Board of Directors of PT Perusahaan Gas Negara (Persero) Tbk No. 001600.K/HK.00.01/UT/2013 dated 23 January 2013.



**PRAMONO HARJANTO**

Head of Internal Audit Unit



## Certification and Training for Internal Audit Professionals

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

- 4 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);
- 1 auditor who, in addition to being QIA qualified, is also a CIA (Certified Internal Auditor), certified by the Institute of Internal Auditors, and is a CRMP (Certified Risk Management Professional), certified by the LSPMR (Risk Management Professionals Certification Institute);
- Several other auditors who have sufficient experience and are working towards certification.

To improve the competencies and professionalism of the IAU personnel in 2013 several audit staff were enrolled in professional training leading to auditor certification, either at the Center for the Development of Accounting and Finance (PPA&K) or the Internal Audit Education Foundation (YPIA).

In addition the IAU was also an active participant at national and international forums such as the National Internal Auditor Seminar (SNIA) organized by FKSPI (IAU Communication Forum) and IAU representatives regularly took part in international workshops and conferences held

by both the ECIIA and the IIA, including: SOPAC Conference 2013 in Brisbane, Australia, the ECIIA Conference 2013 in Vienna, Austria and the ACIIA Conference 2013 di Taipei-Taiwan.

## Internal Control System

As stipulated in Article 26 of Minister of SOEs Regulation No. PAER-01/2011 which replaced 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:

- (i) The development of a disciplined and structured internal control environment in the Company that includes financial, operational, human resources and regulatory compliance controls;
- (ii) Review and management of business risks;
- (iii) Control activities;
- (iv) Information and communication systems; and
- (v) Monitoring.

Financially and operationally, these are further elaborated in the form of policies, including Guidelines, Financial and Operational Procedures and Work Instructions.

### Evaluation of the Effectiveness of the Internal Control System

To evaluate the effectiveness of the internal control system, the Company established an Internal Audit Unit. The results of their evaluations form the basis for the Management's evaluation of the effectiveness of the internal control system to determine what, if any, remedial actions or updates of the system or policies are needed to enable Management to run the Company's operations more effectively.

### Risk Management

In the interests of practicing Good Corporate Governance (GCG), PGN applies enterprise-wide risk management as one of the pillars of GCG. The principles of transparency, accountability, responsibility, independence and fairness are applied to realize effective risk management. The basis for the implementation of risk management in PGN is the Regulation of State Minister of State-Owned Enterprises No.PER-01/MBU/2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises (SOEs), which was revised by Regulation of State Minister of State-Owned Enterprises No. : PER- 09 /MBU/2012 regarding the Amendment of Regulation of State Minister of State-Owned Enterprises PER-01/MBU/2011 regarding the Application of Good Corporate Governance in State-Owned Enterprises. Pursuant to this regulation, PGN implements risk management using the Committee of Sponsoring Organizations of the Treadway Commission - Enterprise-wide Risk Management (COSO-ERM) framework.

### Risk Management – Overview and System

PGN's Risk Management system is in the form of policies and procedures that are set out in the Risk Management Manual P-001/0.46 and the Risk Management Operational Procedures O-001/0.71. These policies and procedures specify the roles and responsibilities of each employee in the Company with regard to managing risks and the technical implementation thereof. The full cycle of the Risk Management process in the Company is as follows:

1. Identification of risk appetite
2. Initiation of risk assessment
3. Goal setting
4. Risk identification
5. Risk evaluation
6. Formulation of risk management measures
7. Information and communication
8. Risk monitoring.

Support for the implementation of effective risk management has been put in place by the establishment of a Risk Management Champion Team (RCT) in all Work Units pursuant to Decree of the Board of Directors/SBU General Manager. Each RCT is tasked with facilitating the implementation of risk management in its work unit from a method perspective. The capabilities of the RCT are regularly strengthened through internal coaching clinics and Risk Management training.

PGN assesses its risks through a self-assessment undertaken by each process owner in the Work Unit. For the purposes of quality control, this is verified by the Risk Management Division to ensure an accurate portrayal of the risk condition that provides a common understanding of the risks. The results of the entire Risk Management process are documented in a Corporate Risk Profile report, which is submitted regularly to the Board of Directors and the Risk Management and Business Expansion Monitoring Committee to be used as a basis for decision making.

## Risk Categories and Corporate Risk Management

### Risk Categories

In 2013 the Company identified, assessed, mitigated and monitored the risks inherent in all its operational functions and strategic initiatives. The key risks identified are as follows:

#### 1. Market Risks

The Company has taken into account market risks such as the potential reduction in the number and/or volume of customers caused by customers transferring their custom to other gas suppliers/traders or converting to other energy sources.

#### 2. Legal/Regulatory Risks

The Company faces potential losses regarding the implementation of unbundling and open access on its gas pipeline network. These would arise from the additional costs in the form of taxes, fees, and the cost of establishing new entities.

#### 3. Currency Risks

The Company is exposed to risks related to two currencies, the Rupiah (IDR) and the Yen (JPY) while the Company's functional currency is the US Dollar (USD).

- The Company is exposed to USD-IDR exchange rate risks due to the weak exchange value of the IDR against the USD where the Company's revenues are in IDR.
- The Company is exposed to exchange rate risks against the JPY because it has loans denominated in JPY.

#### 4. Operational Risks

The Company is exposed to risks in its gas transmission operations from potential damage to the pipeline network or facilities caused by various factors:

- Free span by sea currents
- Excessive loads on road crossings
- Illegal infiltration/third party liabilities

#### 5. Gas Supply Risks

There is a risk of a potential reduction in the supply of gas, which could arise from the following factors:

- A reduction in the productive capability of gas fields.
- The termination of a gas supply contract with a supplier.

#### 6. Social Risks

In this risk category, there is the potential for friction between the communities living in the vicinity of the pipelines if the pipeline is deemed to disrupt the activities of the community.

#### 2. Measures to manage Legal/Regulatory risks, including:

Coordinating with the regulator and conducting studies on the implementation of the open access and unbundling schemes.

#### 3. Measures to manage Currency risks, including:

- The Company has a natural hedge against USD-IDR exchange rate risks because our operational expenditures are denominated in IDR. Further, internal controls are applied in the form of efficient placement of funds in both USD and IDR.
- Hedging to mitigate JPY-USD exchange rate risks.

#### 4. Measures to manage Operational Risks, including:

- Free span correction
- Strengthening pipelines at vulnerable points
- Increasing the frequency of patrols along the pipelines and working with law enforcement agencies

#### 5. Measures to manage Gas Supply risks, including:

- Coordinating with suppliers to extend gas supply contracts.
- Seeking new sources of supply.
- Coordinating with the Government to ensure that gas supplies are allocated.
- Utilizing alternative modes of transporting gas such as LNG and CNG.

### Corporate Risk Management

The Company has taken measures to manage the risk above, as follows:

#### 1. Measures to manage Market risks, including:

- Coordinating with customers who indicate that they will switch to another supplier by offering more competitive pricing through the subsidiary.
- Enhancing service excellence to ensure customer satisfaction and loyalty.
- Developing new pipelines in existing areas to enroll new customers.
- Increasing customers through long-term gas contracts.

6. Measures to manage Social risks, including:  
Doing awareness raising with the communities living in the vicinity of gas pipelines and facilities, cooperating with government and law enforcement agencies and providing assistance/CSR to the local communities.

### Review of Risk Management System Effectiveness

In 2013, the application of a GRC (Governance, Risk Management, and Compliance)-based risk management information system, which was developed in 2012, was rolled out in every Work Unit in the Company. Every Work Unit has entry access to the application through the Company's intranet. Through this information system, all personnel can immediately provide information on identified risks to the personnel authorized to input data into the system so that the risks can be immediately analyzed and mitigated if necessary. The system channels real time data to a business intelligence application in the form of a risk dashboard that can be accessed by the Board of Directors and officers one level below the Board of Directors at any time. This is expected to make corporate risk control faster and more efficient.

In 2013, based on the recommendations of the maturity survey carried out in 2012, several programs were implemented to increase the effectiveness of risk management implementation in PGN. The programs included:

1. Strengthening a culture of risk awareness
2. Risk management awards
3. Corporate Risk Appetite Formulation
4. Improving Risk Management Competencies

PGN is committed to implementing risk management consistently by building and expanding the risk management infrastructure through adequate organization, risk management governance, and auxiliary elements as well as a conducive internal environment.

The organizational arrangements for risk management have been put in place in the form of the Risk Management Division, which is under the Directorate of Investment Planning and Risk Management. The function and responsibilities of the Risk Management Division are to formulate policy and monitor the implementation of corporate risk management, through the following duties:

1. Coordinating the identification and mapping of risks by work units (self-assessment) and analyzing the Company's key risks.
2. Assisting work units with risk assessment methods.
3. Coordinating the analysis of strategic risks, corporate development project risks, and corporate project implementation risks.
4. Internalizing/embedding risk management in all work units in the Company.
5. Coordinating risk monitoring and the implementation of mitigation plans in all units.

## Corporate Ethics

The Company has a Code of Conduct that was ratified by Decree of the Board of Directors No. 002600.K/HK.00.01/UT/2013 dated 25 January 2013 regarding the Code of Conduct.

In developing GCG, 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 our Business Ethics and Work Ethics.

### Content of the Code of Conduct

Business Ethics and Work Ethics are the norms, values and actions that are considered by everyone in the Company to be 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 has developed guidelines on business ethics that represent the desired standards of behavior in business and guide the Company as an entity in its interactions and relationships with stakeholders. The application of business ethics is expected to support improvements in the Company's performance by giving due attention to the interests of stakeholders in a manner that is ethical and based on the rule of law. Broadly speaking, business ethics provide guidelines for standards of behavior that must be adhered to in PGN's dealings with stakeholders, such as the disclosure of information, equitable treatment and fulfillment of the rights of stakeholders, antitrust, human rights protection, gratuities, the protection of intellectual property rights and so on. Some of the business ethics that apply to PGN employees are:

- a. Corporate ethics with Employees  
PGN protects the interests of the employees in line with the prevailing legislation. PGN believes that its employees are a valuable asset is supporting the achievement of PGN's vision and mission.

Expected ethical behavior in dealing with employees includes:

- Providing equitable remuneration, promotion, and rewards to employees in accordance with their performance, competence and loyalty;



- Protecting the rights of workers to elect to become or not to become members of the Trade Union;
- Creating a work environment that is safe, healthy, and free from all forms of pressure and intimidation;
- Implementing Collective Labor Agreements (CLA) consistently.

b. Corporate ethics with Customers

The Company prioritizes excellent service, a proactive attitude and a quick response in dealing with customers.

Expected ethical behavior in dealing with customers includes:

- A polite and professional attitude toward the customer (with excellent service);
- Delivering complete and accurate product information, particularly with regard to the specifications and safety of services and products;
- Being proactive and responsive in understanding and meeting the needs and expectations of customers.

c. Corporate ethics with Goods and Services Providers

The Company's procurement of goods and services is based on the following principles: competitive, transparent, fair, reasonable and accountable.

Expected ethical behavior in their dealings with suppliers of goods and services, includes:

- The selection of goods and services providers must be based on the quality of the product, after-sales service, warranties, performance and track record in prioritizing the interests of the Company;
- Respecting mutual rights and obligations under the agreement and statutory provisions;
- Maintaining open communication during the procurement process with regard to the fulfillment of the rights and obligations of the parties;
- Evaluating the suppliers of goods and services and sanctioning those who behave unethically.

d. Corporate ethics with Creditors

The Company receives loans for the interests of the business and to increase the Company's value.

Expected ethical behavior in dealing with creditors includes:

- The selection of creditors is based on the interests of the Company, taking into consideration the benefits, costs and risks;
- Respecting the rights of creditors, including the right to obtain information on the use of funds in accordance with agreement and statutory provisions.

e. Corporate ethics with the Government

With regard to interactions with central and local government, the Company maintains a harmonious, constructive and respectful relationship.

Expected ethical behavior in dealing with regulators includes, among others:

- Fostering relationships and good communications with the regulators to develop a business climate that is healthy, competitive and strengthens the competitiveness of the national economy;
- Fulfilling all business and licensing requirements professionally in compliance with the prevailing laws.

f. Corporate ethics with the Public

The Company implements social and community programs to empower the surrounding communities and improve their quality of life, and to work in synergy with government programs.

Expected ethical behavior in dealing with the public includes:

- Providing information and optimizing the distribution of the Company's assistance programs to the community;
- Providing opportunities for people who want to know about the activities of the Company, within certain limits, and promoting local products at Company events;
- Avoiding actions that lead to discrimination based on ethnicity, religion, race or class.

g. Corporate ethics with Shareholders

PGN is committed to improving value for shareholders in accordance with the statutory provisions.

Expected ethical behavior in dealing with shareholders includes:

- Treating shareholders and investors fairly in accordance with the number and type of shares held, so that they can exercise their rights in accordance with the Company's Articles of Association and the prevailing legislation;
- Providing public information to shareholders in full, accurately, promptly and accessibly in accordance with the statutory provisions on the one-door policy.
- Every investor and shareholder must abide by the provisions of the Articles of Association and all decisions taken lawfully in the GMS.

h. Corporate ethics with Natural Gas Suppliers

PGN realizes that the business of natural gas transmission and distribution is closely linked to the availability of natural gas from its suppliers. The Company continues to make efforts to establish harmonious and mutually beneficial relations with natural gas suppliers.

Expected ethical behavior in dealing with gas suppliers includes:

- Good, harmonious and mutually beneficial cooperation in accordance with the provisions of the gas purchase agreements and statutory provisions;
- Giving priority to negotiations for deliberation and consensus in resolving disputes with natural gas suppliers. Legal channels are the final resort in the settlement of disputes.

## 2. Work Ethics

Based on the values of the corporate culture and the principles of good corporate governance, PGN has compiled the Code of Ethics as a guide for every employee in PGN in the implementation of their duties and responsibilities. The work ethics that apply to PGN's employees include:

### a. Individual Commitment

- Continual improvement in work-related competence;
- Consistent completion of tasks, and responsibility taken for actions;
- Identification and development of methods to make work processes more effective and efficient;
- Initiative to implement the changes that add value;
- Priority given to the interests of the Company and avoidance of possible conflicts of interest;

- Compliance with policies, systems, procedures and other applicable provisions;
- Maintenance of all company resources in order to maintain continuity of operations, safety and health;
- Active participation in and contribution to the improvement of the natural and social environment in the vicinity of the operational areas;
- Providing the best service to internal and external customers;
- Identifying customer needs and maintaining good relationships with customers;
- Working professionally and with an awareness of costs to deliver optimal performance;
- All officers in the Company, including those entering retirement, must complete and submit the State Officials' Wealth Report (LHKPN) to the Corruption Eradication Commission (KPK).

### b. Cooperation Among Employees

- Be honest, courteous and respectful towards fellow employees of PGN, and appreciate the differences in gender, ethnicity, race, and class;
- Encourage mutual support among workers and between units of work to improve the Company's performance;
- Communicate any new ideas and mutually transfer knowledge and skills.

c. Legal and Regulatory Compliance

PGN employees are required to comply with the laws and regulations as well as the Company's internal regulations. Compliance with laws and regulations is realized through:

- Compliance with the standards, norms, laws and regulations that are applicable and relevant to the activities of the Company;
- Respect and obedience for the laws and regulations related to human rights;
- Compliance with regulations, systems and procedures throughout the Company.

d. Conflict of Interest

Employees at PGN should avoid any situation that could cause a conflict of interest between their private interests and the interests of the Company. Conflicts of interest are avoided by:

- Not having a stake/ownership in business entities as partners or competitors of the Company in an amount that could affect decision-making. This also applies to husbands/wives and children;
- Not having a business that is directly related to the Company's activities. This also applies to husbands/wives and children;
- Not giving or receiving a loan from a provider of goods/services or from customers;
- Not abusing or misusing authority or using facilities or means of the Company for the personal gain of the worker or for any other party.

e. Receiving Gifts

Employees at PGN may not accept gifts souvenirs/gratuities of any kind related to their job positions except:

- Receiving entertainment in the form of a meal;
- Receiving promotional items that include the logo/company name of the giver's Company.

f. Giving Gifts

PGN employees can give gifts/souvenirs and entertainment to others on the condition that:

- They are supporting the interests of the Company;
- The gift is not intended as a bribe;
- The gift has been budgeted by the Company.

g. Protection of PGN's Assets

PGN employees are responsible for managing the assets of the Company in accordance with the objectives of the Company. This is realized through:

- Being responsible for maintaining and securing the Company's assets from loss or damage;
- Finding savings and efficiencies in the utilization of the Company's assets;
- Being responsible for managing the Company's assets and preventing their use beyond the interests of the Company.

#### h. Data and Reporting

PGN employees are required to manage data, reports and information to the best of their ability as an important input in the decision-making process. This is realized through:

- Preparing reports based on information sources that are reliable and accountable;
- Presenting reports promptly, correctly, accurately and communicatively;
- Not hiding data.

#### i. Maintaining the Confidentiality of Data and Information

PGN employees utilize the Company's data and information to increase the Company's value and to make decisions by:

- Using an adequate data security system;
- Avoiding dissemination of data and information to those who it does not concern, either while working for the Company or after quitting;
- Handing over all data relating to the Company when the term of employment ends;
- Maintaining confidentiality of information about consumers.

#### j. Occupational Safety and Health and Environmental Management

Occupational Safety and Health and Environmental Management (OSH&EM) is part of the ProCISE culture.

Employee behavior with regard to the implementation of OSH&EM is realized through:

- Compulsory understanding of situations and conditions of safety, occupational health and the working environment and compliance with health, safety and environmental regulations;
- Their response to incidents and emergencies caused by security problems, accidents, pollution, natural and other disasters;
- Participation in creating a work environment that is safe and healthy.

#### k. Political Activity

The Company provides opportunities to every employee to channel their political aspirations; however, if workers decide to participate in practical politics they must comply with current regulations. Ethical behavior related to political activities includes:

- Not being a political party official, and not using the facilities of the Company for the benefit of a political party;
- Not contributing in any way to a political party outside the statutory provisions in force.

## The Code of Conduct Applies to All Levels of the Organization

In 2013, PGN continued to strengthen its commitment to implementing GCG, for example through regular GCG training, GCG dissemination and dissemination of the Code of Conduct. The Company's Organization and Business Process Division also distributed a pocket book on the Code of Conduct to all employees at Head Office, in SBU I, II and III, SBU Transmission and the Projects.

The Good Corporate Governance Manual and the Code of Conduct have also been published on the Company's website, <http://pgn.co.id> and portal, <http://portal.pgn.co.id> and can be easily accessed by all PGN employees.

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 that have been disseminated to employees, 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.



## CORPORATE CULTURE

*Good corporate governance will be implemented successfully if it is supported by a strong 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.

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

The Corporate Culture Manual of PT Perusahaan Gas Negara (Persero) Tbk was ratified by the Decree of the Board of Directors No. 010705.K/SM.02.02/UT/2009 dated 12 May 2009 regarding the Corporate Culture Manual.



Procise is the corporate culture that guides the behaviour of all PGN's employees



## PGN'S CULTURE

### PGN'S FIVE CORPORATE VALUES

The corporate culture represents the values and philosophies that everyone in the Company agrees to embrace as the foundation for PGN's goals and achievements.



PGN's corporate culture is defined by five fundamental values, which are abbreviated as ProCISE. The values are expressed in our business by ten Major Corporate Behaviors.

# I

#### PROFESSIONALISM

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

# II

#### CONTINUOUS IMPROVEMENT

Committed to continuously seeking improvement.

# III

#### INTEGRITY

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

# IV

#### SAFETY

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

# V

#### EXCELLENT SERVICE

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

## PGN'S TEN MAJOR BEHAVIORS



## PROFESSIONALISM

1 Responsible

2 Competent

CONTINUOUS  
IMPROVEMENT

3 Creative and Innovative

4 Adaptive to Change



## INTEGRITY

5 Honest, Open and  
Positive Thinking

6 Disciplined and Consistent



## SAFETY

7 Prioritize Safety and Healthy  
Work Environment8 Concern for Social and  
Natural EnvironmentEXCELLENT  
SERVICE9 Prioritize Internal and External  
Customers' Satisfaction

10 Proactive and Quick Response

## Stock Ownership by Employees or Management

Since the Company's stock (PGAS) was offered to the public and listed on the Stock Exchange, the Company has offered a Management Stock Option Program (MSOP) and an Employee Stock Option program (ESOP), which comprise three phases.

MSOP Phase 1, with a windown period of 2005-2006 and an exercise price of Rp 1,500. This resulted in 108,024,675 shares listed on the Jakarta Stock Exchange,

MSOP Phase 2, with a window period of 2006-2007. Of the allocated 54,012,338 shares, 53,930,825 shares were listed on the Jakarta Stock Exchange and the remaining shares were accounted for as treasury stock.

MSOP Phase 3, which by the resolution of Extraordinary General Meeting of Shareholders on 17 November 2006 transferred 54,012,338 shares previously allocated to the MSOP to the ESOP at an exercise price of Rp 10,503 per share. The window period was divided in to three: 15 February – 1 March 2007, 15 July – 14 August 2007 and 15 January – 14 February 2008. In total, 53,551,388 shares were listed on the Indonesia Stock Exchange.

### SHARE OWNERSHIP BY DIRECTORS AND COMMISSIONERS AS OF 31 DECEMBER 2012

Name	Position	Number of Shares	% Shares
Bayu Krisnamurthi	President Commissioner	0	0%
M. Zamkhani	Commissioner	0	0%
Kiagus Ahmad Badarudin	Commissioner	0	0%
Firmanzah	Commissioner	0	0%
Pudja Sunasa	Independent Commissioner	0	0%
Widya Purnama	Independent Commissioner	0	0%
Hendi Prio Santoso	President Director	0	0%
Jobi Triananda Hasjim	Director of Commerce	0	0%
Hendi Kusnadi	Director of Human Resources and General Affair	0	0%
Djoko Saputro	Director of Technology and Development	140,500	0.0005796%
Muhammad Wahid Sutopo	Director of Investment Planning and Risk Management	30,000	0.0001238%
Mochtar Riza Pahlevi Tabrani	Director of Finance	0	0%



## Whistleblowing System

The Company has issued a Whistleblowing System Manual, which was ratified by Decree of the Board of Directors of PT Perusahaan Gas Negara (Persero) Tbk No. 066303.K/PW.01/UT/2013 dated 24 December 2013 regarding the Whistleblowing System Manual.

In line with our commitment to practicing GCG, PT Perusahaan Gas Negara (Persero) Tbk gives due and consistent attention to the interests of all stakeholders in the interests of fairness and equality. Upholding this principle can be challenging, and requires a sustained and tangible effort.

However, reports of misconduct are often received from stakeholders as a result of the stakeholders' rights being given insufficient attention or even overlooked by the Company. If not resolved properly, stakeholders' reports of misconduct, or whistleblowing, can potentially be detrimental to the stakeholders and/or the Company itself. A standard mechanism for dealing with whistleblowing is needed in order to avoid prolonged conflict or dispute between the stakeholders and the Company, and ensure that such issues do not turn into bigger problems that could harm the Company's reputation or the public's confidence in the Company.

The resolution of whistleblowing disclosures is one means of increasing protection for stakeholders with regard to guaranteeing their rights in relation to the Company and ensuring that disclosures are dealt with in a way that satisfies the terms and conditions stipulated by

the Company, the Government and the competent authorities. This requires the formulation of an aligned management policy, system and procedures in a Whistleblowing Policy. The Whistleblowing Policy is a system that provides a channel for witnesses to report information on indications of misconduct in a company.

Disclosures received through the whistleblowing mechanism require due attention and follow-up, including the enforcement of the law, so that they can serve as a deterrent for the perpetrators of misconduct or those who are considering taking such actions.

The Company's Whistleblowing System is intended as:

1. A basis or implementation guideline for dealing with whistleblowing disclosures;
2. A channel for reporting matters that cannot be resolved through the organization's regular procedures;
3. A guarantee that there is a mechanism for resolving whistleblower disclosures effectively within a reasonable timeframe;
4. A means of avoiding negative publicity for the Company;
5. A means of supporting the principle of fairness in relations between the Company and the stakeholders as agents and partners of the Company;
6. As part of the effort to uncover various problems in the Company that are not consistent with the ethical standards it applies.



## Making a Whistleblower Disclosure

Referring to the Whistleblowing System Manual that was endorsed by the President Director pursuant to Decree of the Board of Directors No. 066303.K/PW.01/UT/2013 dated 24 December 2013, the provisions on Dealing with Whistleblower Disclosures are as follows:

1. The Company's obligation to accept and resolve Whistleblower Disclosures  
In this case the Company:
  - a. Must accept Whistleblower Disclosures from internal or external parties;
  - b. Must accept and resolve Whistleblower Disclosures from both whistleblowers who disclose their identity and those who remain anonymous;
  - c. Provides a channel for dealing with whistleblower disclosures, namely through the Ethics Committee;
  - d. The Ethics Committee will forward the whistleblower disclosure in line with the context of the reported party.
2. Receiving Whistleblower Disclosures  
The Company has put in place a mechanism for the Receipt of Whistleblower Disclosures, which includes the following:
  - a. Whistleblower disclosures are delivered to the Ethics Committee, whether they relate to the Board of Commissioners, the Board of Directors or Company employees;
  - b. Whistleblower disclosures can be made during or outside working hours;
  - c. Whistleblower disclosures are to be submitted through the Company's official channels;
  - d. The Company will accept all whistleblower disclosures from stakeholders and/or their representatives, orally or in writing;
  - e. The Company provides an explanation of the policies and procedures for resolving whistleblower disclosures when stakeholders and/or their representatives make a whistleblower disclosure;
  - f. Whistleblower disclosures may be delivered in writing or orally through the following mechanisms:
    - Through the Company's website: [www.pgn.co.id](http://www.pgn.co.id), "Whistleblower Disclosures" page
    - By email: [etik@pgn.co.id](mailto:etik@pgn.co.id)
    - By telephone, on the extension "etik". For every whistleblower disclosure, a phone log must be made, with information about the whistleblower and the substance of the report
    - Through a PO BOX, that will be opened periodically, witnessed by at least 2 personnel from the IAU and GCG and recorded in a formal report
    - By a formal letter, addressed to the Company c.q. Ethics Committee PGN, and delivered personally or by mail to the Company at this address:  
Ethics Committee PT PGN (Persero) Tbk  
Graha PGAS 5th Floor  
Internal Audit Unit

- g. Whistleblower disclosures in writing should be accompanied by supporting evidence such as: documents related to evidence of the initial indications of a violation;
- h. If a whistleblower disclosure is submitted in writing and identified, the Company provides a receipt, and if the whistleblower disclosure is not identified it will be recorded in the list of whistleblower disclosures;
- i. If a whistleblower disclosure is submitted by a representative of the stakeholders, the following documents should be submitted in addition to the documents above:
  - Photocopy of proof of identity of the stakeholders and their representative;
  - A letter of Power of Attorney from the stakeholders to their representative, stating that the stakeholders authorize the representative to act on their behalf; if the representative is an institution or a legal entity, a document must be attached stating that the party submitting the whistleblower disclosure is authorized to represent the institution or legal entity concerned.
- j. The Company must give a receipt for the whistleblower disclosure to the stakeholders and /or their representative who submits the report.

### Protection for Whistleblowers

The arrangements for the protection of whistleblowers are set forth in Chapter IV of the Whistleblowing System Manual and include the following:

1. The Company is required to protect whistleblowers;
2. Whistleblower protection is intended to encourage whistleblowers to come forward;
3. Whistleblower protection covers:
  - a. Guarantees that the identity of the whistleblower and the content of their disclosures will be kept confidential;
  - b. Guarantees of the safety of the whistleblower and their family.
4. A whistleblower will receive the Company's protection against detrimental treatment, such as:
  - a. Unfair dismissal;
  - b. Demotion of position or rank;
  - c. Harassment or discrimination in any form, and;
  - d. Damaging notes on their personal file record.

## Dealing with Allegations

The Company's measures for dealing with whistleblowing disclosures are set forth in Chapter III of the Whistleblowing System Manual and include the following steps:

1. The Ethics Committee verifies the reports received in order to make recommendations on the need for an investigation of the whistleblower disclosures within 10 (ten) working days;
2. Based on the results of the initial verification, the Ethics Committee forwards its recommendations to the Ethics Council for them to decide, within 10 (ten) working days, whether or not an investigation of the whistleblower disclosures is required;
3. If the results of the verification indicate that the whistleblower disclosures are unfounded and there is no evidence of misconduct, the process will go no further. Minutes will be made and signed by the Ethics Council;
4. If the results of the verification indicate that misconduct has occurred and there is sufficient supporting evidence, the Ethics Council will rule that the whistleblower disclosures can proceed to the investigation stage;
5. Whistleblower disclosures that involve PGN personnel who need to be investigated must be followed up by an inquiry by the Ethics Committee and if necessary they can use the assistance of other related functions or external parties;
6. The Ethics Committee reports the results of the investigation to the Ethics Council;
7. The Ethics Council will decide on the follow up to the investigation and determine the status of the whistleblower disclosures (whether the investigation should be closed due to a lack of evidence or sanctions should be imposed), and report to the President Director or the Board of Directors;
8. If the investigation is able to prove the involvement of PGN personnel, the follow up will be dealt with by the Ethics Council without the involvement of the parties concerned;
9. If the results of the investigation prove the involvement of a member of the Board of Directors, a member of the Board of Commissioners, a member of any of the organs supporting the Board of Commissioners, or a member of the Ethics Council, the follow up will be dealt with by the Board of Directors without involving the parties concerned;
10. Those proven of misconduct by the investigation will be processed in accordance with the prevailing regulations.

## Report Managers

The Company has established a Whistleblowing System Organ in accordance with the Whistleblowing System Manual, which was endorsed by the President Director pursuant to Board of Directors' Decree No. 066303.K/PW.01/UT/2013 dated 24 December 2013, which assigns the task of management to the Ethics Committee, which itself is accountable to the Ethics Council.

The Ethics Committee is a function or unit that is independent from the day-to-day operations of

the Company and has access to the most senior leaders in the Company. Such independent units include the Internal Audit Unit, which may be assisted by the legal, GCG or human resources.

The Ethics Committee has divided up the Committee's tasks. Tasks are divided between two divisions, as follows:

1. Disclosure Receipt Division

This division receives whistleblower disclosures and selects the disclosures that will undergo further processing by the Investigation Division, without disclosing the identity of the whistleblower.

The Disclosure Receipt Division is also responsible for implementing the whistleblower protection program, particularly with regard to confidentiality and guaranteeing the whistleblower's safety. For these purposes the officers in this division have access to legal, financial and operational assistance if required.

2. Investigation Division

This division is charged with conducting a further investigation of the substance of the allegations reported. The objective is to find and compile the evidence needed to verify that misconduct has occurred. If there is sufficient evidence, recommendations on sanctions for the party committing the misconduct are made to the Ethics Council for their decision. If the evidence is insufficient, the investigation will be closed and the disclosure will go no further. For the purposes of their work, the officers in this division receive operational assistance and information from all the units investigated.

The Ethics Committee is accountable to the Ethics Council. The Ethics Council is the organ directly responsible to the President Director and is tasked with deciding whether to terminate an investigation or order its continuance, making recommendations on the status of a report of a violation and the imposition of sanctions, and monitoring the follow-up on the report. The Chair and members of the Ethics Council consist of Directors who are assigned by, and responsible to, the President Director. If the results of an investigation prove the involvement of a member of the Ethics Council, the person concerned may be replaced by another member of the Board of Directors who is appointed by the President Director.

### Result of the Handling of an Allegation

The results of all investigations by the Ethics Committee are reported to the Ethics Council. The Ethics Council will decide how the investigation should be followed up and determine the status of the whistleblower disclosure (whether the investigation should be closed due to a lack of evidence or sanctions should be imposed), and report to the President Director or the Board of Directors. If the investigation is able to prove the involvement of PGN personnel, the follow up will be dealt with by the Ethics Council without the involvement of the parties concerned. If the results of the investigation prove the involvement of a member of the Board of Directors, a member of the Board of Commissioners, a member of any of the organs supporting the Board of Commissioners, or a member of the Ethics Council, the follow up will be dealt with by the Board of Directors without involving the parties concerned. Those proven of misconduct by the investigation will be processed in accordance with the prevailing regulations.

## Court Cases involving PGN

In 2013, the Company was involved in seven cases or legal suits. These are cases that are ongoing or unresolved and/or had legal force in the previous year. The cases are as follows:

<b>CLAIM BY RESIDENTS OF TANJUNG JABUNG</b>	
Case No.	1856-K/PDT/2003
Agency	Supreme Court
Parties	The residents of Tanjung Jabung (Plaintiff) opposing PGN (Defendant)
Claim Value	Rp 102,943,000
Resume	Land located along 536 km of the gas transmission pipeline route from Grissik to Duri is still in the process of being certified. During this process, a problem arose when some of the residents of the area around Tanjung Jabung, whose land was used for the Grissik – Duri pipeline route, demanded additional compensation.
Update	Pursuant to District Court verdict dated 22 April 2002, the Plaintiffs' claim was rejected and the Plaintiff filed an appeal with the Jambi High Court. Pursuant to verdict No. 31/PDT/2002/PT.JBI, dated 14 August 2002, the Jambi High Court upheld the verdict of the Kuala Tungkal District Court and the Appellant then filed a claim with the Supreme Court. As of 10 January 2014, the Supreme Court is still conducting an investigation.
Impact on the Company	This case had no effect on the Company

**APPEAL OF CRW ARBITRATION**

Case No.	18272/CYK
Agency	International Chamber of Commerce, International Court of Arbitration
Parties	PGN (Plaintiff) 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) on November 25, 2008 which ruled that CRW Joint Operation was entitled to receive a payment of USD 17,298,834.57 in relation to the installation of a gas pipeline located in Grissik-Pagardewa pursuant to contract No. 002500.PK/243/UT/2006 as amended by No.002000.AMD/HK.02/UT/2008 dated October 24, 2008. PGN filed a Notice of Dissatisfaction against the DAB Verdict.
Update	<p>On November 3, 2011, PGN received a letter from the ICC Secretariat dated November 1, 2011 giving notice of a Request for Arbitration from CRW Joint Operation to PGN through CRW Joint Operation's attorney Drew &amp; Napier in accordance with the letter dated October 28, 2011 to settle the issue. On October 12, 2012, CRW filed a Claimant's Application for an Interim/Partial Award. In response to the Application filed by CRW, on November 26, 2012 PGN submitted a Submission of the Respondent Against the Application for an Interim Award.</p> <p>On 22 May 2013, the Tribunal issued an Interim/Partial Award requesting the Company to pay in advance the claim submitted by CRW of US\$ 17,298,835 before it would be re-analyzed and eventually decided in the Final Award. The Company filed a request for the cancellation of the Interim/Partial Award with the Singapore High Court. On 10 October 2013 the Singapore High Court Judge issued a verdict that essentially did not agree with the arguments presented by the Company and upheld the Interim/Partial Award. On 11 November 2013 the Company filed an Appeal with the Singapore Court of Appeal against the Singapore High Court's verdict. Given that the filing of the Appeal above has not terminated the Arbitration process, the Tribunal is continuing the investigation of this case. As of 10 January 2014, this case is still being investigated by the ICC International Court of Arbitration and the Singapore Court of Appeal.</p>
Impact on the Company	This case had no effect on the Company



**APPEAL OF PT INDOSAT**

Case No.	549/Pdt/2013/PT.DKI
Agency	DKI Jakarta High Court
Parties	PT Indosat versus PT PGN 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	This case is an appeal against the verdict of the West Jakarta District Court No.: 665/Pdt.G/2010/PN.Jkt.Bar which acquitted Defendant I (PGN) of responsibility for fiber optic damage. The lawsuit filed by the Plaintiff (now the Appellant) was related to the alleged damage to the Fiber Optic cable along the Bandar Lampung-Merak-Jakarta (BALAMAJA) route belonging to the Appellant in the Province of Banten, which was caused by work on the development of PGN's West Java Distribution Pipeline Network by Defendants II-IV.
Update	On 18 November 2013, the Jakarta High Court delivered Letter No. W10-U/5307/HK.02/XI/2013 regarding the Receipt and Registration of the Appeal Case File, which stated that the appeal file had been received by the Jakarta High Court.  As of 10 January 2014, this case is still being investigated by the Jakarta High Court.
Impact on the Company	This case had no effect on the Company

**APPEAL OF KPPU**

Case No.	2K/Pdt.Sus/2013
Agency	Supreme Court
Parties	PGN (Plaintiff) PT Kelsri (Co-Plaintiff) Opposing Commission for the Supervision of Business Competition/KPPU (Appeal Respondent)
Claim Value	Rp 6,000,000,000
Resume	West Jakarta No.: 001/Pdt.P/KPPU/2011/PN.JKT.BAR upheld the decision of the Commission for the Supervision of Business Competition ("KPPU") which stated that PGN and PT Kelsri had violated Article 22 of Law No. 5 year 1999 regarding the Prohibition on Monopolistic Practices and Unhealthy Competition. In that verdict, PT. Kelsri was required to pay a Rp 4,000,000,000 fine and PGN was required to pay Rp 6,000,000,000.
Update	<p>On 19 June 2012, PGN and PT Kelsri filed a claim against the verdict of the West Jakarta District Court. On 13 November 2012, the KPPU filed a Counter Claim against the claim filed by PGN and PT Kelsri. On 31 May 2013, the Supreme Court issued a verdict rejecting the Claim filed by the Company and PT Kelsri and upheld the verdict of the West Jakarta District Court No. 001/Pdt.P/KPPU/2011/PN.JKT.BAR Jo. Putusan KPPU No. 38/KPPU-L/2010.</p> <p>However, as of 10 January 2014, The Company has not received an official copy of this verdict.</p>
Impact on the Company	This case had no effect on the Company.

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**CLAIM ON PIPELINE PROTECTION DESIGN**


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Case No.	453K/Pdt.Sus-HKI/2013
Agency	Commercial Court at the Central Jakarta District Court
Parties	Rimba Aritonang (Plaintiff) versus PGN (Defendant)
Claim Value	Rp 132,394,438,000
Resume	<p>This lawsuit was submitted by a retired employee of PGN related to the claimed ownership of the industrial design of a pipeline protection connection. The Plaintiff claimed ownership of the pipeline protection connection design that he designed when he was working at PGN. In addition, the Plaintiff also claimed that PGN has used the pipeline protection design without his permission as the holder of the Certificate of the Right to an Industrial Design.</p>
Update	<p>On 14 November 2012, the Plaintiff registered his suit with the Clerk of the Commercial Court at the Central Jakarta District Court.</p> <p>On 3 May 2013, the Panel of Judges at the West Jakarta District Court issued the following verdict:</p> <ol style="list-style-type: none"> <li>Partially upheld the Plaintiff's claim</li> <li>Stated that the Defendant has acted unlawfully in using the industrial design of the Plaintiff between 2005 and 2007 without the Plaintiff's permission</li> <li>Ruled that the Defendant should pay compensation to the Plaintiff of Rp 180,000,000</li> </ol> <p>On 23 May 2013, the Plaintiff filed a Claim with the Supreme Court through the Chair of the Commercial Court at the Central Jakarta District Court.</p> <p>On 8 June 2013 the Company filed a Counter Claim against the Claim filed by the Plaintiff above.</p> <p>As of 10 January 2014, this case is still being investigated by the Supreme Court.</p>
Impact on the Company	This case had no effect on the Company

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**CLAIM OF LAND OWNERSHIP AT JL YOS SUDARSO, MEDAN**

Case No.	559/Pdt.6/2013/PN.Mdn
Agency	Medan District Court
Parties	PT PLN (Persero) Unit Pembangunan I (Plaintiff), PGN (Defendant), T.M Chaloon (Defendant I), Ananda Kumar (Defendant II)
Claim Value	-
Resume	<p>In its Claim, the Plaintiff stated that the land concerned was an asset of the Plaintiff which was obtained from the Company pursuant to a division of assets by the Director of Gas and Electricity and handed over to the Plaintiff.</p> <p>The Company became involved in this case because the Plaintiff considered that the Company had acted unlawfully by signing a reconciliation agreement that did not mention that the land belonged to the Plaintiff.</p>
Update	<p>On 10 December 2013 a session was held to read the Plaintiff's claim. Regarding the Claim, the Panel of Judges asked the Defendant to deliver a response at the session scheduled for 22 December 2013.</p> <p>As of 10 January 2014, this case was still under investigation by the Medan District Court.</p>
Impact on the Company	This case had no effect on the Company

### CLAIM BY MAATS PIPELINE EQUIPMENT

Case No.	545/Pdt.6/2013/PN.Jkt.Pst
Agency	Central Jakarta District Court
Parties	PT Maats Pipeline Equipment (Plaintiff) Opposing PT Remaja Bangun Kencana (Defendant I) PT Winatek Widita (Defendant II) PT Citra Panji Manunggal (Co-Defendant I) PT PGN (Co-Defendant II)
Claim Value	€ 595,827.98
Resume	The Company received a claim filed by Maats Pipeline Equipment to the Central Jakarta District Court in relation to the outstanding obligations of PT Remaja Bangun Kencana (Defendant I) and PT Winatek Widita (Defendant II) regarding payment for the lease of heavy equipment used by the Defendants and PT Citra Panji Manunggal (Co-Defendant I) for work on the Grissik – Pagardewa pipeline development project (“the Job”), of € 595,827.98
Update	The Company is involved in this issue as the Job Owner, for which the Defendants and Co-Defendant I are contractors who are working on the Job of developing the pipeline for the Grissik – Pagardewa route.  As of 10 January 2014, the Central Jakarta District Court is still investigating the case.
Impact on the Company	This case had no effect on the Company

### Information regarding Administrative Sanctions

In 2013 no administrative sanctions were imposed by the Capital Market Authority or any other authority on PGN, members of Board of Commissioners or members of the Board of Directors.

### 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](http://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 via 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](mailto: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](mailto:investor.relations@pgn.co.id) or calling (6221) 6334838.





To secure the continuity of supply, SEI is supported by highly competent professional and expertise has invested in participating interest in several oil and gas blocks.

# 06 | CORPORATE SOCIAL RESPONSIBILITY





## CORPORATE SOCIAL RESPONSIBILITY



We believe that by fulfilling our social and environmental responsibilities fully and accountably, PGN will be welcomed by communities and other stakeholders

### 6 Mobile Healthcare Unit

(Surabaya, Bekasi, Banten,  
Lampung, Palembang, Medan)



Social and Environmental Responsibility is the Company's commitment to being a part of sustainable economic development aimed at improving quality of life and the environment not just for the Company, but also for local communities, society as a whole and for future generations. We believe that PGN will be better accepted by local communities and other stakeholders if we meet our Social and Environmental Responsibility obligations properly and conscientiously. In our role as an "agent of development", PGN is involved in the Government's efforts to create a prosperous society through the implementation of various environmental, social, and community development programs.

After establishing Kampung Binaan Pagardewa in 2011 and Kampung Binaan Tenun Garut in 2012, PGN developed Kampung Perak Pampang and Kampung Perak & Tembaga Sodo in Gunung Kidul in 2013 as part of our ongoing commitment to Social and Environmental Responsibility.

### **Our Definition of Social and Environmental Responsibility**

PGN has adopted the definition of Social and Environmental Responsibility (SER) articulated in Article 1(3) and Article 74 of Law No. 40 of 2007 regarding Limited Liability Companies. In 2012, the implementation of SER was reaffirmed by Government Regulation No. 47/2012, as mandated by Law No. 40 of 2007.

Social and environmental responsibility is more commonly referred to by the international community as Corporate Social Responsibility (CSR). For a listed company like PGN, SER is synonymous with CSR. As defined by the international community, CSR involves not only charitable donations, but also encompasses broader concerns, such as the environment, respect for human rights, the obligation to provide a comfortable working conditions and maintain good working relations with the employees, prioritizing health and safety in the workplace and playing a role in local economic and community development.

CSR in PGN is based on our CSR concept, “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 for social concerns.

### Scope and Funding of SER

Between the end of 2012 and September 2013, the implementation of this program has undergone several policy changes, the most recent being stated in Regulation of the Minister of State-Owned Enterprises No. PER-08/MBU/2013.

These policy changes have had an impact on the implementation of the Partnership and Community Development Program in PGN, as follows:

1. The funds for the Partnership and Community Development Program, which were originally appropriated from after-tax profit, are now a budget item and calculated as a cost.

2. The disbursement of loans for the partnership program has been temporarily suspended. The Partnership Program is implemented using funds from a portion of retained earnings from the previous years, including loan instalment repayments, and does not use the Company's budget. The Community Development Program, apart from using the Company's budget, also uses a portion of retained earnings from the previous year.

CSR is related to the day-to-day activities of each work unit, which are regulated by the Company Rules, in that it is the implementation of various provisions and regulations, including laws on the environment, labor, oil and gas, and so on. These activities include environmental responsibility, labor practices, occupational health and safety, and product responsibility.

The Partnership and Community Development Program (PCDP) is packaged into various programs that are managed by the Social and Environmental Responsibility Division, which reports to the Director of Finance. Broadly, the program covers the Partnership and Community Development Program and the CSR program.



## ENVIRONMENTAL RESPONSIBILITY



Our responsibility to the environment is reflected in the use of material by using pipelines made of steel or plastic PE materials and other protectors making them anti-corrosion-resistant and durable enough to withstand long-term burial in the ground (for around 30 years) with a minimal impact on the environment.

**Policy**

PGN's commitment to environmental responsibility is fulfilled through various programs that are managed by separate work units, the Occupational Safety and Health and Environmental Management (OSH&EM) Division and the SER Division.

In 2013, PGN renewed its vision, policy and commitment on OSH-EM and in particular on managing the environment. PGN is endeavoring to create sustainability not only by its commitment to safety, health and the environment, but by actively optimizing energy use as an integral part of this.

## Environmental Responsibility

Policies on environment and energy have been integrated with PGN's Occupational Safety & Health and Environmental Management (OHS&EM) policy, which has been renamed the Occupational Safety & Health and Environmental & Energy Management (OSH&EEM) policy.

Based on the commitments articulated in those policies, PGN focused on energy management and environmental management systems in 2013. Several programs related to energy management were initiated, as was the environmental management system. Even though PGN is not yet planning to obtain ISO 14001 certification, its environmental management is already based on an environmental management system.

In implementing this policy, PGN has set a target of zero for fatalities, disease and environmental pollution caused by the Company's business operations. To achieve these targets, we:

1. Implement the Occupational Safety & Health and Environmental & Energy Management (OSH&EEM) system and comply with the applicable laws and other requirements;
2. Take proactive and preventive action to create an environment that is safe, hygienic, non-polluting and energy efficient;
3. Make efforts to conserve energy to make energy use more efficient;
4. Provide guidance for all employees by conducting continuous OSH&EM education and training and embedding a culture of reward and punishment;

5. Investigate every incident, work accident and work-related illness as well as every case of environmental pollution and ensure that the results are used to take preventive action;
6. Evaluate the performance of the OSM&EM system regularly to ensure continuous improvement.

In response to climate change, PGN has established an environmentally friendly policy, and we encourage business partners and the community to participate in our environmental conservation program. In our operations, such as operating compressor turbines, PGN uses natural gas, which is a more environmentally friendly source of energy. The Company also utilizes natural gas as a coolant in place of Freon, which is not environment-friendly.

### Use of materials

In developing our distribution and transmission network, the Company uses pipelines made of steel or plastic PE materials with a carefully calculated thickness. The pipelines are protected by PE linings and other protectors, making them anti-corrosion and durable enough to withstand long-term burial in the ground (for around 30 years) with a minimal impact on the environment.

### Waste management

PGN's operations do not generate liquid waste, solid waste, or emissions that directly endanger the environment. The materials used to filter out impurities from the pipelines are disposed of in compliance with the regulations so as not

*Environmental transformation throughout the company, aimed at making PGN an environmentally friendly company by living up to the motto of 'green and clean energy for life'*

to pollute the environment. PGN's policy is to recycle the waste paper from our operations to make recycled paper. PGN is also working with other parties to implement this policy. PGN's conservation programs protect the environment and help to conserve natural resources and energy resources.

### Program Activities

The tangible manifestation of PGN's commitment to efforts of the environment conservation and Greenhouse Gas (GHG) mitigation is environmental transformation for the entire scope of business activities. This environmental transformation is aimed at making PGN a more environmentally friendly company with a spirit of green and clean energy for life.

To ensure the "environmental transformation" continues to grow into a work culture, we have applied an Environment and Integrated Energy Management System, which is based on PGN's Roadmap to Environment Transformation.

We completed design of the 2013-2017 Environmental Transformation Roadmap based on the achievements of environment program targets from previous years. In 2013, we started the implementation stage in accordance with the determined program to continue the initial stages of the previous year's environmental programs. The realization of these programs is to ensure that PGN as a company not only complies but exceeds expectations and is beyond compliance in running and participating environmental conservation activities.

In the implementation of environmental transformation roadmap, we carried out the following activities:

- Participating in the PROPER (Program to Assess and Rank Company Performance in Environmental Management) awards held by the Environment Ministry for Pagardewa Gas Compressor Station in South Sumatera and the Strategic Business Unit Distribution Area II, Eastern Java.

- Developing a carbon footprint calculation
- Implementing Environmental Impact Analysis (EIA) or Environmental Management and Monitoring Plans (UKL-UPL) and completing all environmental permits.
- Conducting an energy audit in SBU Distribution Area I in follow up to the previous year's program. The 2012 audit was in Head Office, SBU Distribution Area II and SBU Transmission Sumatera Java.

The activities of environmental transformation consist of a series of activities including:

a. Energy Audit at SBU Distribution I

The aim of this energy audit is to identify opportunities to improve energy efficiency, which can be followed up for positive impact, such as:

- Reducing energy costs.
- Improving energy management systems. with the expectation of eventually achieving green level energy.
- Identifying places/facilities with the largest energy consumption or which have low efficiency.
- Improving the understanding and awareness of personnel on energy saving and changing energy habits.

b. PROPER

Referring to the Environmental Road Map drawn up in 2012, PGN wanted to participate actively in the Corporate Performance Rating

Assessment on Environmental Management Program (PROPER), so to be able to participate in PROPER 2013, PGN actively applied to participate in the PROPER program. In 2013, PGN's application was approved by the Ministry of the Environment. Two of PGN's assets, Pagardewa Gas Compressor Station in South Sumatra and Strategic Business Unit II - Distribution for Eastern Java took part in PROPER 2013 and succeeded in earning a BIRU rating in their first year. SBU II was even a finalist in the PROPER Green Rating 2013 in only its first year of participation in the program.

The Environmental Transformation Road Map for 2013–2017 is based on PROPER rating targets. In principle, therefore, the 2013–2017 Environmental Transformation Road Map is the continuation of the Goals, Objectives and Programs that have already been set. At the initiation phase, the environmental programs in 2012 focused on preparing the systems, infrastructure, human resources and other resources needed to attain the Blue PROPER rating in 2013, namely compliance with environmental regulations. In the next stage, we plan to develop more advanced programs to achieve the Green (beyond compliance) rating between 2014 and 2016 and the Gold (environmental excellence) rating in 2016 or 2017.

#### c. Carbon accounting

Internet-based carbon calculators have been developed by many organizations. However, the carbon calculators that can now be found all over the web tend to be based on the lifestyles, technologies and habits of developed countries, particularly in Europe and North America. The emissions they measure are also more relevant to the technological developments in those countries. Thus many of the features or activities in those calculators are neither relevant nor appropriate to day-to-day conditions in developing countries.

The carbon calculator developed by PGN is part of the environmental transformation we are undertaking. This carbon calculator covers emissions from our energy consumption, including electricity from PLN and from our own generators, as well as emissions from the use of our operational vehicles.

PGN's Carbon Calculator is easily applied by just entering data such as the amount of Kwh of electricity consumed from an electricity meter, vehicle fuel consumption or volume of gas used in m<sup>3</sup> for the specific location and year. The system we have developed makes the conversion based on international standards, then shows the carbon emissions result in the form of a table or graph.

#### d. AMDAL and UKL-UPL Implementation

PGN's core activity is the transmission and distribution of natural gas from the supplier to the customer. Before being distributed, natural gas must first be processed to ensure that the quality is in line with the specifications.

Given that PGN's business is based on natural resource exploitation, PGN has a commitment to manage its environment wisely and responsibly. PGN therefore is strongly committed to complying with all relevant provisions of the law, including Law No. 32 of 2009 regarding Environmental Protection and Management.

All PGN's operational activities must take into account the provisions stated in the environmental Impact Analysis, or AMDAL, and the Environmental Management Program/ Environmental Monitoring Program (UKL – UPL). With these documents, PGN can consistently anticipate potential impacts, while seeking and evaluating the best alternative solutions to address the impacts.

Evidence of PGN's environmental management practices can be seen in the implementation of the AMDAL and the reports on the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) and UKL/UPL. In addition, we succeeded in obtaining the following environmental permits in 2013:

1. Environmental Permit for the Planned Construction of Natural Gas Transmission and Distribution Pipelines and associated facilities in Duri-Dumai, Bengkalis District and Dumai City in Riau.
2. Environmental Permit for the Development of the Palembang Distribution Pipeline Network in Ogan Ilir District, South Sumatra.
3. Environmental Permit for the Planned Construction of the Labuhan Maringgai – Tanjung Karang Distribution Pipeline in Lampung.
4. Environmental Permit for the Construction of the Kalisogo – Waru Pipeline in East Java.
5. Environmental Permit for the Construction of the Ajinomoto - Cheil Jedang Pipeline in East Java.
6. Environmental Permit for the Construction of the Otsuka – Purwosari Pipeline in East Java.
7. Environmental Permit for the Construction of Metering Japanan in East Java.
8. Environmental Permit for the Installation of a Distribution Pipeline in Tangerang District, Banten and Bogor District, Bogor City and Depok City in West Java.

#### e. Training

To ensure that the environmental transformation is successful, the PGN employees concerned need to be trained. Training was needed on the following:

- 1) Internal Audit ISO 14001 Training
- 2) PROPER Training

In addition to the environmental transformation, PGN also implemented various environmental conservation activities through the Community Development Program and CSR Program, using a total of Rp 7.76 billion. In 2013 these activities included:

- Tree planting program: 10,000 trees in the tourism area of Kasongan, Yogyakarta.
- Tree planting program: 2,500 trees at East Java.
- Tree planting program: 488,175 trees in the Sentul eco-edu-tourism forest over an area of 709 Ha.

These activities are the tangible results of PGN's contribution to nature conservation. They are making a positive impact on the environment and addressing global warming and climate change. We hope this will inspire the community, and particularly our employees, to be more aware of the importance of a clean and healthy environment.



### Financial Impact of Environmental Activities

Expenditure on environmental activities during 2013 amounted to Rp 127.74 billion, and covered environmental conservation, environmental management and monitoring, the preparation of environmental documents, environmental campaigns, and hazardous and toxic waste management.

### Environmental Certification

PGN's operational activity is centered around becoming a world class energy company in the utilization of natural gas, environmental control, occupational safety and health.

OHSAS 18001 is a globally recognized system for occupational health and safety management. OHSAS 18001 (Occupational Health and Safety Management System: 18001) was launched by BSI (the British Standards Institution) in 1999 and came into effect on 15 April 1999. This standard

was formulated jointly by 13 standardization and certification bodies from several countries. In addition to complying with Government Regulation No.50 of 2012 regarding the Application of OSH Management Systems in Companies, in 2013 PGN implemented OHSAS 18001:2007 and OSH Management Systems certification in all operational units and the Head Office to demonstrate that it had implemented OSH Management Systems within the Company and is complying with Government policy. The results of the Certification were very satisfying: all operational units, the Head Office and projects received the OHSAS 18001:2007 certificate, and stepping up the application of OSH Management Systems based on Government Regulation 50 of 2012 produced encouraging results for going to the next Level.

## LABOR, OCCUPATIONAL SAFETY AND HEALTH PRACTICES

### I. LABOR PRACTICES



PGN frequently provides trainings to enhance employees' professionalism to ensure the reliable operation of its pipeline networks.

#### Policy

PGN is strongly committed to gender equality and equal employment opportunities and to providing training to enhance employees' professionalism as well as to ensuring competitive rewards and remuneration in line with industry standards. Attention, facilities and strong commitment are also focused on workplace safety through various programs to raise employees' awareness of occupational safety and health.

#### A. Opportunities and Equality

As the organization and the business grows, PGN's demand for human resources becomes greater and more diverse. The Company needs people who are competent in their field and qualified to the standards required by the Company.

In an effort to recruit high quality candidates, PGN organizes a Pre-Selection Educational Scholarship Program in cooperation with Taruna Nusantara High School in Magelang

and PT AKAMIGAS STEM in Cepu to guide and prepare potential employees who have capabilities in the natural gas industry. Every year PGN selects 10 Taruna Nusantara High School graduates to take the Diploma I, II and III programs at PT AKAMIGAS STEM-Cepu. If the scholarship recipients graduate, they will be recruited by PGN.

#### **Equality in the Recruitment Program**

PGN gives equal opportunities to all, male or female, regardless of their ethnic background, religion, race, class, gender or physical condition, to apply for PGN's recruitment program. Employment is based on the selection process, the evaluation of the probationary period and an orientation.

#### **Equality in Education and Training Programs**

To improve human resource competencies, PGN organizes various training and education programs in line with the development of PGN's business. In 2013 PGN held four mandatory competency programs for 112 participants, 14 supporting competency programs for 711 participants, and 65 specific competency programs for 1,435 participants. Besides in-house training, PGN held 129 domestic and overseas public training for 281 participants and provided ten training and development program for 35 participants.

### **B. Industrial Relations**

PGN optimizes the management of its human resources with due regard to the employees' interests. As part of the implementation of its quality human resource management policy and to take into account the interests of both management and employees, the Company has put in place an industrial relations policy, because we recognize that successful human resource management always begins with a harmonious employer-employee relationship.

PGN considers its employees as partners in profit, partners in responsibility and partners in production.

This realized through the involvement of three parties— employees, the employees' union and the Company. PGN therefore fully supports the establishment of the PGN employees' union, SP-PGN. PGN's successful industrial relations:

#### **1. Signing of Collective Labour Agreement**

The Collective Labor Agreement (CLA) was agreed on 4 July 2013 and approved by the Ministry of Manpower and Transmigration of the Republic of Indonesia in decree No 106/PHIJSK PKKAD/PKB/VII/2013 dated 9 July 2013.

The CLA accommodates the rights and obligations of the company and employees equally. The CLA is intended to:

- Provide assurance on the rights and obligations of the company and its workers, including: industrial relations, working conditions, and the Company Code of Conduct;
- Strengthen and enhance the cooperation between the company and its employees;
- Regulate the fair resolution of disagreements so that they do not lead to disputes. Any differences are to be resolved through discussion and consensus.

The rights of all PGN's permanent employees are protected in the CLA.

## 2. Successful Compliance with Labor Rules and Regulations

PGN's HR management complies with all labor rules and regulations. Compliance minimizes the occurrence of human rights and industrial relations violations. The cornerstone of labor management is the CLA.

Various other policies in the CLA illustrate PGN's compliance with labor laws, including those below:

### a. Conducive Work Environment and Good Communication with Employees

PGN consistently sets out to maintain harmonious industrial relations with its employees, to contribute jointly to improving the Company's performance by promoting harmonious relations between employees, to build a spirit of 'family' and to treat all members of the organization equally, in line with Indonesia's Labor Law. Achieving these objectives requires good cooperation in an environment of mutual appreciation, mutual trust and mutual respect, while maintaining good two-way communication.

In support of good communication between employees and between management and employees, PGN has developed a corporate portal that can be utilized and optimized by all employees to support communication in the course of their day-to-day work.

The corporate portal includes the following features:

- Corporate e-mail application;
- e-sms application, to enhance administrative productivity and efficiency;
- e-attendance application to monitor employee absences;
- Knowledge Management Online (KMOOn), an application for sharing knowledge and best practices in day-to-day work.

*in 2013, PGN provided equal opportunities to all, male or female employees to attend various trainings and competency program*

PGN also publishes an official quarterly magazine, Gas News, and a monthly tabloid, PGN Inside. These publications contain information about the Company and the business, as well as featuring exemplary PGN employees.

With the support of these reciprocal initiatives, the Company and employees fully agree to maintain good cooperation. The CLA is expected to promote calm and continuity, boost productivity and improve employees' welfare.

PGN has demonstrated its ability to create a good and healthy working environment with solid teamwork. Throughout the history of PGN there have never been any mass demonstrations or strikes in protest against management policies.

#### **b. Low Employee Turnover**

A good working environment tends to be reflected in low employee turnover. In 2013, PGN has 1,540 employees, a slight decrease from 1,564 in 2012. This was for the most part due to natural causes, i.e. retirement or death.

#### **c. Freedom of Association**

As a public company, PGN guarantees the employees' right to associate by creating a labor union. Management has made this guarantee as it believes that employees and employers need each other. Workers' freedom to associate is guaranteed by Law No.21 year 2000 on Employee Unions. Workers and unions have an important function in industrial relations – doing the work in accordance with their obligations, maintaining continuity of production, channeling democratic aspirations, developing skills and expertise and helping to advance the Company and the welfare of its members and families.

Currently, the union at PGN is the Employee Union (Serikat Pekeja) of Perusahaan Gas Negara (Persero) Tbk, abbreviated as SP-PGN. SP-PGN, which is independent and unaffiliated, was registered at the West Jakarta Office of Manpower and Transmigration under registration number 387/II/P/ IX/2009 on 19 September 2009. The management of SP is spread among PGN's organizational units and centralized in the central committee at PGN's Head Office.

With the establishment of this union, the three principles of partnership (partner in profit, partner in responsibility and partner in production, or 3P) in industrial relations should be reflected in the day-to-day work. As a partner in profit, the employees receive part of the profits of the company, while as a partner in responsibility and partner in production, the employees cooperate with the employer to ensure that the company progresses and develops. The existence of SP-PGN therefore benefits both management and employees.

In applying the 3P principles, the Company conducts regular surveys of employee satisfaction to get direct feedback from the employees. Union membership is not mandatory. PGN believes its relationship with SP-PGN to be harmonious and that any problems can be resolved by consensus.

#### **d. Working Hours**

To avoid over-exploitation of employees, the Company has set limits on working hours. Working hours are determined by the area of work and the nature of the job. In PGN, this applies to regular working hours, shift work and special working hours that apply to the completion of jobs in specific areas.

If an employee works beyond the time specified, overtime will be paid in accordance with the law.

#### **e. Holidays and Leave**

In addition to the provisions on break times during work days, annual leave and long leave every 3 years, PGN also compensates employees with paid leave for various purposes, such as to perform a pilgrimage or other religious obligation, and maternity and menstrual leave for female employees.

#### **f. Remuneration**

PGN's current remuneration system has been applied since December 2010 in response to PGN's 3 key requirements 3:

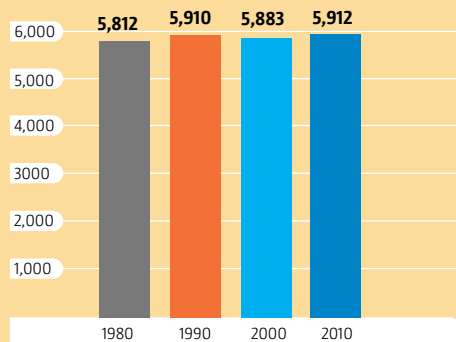
- To attract the best talent;
- To motivate employees to give their best so that the vision and mission can be achieved, and
- To retain the best talent.

In designing such a remuneration system, internal equity and external competitiveness are always the main





PGN has invested in a conservative yet consistent way in developing the natural gas pipeline network.



#### PIPELINE IN SERVICE-KM

points of reference. The objective is to produce a remuneration system that is fair. To create internal equity, all positions are evaluated using the Hay System methodology to generate a job grade. To maintain external competitiveness, PGN routinely undertakes a salary survey benchmark PGN's compensation package against those of its peer companies.

#### g. Human Rights

PGN upholds the human rights of employees and provides full support for the establishment of the PGN labor union, SP-PGN. Through SP-PGN, employees can express their opinions and aspirations freely, and act individually or collectively. International Labour Organization (ILO) Convention No. 87 of 1948 protects the right

of employees to organize. The Indonesian government ratified this Convention on June 5, 1998, through Presidential Decree Number 83/1998. PGN supports the activities of SP-PGN by providing facilities, funding and permission for SP-PGN organizers and members to carry out activities during office hours, provided that they are not in contravention of the law.

PGN upholds human rights by not practicing discrimination based on age, gender, ethnicity, religion or political affiliation. This is reflected in both the day-to-day work environment and in recruitment. As of the date of this report, PGN has never taken any action that violates or discriminates against anyone's human rights.

#### h. Child Labor and Forced Labor

In accordance with the Government's decision to ratify various human resource instruments, especially the ILO Conventions, PGN does not employ underage children. As of the date of this report, the age of the youngest employee in PGN was 20 years old. The minimum age for employment in the Company is 18 years old.

The nature of PGN's business means that it is required to operate reliably 24 hours a day. To that end, PGN uses a shift system in some of its operations. The shifts depend on

the conditions encountered in the field, but there are usually 2-3 shifts a day. This system is intended to prevent any actions that could be categorized as forced labor. While working, each employee has the opportunity to take breaks at certain times. If a shift goes over time, the employee is compensated by an agreed amount. Clearly, therefore, PGN does not use forced labor.

#### **i. Establishing a Successful Bipartite Cooperation Institution**

Pursuant to the employment mandate in Law No.13 of 2003 and the Ministry of Manpower and Transmigration Decree No.255/Men/2003 regarding the Procedures for the Establishment and Composition of the Bipartite Cooperation Institution (BCI), PGN established such a body with representatives of the employees and the Company as members. A BCI is needed to avoid or minimize misunderstandings and to accommodate the desires and aspirations of the Company and the employees.

A BCI can be regarded as a forum that connects the employers and employees and allows for the discussion of various issues concerning their interests. BCI meetings are held every quarter in the interests of maintaining harmonious industrial relations.

#### **j. Successfully Minimizing Breaches of Discipline**

In maintaining and improving employee discipline, PGN provides direction, management and guidance to minimize the imposition of disciplinary sanctions on employees. Employees who violate company rules are subject to disciplinary actions to correct and guide their attitude and behavior, in order to create a conducive working environment. Employees who commit breaches of discipline are always given a chance to rectify the situation.

If an employee objects to a disciplinary action, he/she can file a complaint as set forth in the CLA. Industrial disputes are settled in accordance with Law No.2/2004 regarding the Handling of Industrial Disputes. The level of discipline is very good in PGN, as evidenced by the small number of employees who receive warning letters for disciplinary violations.

#### **Benefit Program**

In addition to an attractive remuneration package, PGN also offers various compelling benefit programs for employees and their families, such as health care, treatment insurance, accident insurance, assistance for performing the hajj or other religious pilgrimages, educational scholarships and so on.

In 2013 several new benefit programs were launched by the management, including the following:

- **Employee Assistance Program**

In the middle of 2013, PGN began to provide additional health facilities for employees in the form of the Employee Assistance Program (EAP). The EAP is an additional facility for employees and their families that offers counseling services. Any employee can meet with a counselor face-to-face or by telephone for a consultation on personal problems, family issues or problems connected with their performance at work. The EAP data are confidential and are not filed with the employee's medical records or personal data, but are known only to the EAP Counselor and the employee concerned. EAP does not only offer counselling services of a curative nature; it also does preventive work by giving seminars in remote areas and producing articles on mental health issues. The EAP offers employees a chance get help to solve their problems, and it is hoped that by overcoming them, they will be able to focus better on their work. As of the end of 2013, a total of 120 employees throughout PGN had taken advantage of the EAP.

- **Post-Retirement Health Program**

As a leading SOE, one of PGN's key concerns is the maintaining the health of its employees and retirees. The Post-Retirement Health Program, the first of its kind in PGN, has been officially implemented since January 2013. This program is the result of the hard work of PGN's Management, who have partnered with PGN's labor union to develop this program.

The Post-Retirement Health Program is intended to address the need to cover health care costs once an employee reaches retirement age, through a scheme run by a Foundation that we revitalized in preparation for the management of the Post-Retirement Health Program. It also guarantees transparency and accountability regarding the fund management, and embodies the spirit of doing something from us, by us, and for us.

The program is designed on the principles of gotong royong or mutual cooperation, which has very strong roots in Indonesian culture. Active employees pay a regular contribution to assist the retirees, who are now passive, on the principle of "those who can afford to, pay for those who can't".

The contributions collected from active employees are used to pay health insurance premiums for the pensioners through an insurance company. Thus, through the program, PGN's pensioners and their partners, who currently number some 1,200 people, can enjoy guaranteed health care throughout the country through their patient card from the health insurance company.

For retirees, this is a token of appreciation from PGN's active employees and Management for the services of our predecessors who have helped to make PGN what it is today.

For the active employees, the program reflects the fact that all of them will retire one day. We hope that the employees' contributions will benefit them in their old age, so their willingness to participate in this program is vital. Assisting the passive retirees now will indirectly help the employees themselves when they eventually retire.

- **Golden Handshake Program**

One of the key aspects PGN's Management focuses on to support improvements in the Company's performance is our human resources. Given the intensifying competition, PGN has optimized its human resource management with the objective of making PGN a world-class company. To achieve this goal, PGN needs employees who are motivated and willing to fight to beat the competition.

On the other hand, PGN continues to value and appreciate employees who have already made a contribution to the Company, and now wish to start their own business or pursue career opportunities elsewhere. PGN provides a chance for such employees to take Voluntary Early Retirement (VER), better known as a Golden Handshake, on certain conditions, which include being at least 45 years of age.

The Management's intentions in providing this program for employees are:

1. To provide an opportunity for employees who are interested and who fulfill the conditions to take VER, in line with the procedures, and to exercise their rights as regulated in the Regulation;
2. To increase employee motivation and productivity; and
3. To restructure the workforce.

Employees have warmly welcomed this offer from PGN's management, and since the program was launched in 2011, some 15 people, from staff level to Vice President level, have taken VER.

Under this program, employees who take early retirement are entitled to a pay-out that is calculated on the same basis as for employees who take ordinary retirement, which is a mark of the Management's concern for the welfare of our employees once they have retired from PGN.

*In 2013, PGN provided a total 22,600 mandays of education and trainings for employees at a total cost of Rp 35.9 billion*

## Human Resources Program

### 1. Performance Management

Performance Management is the principal tool for the management in monitoring the progress of each employee. With the Individual Performance Management System (IPMS) that has been implemented since 2012, every target for each employee must refer to the Company's Priority Business Strategy (PBS) and their supervisor's targets. The Company targets are directly supported by and distributed among the Directors, and then cascaded down to the staff level.

The IPMS is supported by a web-based application which is used by all employees to submit information regarding performance management. Simply by connecting with the internet wherever they are, at any time,

an employee can carry out all his or her performance management activities all year round. At the beginning of the year, all employees set SMART (Specific, Measurable, Achievable, Reasonable and Timebound) targets, which are linked to the targets set by their supervisors and aligned with the PBS. At the end of the first semester, every supervisor is required to give feedback on the progress made by their staff. Although this can be done at any time, it is a vital exercise in assessing whether the targets are still relevant or need to be updated to reflect the current situation. At the end of the period, assessments are conducted on individual achievements and one of the following ratings is given: Outstanding, Exceeding Expectations, Meeting Expectations, Reasonable, and Unsatisfactory. These ratings form the basis of decisions on the employee's remuneration, promotion and career path. The IPMS motivates all employees to contribute their best because they have a better understanding of how their work contributes to corporate achievements.

### 2. Competencies

As human resource management becomes more professional, PGN has demonstrated its commitment to improving the organization of HR and making it more strategic, and has established a competency development unit in the HR organizational framework, which has the following scope of work:

1. Creating a comprehensive and integrated competency-based HR system.
2. Ensuring that a comprehensive employee competency profile is in place.





3. Identifying competency gaps in each employee.
4. Establishing talent management.
5. Cultivating talent that supports the Company's needs.
6. Retaining employees with potential and motivating them to give their best performance.

PGN manages competency data using the competency-based human resource development model (CBHRM) and a competency development plan through Talent Management. This demonstrates PGN's resolve in managing the professionalism of its employees.

PGN operates an advanced pipeline management system. Bojonegara station is able to monitor the system efficiently and regulate the flow of gas as needed.

### 3. Employee Satisfaction Survey

In accordance with the Board of Directors' Decree No. 005300.K/715/ UM/2005 dated 21 April 2005, the Company conducts an annual employee satisfaction survey. Through this survey every PGN employee can give their views on the various aspects that determine

their level of job satisfaction and give suggestions and input to the management with regard to efforts to improve their job satisfaction and productivity.

#### 4. Employee Training

To ensure that qualified human resources are always available, PGN has put in place a competency development program that is planned, systematic and focused on the Company's business development. Education and Training is one of the key competency development programs conducted consistently to maintain and improve the quality of PGN's human resources.

To be able to organize a systematic and focused education and training program that matches professional competence requirements, PGN has developed Outlines, Syllabuses, Modules and Facilitator Guidelines for training and education programs for Engineering, Operations and Commerce, which relate directly to revenue growth, natural gas distribution expertise and customer satisfaction.

#### Financial Impact of Labor Practices

PGN continuously guides 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. 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 the competency profile, employees are given advice and recommendations on their options for self-development. Competency development programs range from training programs and assignments to job enlargement, job enrichment and others. In 2013 PGN allocated a budget of Rp 43 billion for the employees training and development program.

In 2013, PGN provided a total of 22,600 mandays of education and training for employees at a total cost of Rp 35,888 billion from Rp 23,955 billion the previous year. The increase was due to expense for the scholarship program for Master's Degree in prominence universities in the US and internship program in world class oil and gas company in Europe and Asia. In line with the vision of becoming a world class company in gas utilisation, the Company is committed to enhance its employee's capabilities.

## II. OCCUPATIONAL SAFETY AND HEALTH PRACTICES



Ensuring safety and health at inside and outside the workplace is mandatory for all PGN's employees and includes the use of safetywear at hazardous or unsafe locations.

### Policy

The Company's operations in the Distribution and Transmission sector have an inherently high risk of work accidents. This demands strong human resource capabilities with regard to managing occupational safety and health (OHS), in order to minimize or eliminate any factors that could cause an occupational accident or impair occupational health. In line with our vision of becoming a world-class energy company in natural gas utilization, the Company needed to improve synergies in the management of its occupational health and safety. This has been addressed in the change in our SHE goals and policy. The new policy reflects a heightened awareness of energy

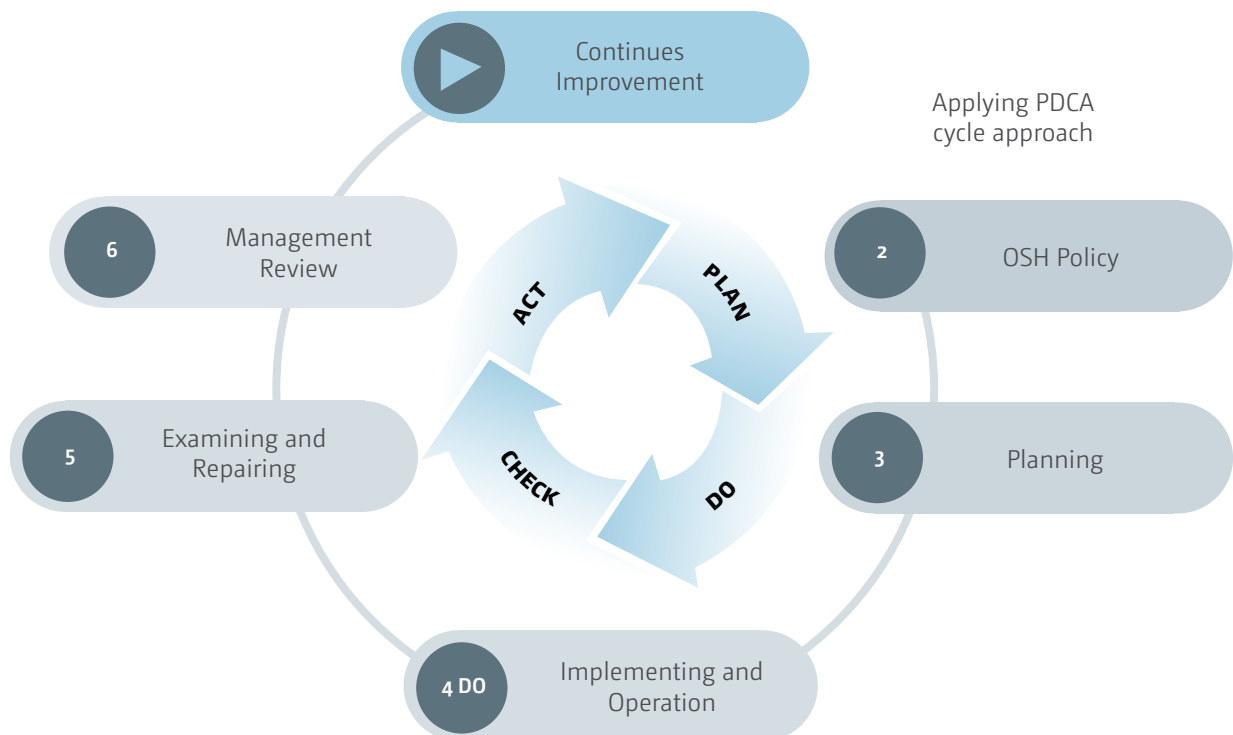
conservation—an expression of our concern for the earth—and places more emphasis on the implementation of the OSH management system in OSH activities by strengthening the principles of Plan, Do, Check and Action. The emphasis on health in the SHE Goals reflects the Company's concern for the health of its employees, recognizing that they are the Company's main asset achieving its performance targets. These steps were also taken in the interests of achieving PGN's goal of Safety Excellence in 2015, as well as making the Company more competitive in the era of globalization.



SHE Goals in PGN's Vision

Occupational Safety Health -  
Environmental Management - Energy Policy

## OSH MANAGEMENT SYSTEM MODEL BASED ON BS OHSAS 18001:2007



### OSH Management System

Efforts to protect employees from work-related hazards, the achievement of a high standard of safety and health and a conducive work environment will ultimately have a positive influence on improving productivity. To be deemed safe, conducive and healthy, a working environment must meet various requirements in the safety management system, particularly in the production process. This covers the extent to which the Company takes account of health and safety issues in the course of producing a good product.

For the Company, proper handling of occupational safety and health issues means:

- Improving the welfare of employees and their families reduces the costs of accident compensation that needs to be paid
- Reduced repair costs
- lower cost of prevention compared to the cost of handling industrial accidents
- maintaining the company's good image overall

A work accident or impaired health suffered by an employee is not only a problem for the employee him or herself; it also impacts their family members and causes losses for the Company. Accidents in the workplace can usually be prevented without having to invest large amounts. To operationalize the principles of occupational health and safety properly, the Company and the employees must use good "business sense" and follow the rules and standards that apply.

## OHS Targets

Continuous improvements are being made in the application of the OSH management System. This is reflected in the increase in the targets that relate to improvements in the Company's OSH performance.

### TARGET K3PL-E

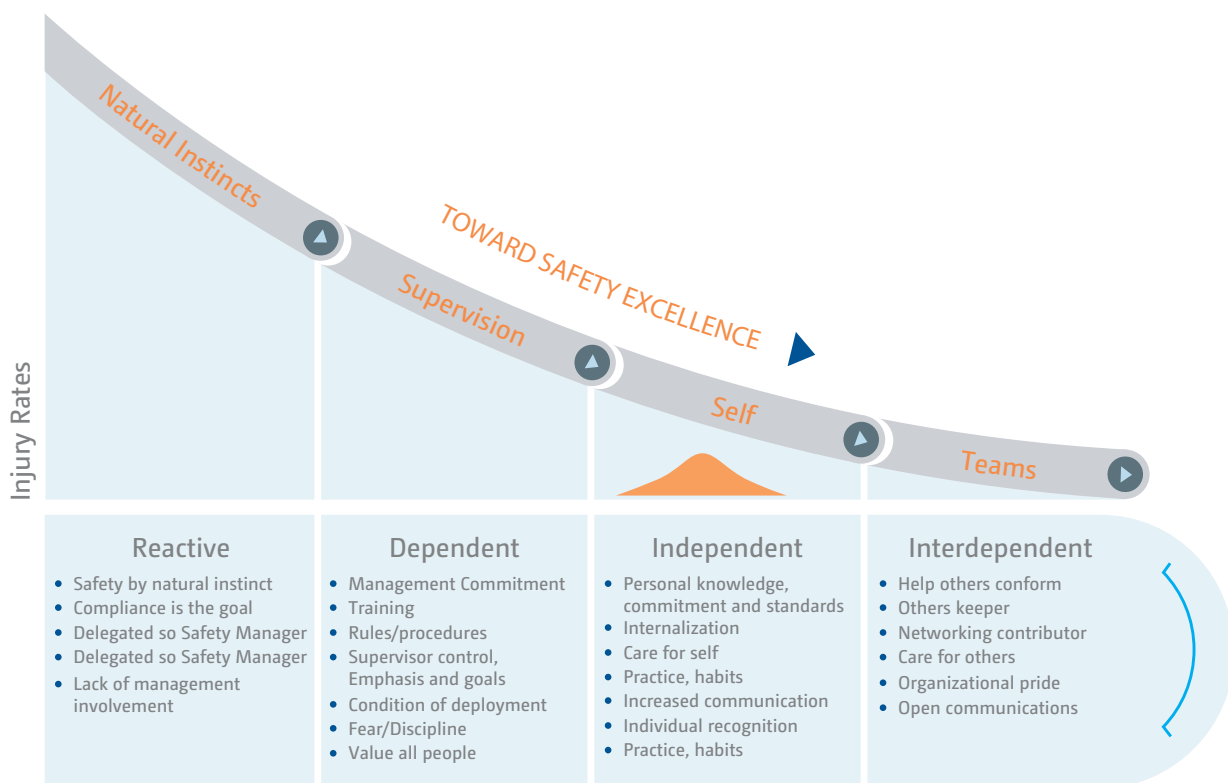
Item		Target 2011	Target 2012	Target 2013
LAGGING INDICATOR	Incident	Fatality	0	0
		Major Incident	0	0
		Moderate Incident	0	0
		LTIF	0	0
		Minor Incident	≤ 3	≤ 3
		Major Vehicular Incidents (Vehicular Incident with impact more than Rp. 50.000.000,-)	≤ 12	≤ 3
		Near Miss and dan First Aid	-	-
LEADING INDICATOR	Health	TSAF	≤ 0.5	≤ 0.45
				≤ 0.45
	Risk Containment Audit	% Participants	100%	100%
		% Severity 4/5	-	-
		% Severity 4/5 Improvement	80%	100%
		% Severity 3 Improvement	-	80%
		RCA Training and Refresher (Permanent and Outsourced Employees)	-	100%
		Average Of Severity	-	< 2.8
	Observation	% Participants	100%	100%
		Safe Index	-	-
		Unsafe Acts/Hours	-	-
			-	100%
	Audit	Follow-up on Audit Results (For Head Office: Monitoring Results)	70%	70%
			70%	70%



## Road Map

Safety Excellence, which has been implemented since 2009 in the Units and since 2012 at the Corporate level, has made PGN increasingly mature in terms of its OSH management, as the roadmap shows: PGN is now transitioning from Dependent to Independent.

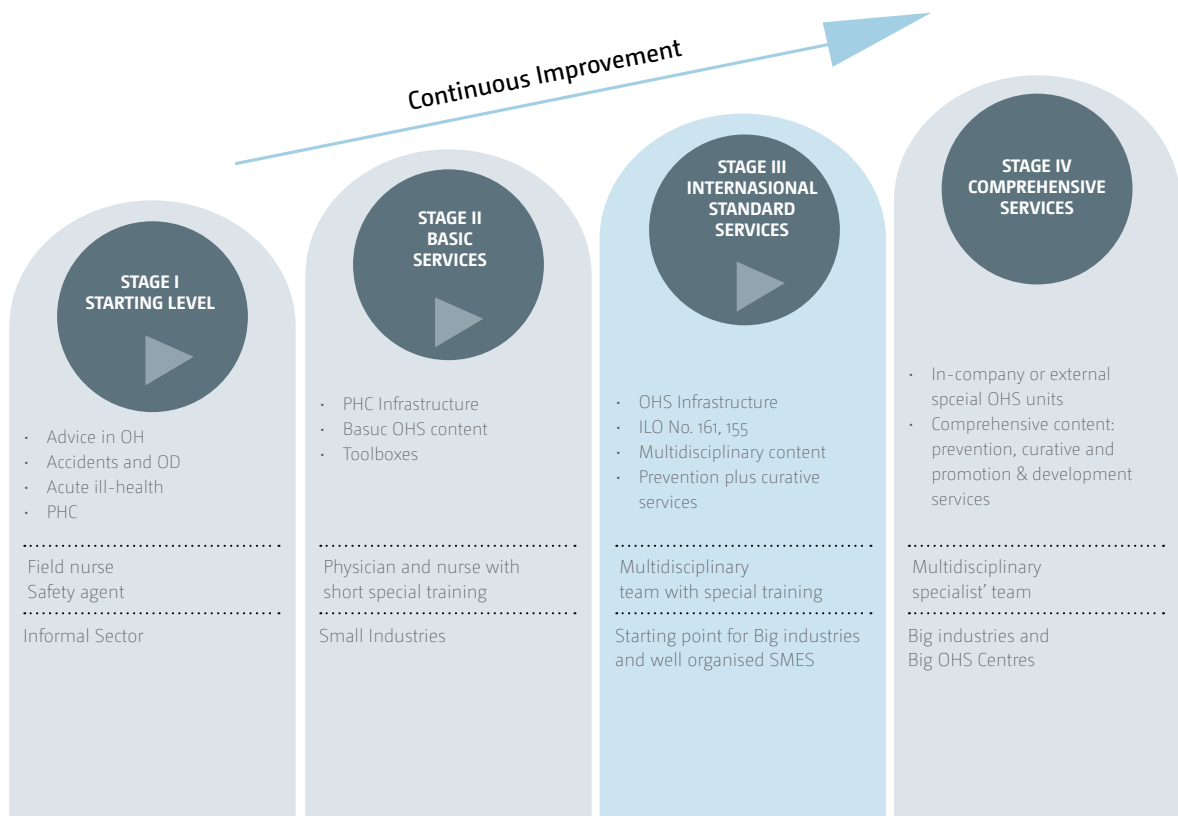
## PGN's SAFETY JOURNEY PROGRESS



With regard to health, the Company has defined a roadmap to reach the Advanced level.

## HEALTH ROAD MAP

### STAGES OF OCCUPATIONAL HEALTH SERVICES



## Program Activities

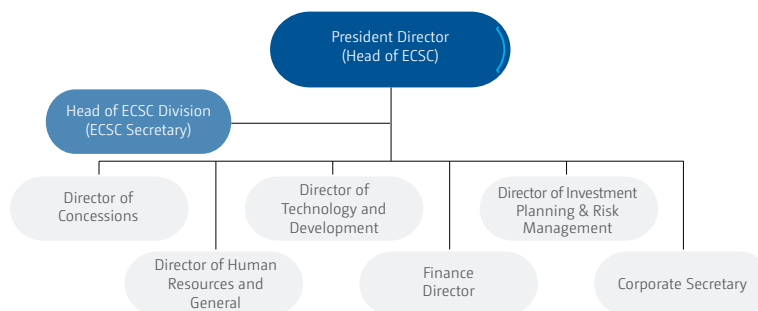
In 2013, occupational health and safety responsibilities were discharged through the following activities:

### 1. OSH Managers and Safety Committees

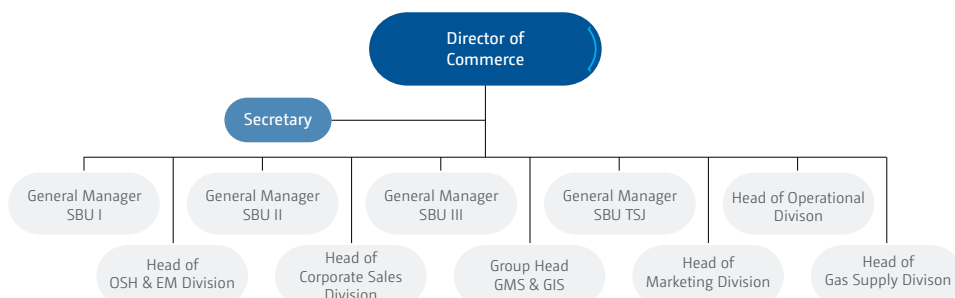
In the organizational hierarchy, occupational health and safety activities fall under the auspices of the OSH&EM Division, which is under the Director of Commerce. The OSH&EM Division is represented in every SBU and project by an OSH Manager. There are a total of 42 OSH Managers, or 2.7% of PGN's workforce. As it progresses on its journey towards safety excellence, PGN has become more mature in its management of occupational health and safety. OSH management has been greatly supported by the establishment of safety committees at the corporate level as well as at the SBU and Project levels. This indicates that responsibility for OSH is not only borne by the OSH Manager, but is embedded throughout the Company.

Safety committees, as the drivers of safety activities, are making a great contribution to the Company. This is reflected in the outputs of ECSC and CSC activities in each directorate in the form of strategic policy decisions related to OSH. Further, the ECSC and CSC in the Directorates are the outlet for all the CSC activities undertaken in each Unit. The organizational structure of the CSCs in each directorate and the projects are shown below:

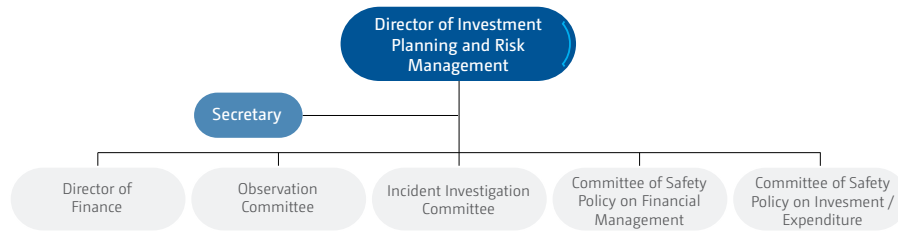
#### ECSC STRUCTURE



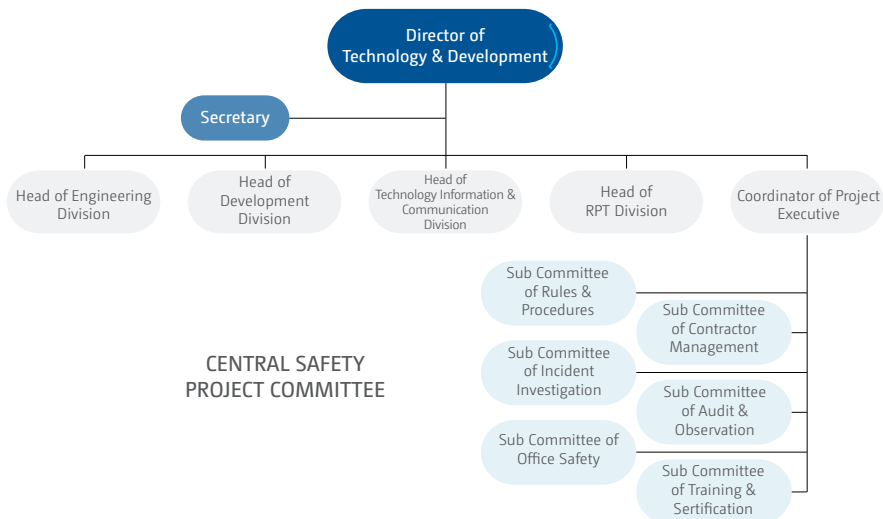
#### CENTRAL SAFETY COMMITTEE DIRECTORATE OF COMMERCE



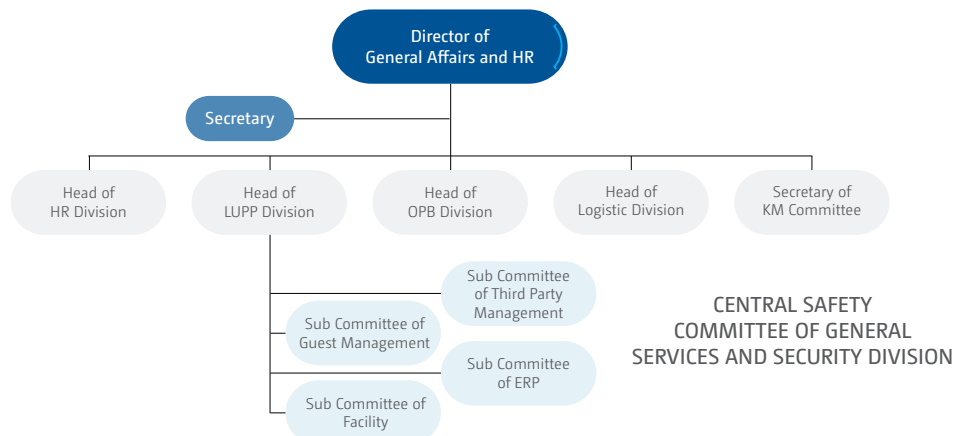
## CENTRAL SAFETY COMMITTEE DIRECTORATE OF IPRM &amp; FINANCE



## CENTRAL SAFETY COMMITTEE DIRECTORATE OF TECHNOLOGY &amp; DEVELOPMENT



## CENTRAL SAFETY COMMITTEE DIRECTORATE OF GENERAL AFFAIRS AND HR



## 2. Management visits

Senior management visit the SBUs and other work units to give motivation and act as a role model for the implementation of OHS regulations. Through direct interaction with the workers in the field, management hope to get significant feedback on what is happening on the ground, particularly with regard to OHS implementation.







***PGN's Directors regularly monitor site conditions and OSH implementation at PGN's station facilities at all SBUs.***



### 3. OHSAS 18001:2007 and SMK3 Certification

OHSAS 18001 is a globally recognized system for occupational health and safety management. OHSAS 18001 (Occupational Health and Safety Management System: 18001) was launched by BSI (the British Standards Institution) in 1999 and came into effect on 15 April 1999. This standard was formulated jointly by 13 standardization and certification bodies from several countries. In addition to complying with Government Regulation No.50 of 2012 regarding the Application of OSH Management Systems in Companies, in 2013 PGN implemented OHSAS 18001:2007 and OSH Management Systems certification in all operational units and the Head Office to demonstrate that it had implemented OSH Management Systems within the Company and was complying with Government policy. The results of the Certification were very satisfying: all operational units, the Head Office and projects received the OHSAS 18001:2007 certificate, and stepping up the application of OSH Management Systems based on Government Regulation 50 of 2012 produced encouraging results for going to the next Level. The certification encourage us to be committed to best practice of occupational health and safety in all operational activities.



Ceremony of OHSAS 18001: 2007 and SMK3 certification awarding

#### 4. OHS Campaign

OHS safety campaigns are organized routinely and continuously to raise awareness among all employees. We expect this to help reduce OHS risks or hazards. The campaigns take various different forms, from putting up posters and banners to education on workplace safety.

#### 5. Management Review Meetings

Management Review Meetings represent the peak of the cycle in applying continuous improvements of the Company's management systems. This is the most recent evidence of the strength of top management's commitment to the application of OHSAS 18001:2007.

In the Management Review Meetings, management representatives deliver their reports to the senior management on the implementation status of the Company's management systems and the management then takes steps to improve implementation in future. In general, the agenda of an RTM is as follows:

- Evaluation of OHS&EEM Management System Policy Implementation
- Follow-up on Incidents in 2013
- Participation and Consultation
- Human Resources Organization and Management
- Evaluation and Resetting of OHS&EEM Targets
- Evaluation of Regulatory Compliance
- Audit Results & Recommendations



Management Review Meeting on OSH and Environmental Management

## 6. OHS Training

The Company strives to improve employees' competencies on OHS procedures, risks and audit knowledge. These activities are aimed at supporting and accelerating the achievement of our targets. OHS training at the corporate level in 2013 covered the following:

### SAFETY TRAINING 2013

No	Training	Attendance	Days	Mandays	Sesion
1	Safety Management for Manager	14	3	42	1
2	Observation	63	1	63	4
3	Risk Containment Audit	565	1	565	29
4	Contractor Safety Management	76	1	76	3
5	Incident Investigation	20	2	40	1
6	Process Hazard Analysis	20	3	60	1
7	SMK3 Internal Auditor	20	3	60	4
8	Health Risk Assesment	20	4	80	1
9	Fire Fighting	94	3	282	5
10	Authorized Gas Tester (OHS LSP Certified)	14	3	42	1
11	First Aid	79	3	237	5
12	General OHS Expertise	9	12	108	4
13	Awareness OHSAS 18001 : 2007 dan SMK3	40	2	80	2
14	Job Cycle Check	34	1	34	2
15	OHS Electricity Certified	1	2	2	1
16	High Rise Worker	4	2	8	1
17	Sea Survival	3	2	6	1
18	Forklift Operator	3	3	9	1
19	Defensive Driving Course	37	2	74	2
<b>Total</b>		<b>1,073</b>	<b>48</b>	<b>1,779</b>	<b>65</b>

## 7. Employees with High Risk Exposure

Our employees who worked at the company side or gas station are those were highly exposed to gas leak or fire hazard and there are 219 employees or 15% of all PGN's employees who are exposed to that risk. Considering the risk they are dealing with in daily operational activities, the company held spesific trainings including firefighting and first aid.



## 8. Health Program

PGN has designed and put in place several programs to improve occupational health. This is related to the Company's commitment to protect occupational health and the health of all employees. Maintaining occupational health will lead to increased employee productivity and keep the number of hours lost sickness under control.

One of PGN's measures is to increase the awareness of employees and their families about serious illnesses such as HIV, TB and so on. To do this, PGN provides health check-ups for all employees based on the risks of their job, training and periodic outreach on how they can protect themselves, their families and communities. In addition, terms of reference have been drawn up to ensure that the rules related to health management have a legal basis.

## 7. OHS Reporting

PGN routinely reports to the regulator. These reports are submitted to the Ministry of Manpower and Transmigration every quarter and to the Directorate General of Oil and Gas every month.

### OHS Achievements

The strong commitment on the part of PGN's senior management and the dedicated efforts of everyone at PGN build a culture of awareness of OHS risks, has led to an improvement on several of OHS incident parameters. In 2013, there were no work accidents that caused any loss of working hours.

#### a. Safety Metrics

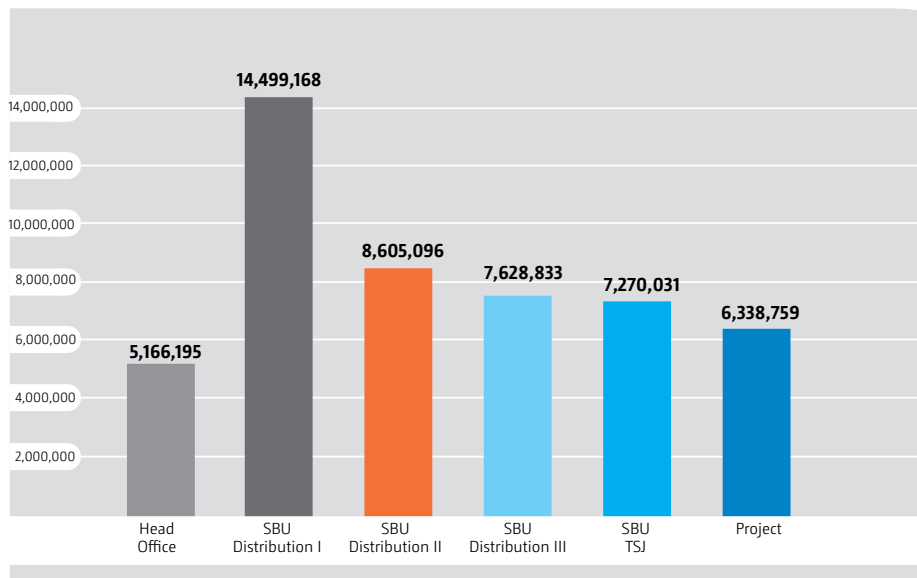
Safety Metrics are the performance indicators in each SBU and the Head Office for the implementation and management of OHS. Through these metrics, PGN monitors, evaluates, and determines measures for improving OHS performance every month.

#### SAFETY METRIC 2013 (UNTIL OCTOBER 2013)

No	Item	Head Office	SBU Distribution I	SBU Distribution II	SBU Distribution III	SBU TSJ	Project	Target
1	Fatality	0	0	0	0	0	0	0
2	LTIF	0	0	0	0	0	0	0
3	Minor Incidents	0	3	0	1	0	2	3
4	First Aid	3	3	3	11	24	10	
5	Near Missed	4	10	2	23	18	25	
6	Vehicular Incidents	18	3	2	2	8	0	
7	TSAF	0.81	0.21	0.20	0.31	0.20	0.09	0.45
8	Safe Working Hours (hours)	5,166,195	14,499,168	8,605,096	7,628,833	7,270,031	5,326,333	
9	Safe Driving Distance (km)	7,091,557	10,449,037	4,679,274	14,456,748	7,676,471	4,394,412	
10	Risk Containment Audit							
	• % Participants	70.97%	99.50%	100%	100%	99.90%	99.00%	100%
	• % Severity 4/5	2.74%	4.41%	0%	0%	0.50%	0%	
	• % Severity 4/5 Improvements	75.00%	100%	100%	100%	100%	100%	100%
11	Observation							
	• % Participants	27.20%	99.04%	100%	100%	99.70%	98.00%	100%

**b. Safe working hours**

The number of safe working hours in all Units and Projects show that there were no lost time injuries (LTI) up to the end of 2013. This achievement is the result of the extraordinary efforts and cooperation of all our employees.



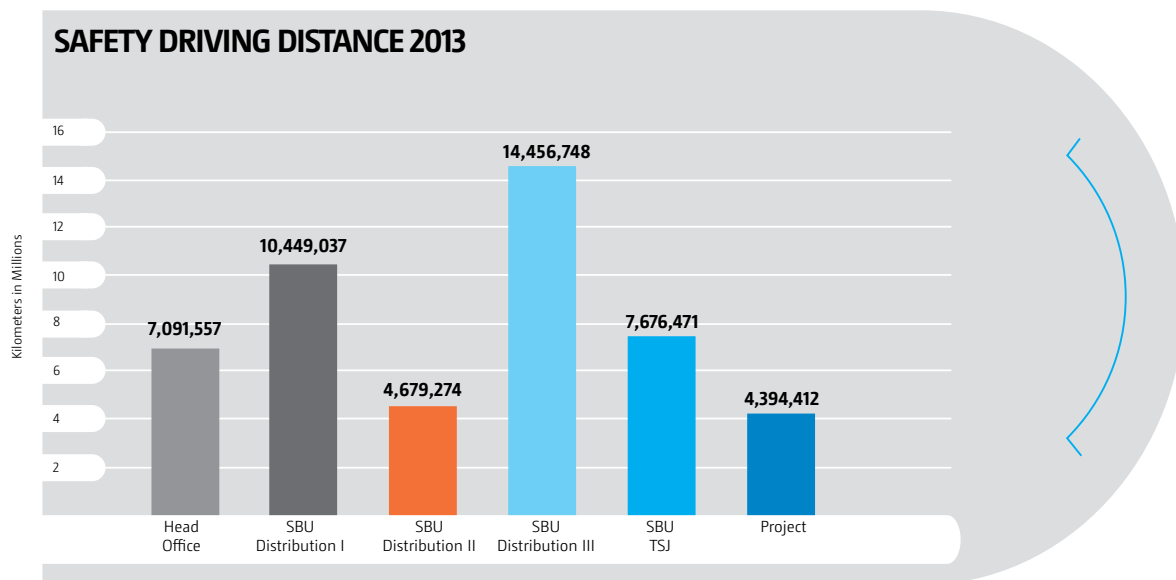


**c. Lost Time Injury Frequency**

The parameters for PGN's Lost Time Injury Frequency performance show that in 2013, all SBU areas were on target realizing zero incident as in 2012 and 2011.

**d. Safety Driving Distance**

In 2013, there were no vehicular accidents in any of the SBUs or the Head Office.

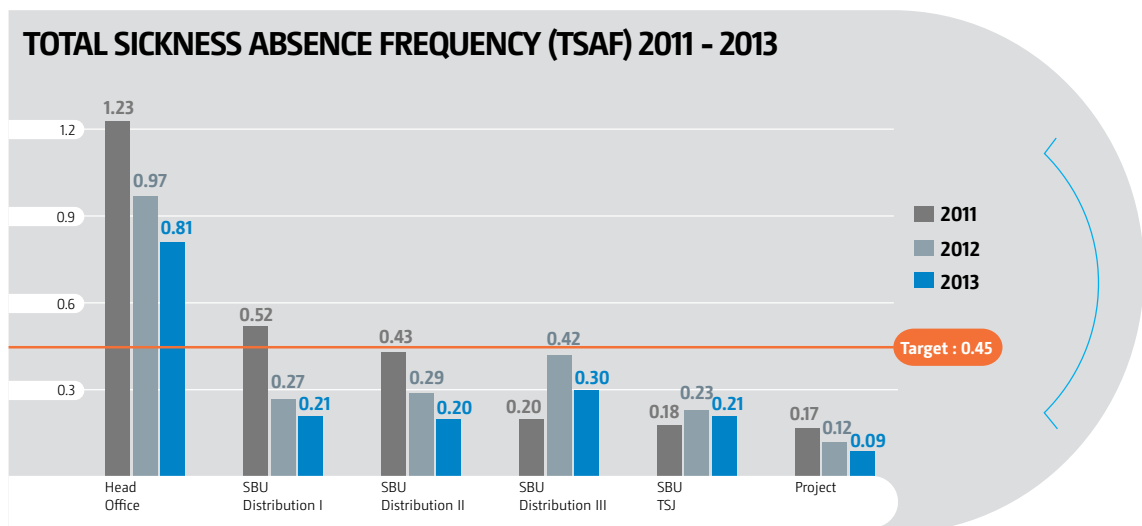


**e. Total Sickness Absence Frequency (TSAF).**

This parameter measures the state of occupational health, based on the number of working hours lost due to sickness. It is in PGN's interests to improve occupational health in order to reduce the number of working hours lost and increase employee productivity as a whole.

The data indicate that three of PGN's SBUs are still above the TSAF target of < 0.45. In 2012 the number of employees at PGN's Head Office who absent due to illness was lower than in 2011, but still outside the stipulated TSAF target.

The TSAF results are as follows:



**f. Promoting Occupational Health Awareness.**

In addition to safety, we were also committed to promote and encourage a culture of health awareness in the organization, by providing various health program and services. We have defined and made a roadmap on occupational health services to a level of comprehensive services as shown below.

**f. OHS Awards in 2013**

PGN received recognition and awards from several independent observers. These awards recognize PGN's commitment to, and achievement in, preventing work accidents in the course of its operations, and for its attention to and application of its workplace safety programs. The awards included:

- Award for 10,067,006 Zero Accident Hours in 2013 for SBU I from the Minister of Manpower and Transmigration of the Republic of Indonesia.
- Award for 6,542,850 Zero Accident Hours in 2013 for SBU II from the Minister of Manpower and Transmigration of the Republic of Indonesia.
- Award for 5,217,814 Zero Accident Hours in 2013 for SBU III from the Minister of Manpower and Transmigration of the Republic of Indonesia.
- Award for 5,441,024 Zero Accident Hours in 2013 for SBU Transmission Sumatra-Java from the Minister of Manpower and Transmigration of the Republic of Indonesia.
- OHSAS 18001:2007 Certificate for Head Office and Projects
- OHSAS 18001:2007 Certificate for SBU I
- OHSAS 18001:2007 Certificate for SBU II
- OHSAS 18001:2007 Certificate for SBU III
- OHSAS 18001:2007 Certificate for SBU Transmission Sumatra-Java

## Financial Impact of the OHS Practices

A total of Rp 11,996,363,041,- was spent on activities related to occupational health and safety management in 2013.

### OHS EXPENSE THROUGHOUT PGN IN 2013

No	Activities Description	Organizer	(Rupiah)
1	Safety excellence journey consultancy services	Head Office	4,254,658,833
2	OHSAS 18001:2007 certification consultancy services	Head Office	402,397,050
3	OHS&EM Information System application maintenance consultancy services	Head Office	56,826,000
4	Management Review Meeting	Head Office	172,000,000
5	Fire Protection System Audit	SBU I	330,000,000
6	OHSAS certification support consultancy services	SBU I	410,300,000
7	Indoor Air Quality consultancy services	SBU I	246,686,000
8	Making of a Safety Implementation Animation	SBU I	154,990,000
9	Major Emergency Response Exercise (MERE)	SBU I	99,333,105
10	HSE Award 2013	SBU I	188,533,335
11	Consultancy services and Pre-Assesment for OHS Management System	SBU II	83,500,000
12	Procurement of safety briefing video and SOP PGN SBU II video	SBU II	105,996,000
13	Equipment certification services	SBU II	257,768,000
14	HRA consultancy services	SBU II	298,961,444
15	OHS tools/equipment		1,017,320,781
16	Consultancy services and support for OHSASA, SMK3 (OHS Management System), PROPER certification	SBU III	770,750,000
17	HRA Consultant Services	SBU III	287,430,000
18	OHS Equipment Procurement	SBU III	203,000,000
19	Conducting Emergency Drills	SBU III	207,500,000
20	HSE Award 2013	SBU III	200,000,000
21	Personel and Equipment Certification	SBU III	56,000,000
22	Safety Excellence Journey Consultancy Services	SBU TSJ	918,270,000
23	Major Emergency Respinse Exercise (MERE) Exercise	SBU TSJ	38,137,881
24	Making of HOSBU safety briefing video	SBU TSJ	87,500,000
25	Equipment and mandatory operator certification (SMK3/OHS Management System) services	SBU TSJ	500,500,000
26	Procurement of mercury gas & liquid testing instrument	SBU TSJ	470,000,000
27	Procurement of sound level meter	SBU TSJ	132,000,000
28	Procurement of other OHS equipment	SBU TSJ	30,599,612
29	Rewards and Recognition	SBU TSJ	15,400,000
Total			11,996,363,041

## SOCIAL AND COMMUNITY DEVELOPMENT



PGN's active role in developing the communities around its operational areas is the evidence that PGN is supporting the improvement of the people's welfare.

### Policy

As a leading SOE, PGN consistently strives to improve its performance in order to be able to deliver the greatest benefits to stakeholders. This strong commitment to caring and sharing is expressed through our corporate Social and Environmental Responsibility (SER) programs, which are implemented consistently to support communities in improving their welfare and quality of life.

PGN's SER program refers to the Regulation of the State Minister for State-Owned Enterprises No. PER-05/MBU/2007 dated 27 April 2007. From the end of 2012 until September 2013 this program underwent several policy changes, with the most recent change being stated in the Regulation of the State Minister for State-Owned Enterprises No. PER-08/MBU/2013 dated 10 September 2013. One aspect of the new policy is the change in

the source of funding for the partnership and community development program: originally appropriated from after-tax profits, it now comes from the company's budget and is calculated as a cost. As such, the policy is in line with the regulations on Limited Liability Companies, which affirm that all limited liability companies, as legal subjects, have social and environmental responsibilities that must be budgeted for (funded) as regulated in Law No. 40 of 2007 regarding Limited Liability Companies and Government Regulation No. 47 of 2012 regarding Social and Environmental Responsibility in Limited Liability Companies.

In addition to the changes in the Government Regulation, the Ministry of SOEs issued a letter concerning the management of Partnership Programs, Letter No. S-92/D5.MB.MBU/2013 dated 03 April 2013, which suspends the extension of new loans under the Partnership Program. This has had an impact on the achievement of the fund disbursement targets under the Partnership Program which were planned in PGN's Partnership Program budget for 2013.

### Activities

In the interests of efficient and effective disbursement, PGN disburses Partnership Program funds to groups of small and micro enterprises using the cluster system. This is aimed at reaching more SMEs and thereby ensuring that more people will benefit from the improvements in welfare. In addition, the development partners

are able to join together to establish enterprise centers, making production and marketing more efficient. From PGN's perspective, the cluster system facilitates management.

Examples of the clusters managed by PGN are:

- The Ikat Cluster in Garut, which later was developed into the Kampung Tenun – the PGN Tenun Development Partner Village.
- The Cattle and Goat Farming Cluster in Sukabumi.
- The Copper and Silver Crafts Cluster in Gunungkidul, which was later developed into two PGN Development Partner Villages, Kampung Perak Pampang and Kampung Perak & Tembaga Sodo.

Development partners were also supported through:

- Training/education for development partners, covering financial management, motivation, export, product design, animal husbandry/farming techniques and product techniques.
- Exhibitions: development partners are supported to take part in various exhibitions, both domestic and abroad, such as: Indonesia Fashion Week 2013 in Jakarta, Adiwastra 2013 in Jakarta, INACRAFT 2013 in Jakarta, Gelar Batik Nusantara 2013 in Jakarta, CRAFTINA 2013 in Jakarta, SME and Cooperative Expo 2013 in Surabaya, and the HKTDC Houseware Fair in Hong Kong.
- Promotion for development partners by exposing their profiles, products and activities in various media and product galleries. These media include the internet, TV, brochures, books and newspapers and magazines such as the



Partnership Program Action Magazine, Kompas, Media Indonesia, The Jakarta Post, Investor Daily, detik.com, republika.co.id, Bali TV, SCTV, PGN's Development Partners Catalog, the INACRAFT 2013 Directory, as well as galleries established by PGN in the villages of Pampang and Sodo, in Gunungkidul.

PGN is fully committed to improving the quality of life of the communities in its operational areas and the surrounding areas. This commitment is expressed through various social welfare programs under the banner of social and environmental responsibility, more commonly known as "Corporate Social Responsibility" (CSR), which consists of the Community Development and Social and Environmental Responsibility programs. Activities were as follows:

#### 1. PAMPANG SILVER VILLAGE AND SODO SILVER AND COPPER VILLAGE

The silver and copper crafts of Gunungkidul District can shine brightly once again. The silver and copper artisans of Gunungkidul, who used to work as laborers in the silver and copper industries in the Kota Gede area of Yogyakarta, no longer need to migrate to Kota Gede, and no longer need to leave their families.

Under the slogan 'Creating Partners for the Nation', PGN is keen to participate in improving the people's welfare through driving the economic growth of SMEs. One of PGN's programs directed at growing SMEs was carried out in Gunungkidul District, in the villages of Sodo and Pampang, where PGN has been developing copper and silver artisans since 2012.

At the start, PGN coordinated with the Yogyakarta Chamber of Commerce and Industry to assess the economic potential of the communities around Yogyakarta. The two villages were then selected, as the artisans in both villages were judged to have potential that could be developed. The artisans then received loans from PGN, which they used to increase their working capital.

In the next phase, PGN provided training for the artisans on financial management, followed by technical training to develop their products. Lecturers from the Arts Institute of Indonesia in Yogyakarta were invited to provide training materials on product design. The outputs of the training included the creation of 'iconic' silver





PGN has been developing copper and silver artisans in the villages of Sodo and Pampang of Gunungkidul District since 2012.



and copper crafts from Gunungkidul in the form of the grasshoppers and teak leaves that are commonly found in the area.

The artisans also took part in several craft exhibitions, including INACRAFT 2013 and CRAFTINA 2013 in Jakarta. Their products were also promoted in the INACRAFT 2013 Trade Directory which is distributed to all Indonesia Trade Promotion Centers (ITPC), which can be found in countries that have trade cooperations with Indonesia.

In 2013, PGN opened two galleries in the villages of Sodo and Pampang, in Gunungkidul, to promote their products. These galleries, which have Javanese-style interiors, are equipped with computers and amenities such as a prayer room

and toilets. At the end of 2013, the galleries were formally opened by the Bupati (District Head) of Gunungkidul, who was represented by the Deputy Bupati and PGN's Director of Finance. The event was witnessed by the Chair of the Gunungkidul District Council and the Gunungkidul Regional Leaders Council.

Now, the iconic silver and copper grasshopper and teak leaf crafts of Gunungkidul are becoming more widely known, and the welfare of the artisans of Pampang and Sodo is improving as they get orders from national companies for corporate souvenirs made from their crafts.

## 2. The Metamorphosis of Sulam Artisans in Indonesia

After its success in expanding Tenun Ikat crafts in Garut in 2012, PGN went on to revitalize the art of sulam, or embroidery. PGN, in cooperation with Yayasan Sulam Indonesia (YSI), developed the sulam industry in 3 areas: Agam in West Sumatra, Jember in East Java and Denpasar in Bali.

PGN began developing the sulam industry in 2012 by providing working capital loans to sulam artisans in Agam. The artisans were then given training on basic financial management and entrepreneurship, and given support to take part in handicraft exhibitions, including the International Embroidery Festival in Jakarta in 2012, which were used as an opportunity to promote and market their products.

From Agam, PGN expanded the sulam industry develop in Denpasar, Bali and Jember, East Java. As in Agam, PGN provided training and exploration for 20 sulam artisans in each area. This was intended to improve their existing capacity and abilities in the art of sulam and broaden their horizons to enable them to create innovative sulam products.

The trainings in the three cities are expected to improve the participants' knowledge and capabilities and bring about a more intensive interaction between the participants and their trainers, while enhancing their self-confidence so that they can be independent and play a part in promoting and developing Indonesia's culture.



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The artisans were given support to take part in handicraft exhibitions, including the International Embroidery Festival in Jakarta in 2012, which were used as an opportunity to promote and market their products.



In addition, adequate knowledge is needed about techniques, use of materials, design and innovation. The artisans also need to learn more about management and professionalism, and study market trends and tastes, while regenerating their skills in the art of sulam.

Sulam training continued for 6 months in 2013, ending on 1 November 2013. The closing ceremony, held in the city of Padang, was attended by the Minister of Tourism and Creative Economy, the Governor of West Sumatra and the Chair of YSI. At this event, the Minister inaugurated 3 sulam motifs from PGN's 3 sulam development areas. These motifs are the product of the skilled hands of the sulam artisans who are PGN's development partners.

The expansion of the program has not only enabled the sulam artisans to improve their families' economic welfare, it has also driven economic growth in the surrounding areas and positioned sulam as one of Indonesia's well known craft industries.

### 3. Disaster Relief

In 2013, PGN showed its concern and empathy for those affected by natural disasters by providing the following assistance:

- Emergency response to flooding in Banten.
- Flood coordination posts in East Jakarta, West Jakarta and Bekasi.
- Essential supply packages for flooded areas in Bojonegoro District, Gresik and Tuban, East Java.

- Post-disaster rehabilitation in Aceh.
- Assistance for victims of the eruption of Mount Sinabung, North Sumatra.
- Emergency ready-to-eat food assistance (corned beef) distributed to disaster-hit areas nationwide.

### 4. Education and/or Training

PGN provided educational facilities and training, which are aimed at improving the educational level of Indonesia's younger generation. Educational assistance included:

- Sending 31 Young Teachers to 25 primary schools in remote villages in South Sumatra and East Java and becoming a recruitment partner, in cooperation with Yayasan Indonesia Mengajar.
- Construction and renovation of schools and other educational facilities in the vicinity of PGN's operational areas in cooperation with WIKA and PP.
- Awarding scholarships to 1050 students at 14 state universities in Indonesia.
- Providing assistance for school fees for 2400 primary school, junior high school and senior high school students in the vicinity of PGN's operational areas.

### 5. Health Improvement

In 2013, activities under the health program included:

- Community Health Services delivered through PGN Mobile Health Units, including pregnancy check-ups, provision of supplements for pregnant women, contraception services, general health services and basic dentistry, growth check-ups for under-5s and the provision of food supplements for children and under-5s in 6 of PGN's operational areas.



- 6 ambulances, in cooperation with the Army's Special Forces.
- 5 ambulances and 1 hearse, in cooperation with the Army's Infantry Brigade 1 Jaya/PIK.
- 1 ambulance in East Java.
- X-ray and endoscopy equipment, and a shuttle vehicle for cancer patients in cooperation with Yayasan Kanker Indonesia.
- Social assistance in the form of walking aids, hearing aids and cataract operations.
- Construction of sub-primary health clinic in Lampung.
- Lebaran 2013 Health Post for Travelers, offering health services, health supplements, entertainment facilities such as television, internet, music, video games, door prizes and free massages.

## 6. Public Facilities

In 2013, PGN carried out the following activities:

- Clean water supplies using the floating sea water reverse osmosis system, in the Thousand Islands.
- Bridge over the Mookervart River, in Daan Mogot, West Jakarta.
- Construction of a suspension bridge and village office in Lebak, Banten.
- Construction of a welcoming gateway in the City of Lampung.





## 7. Worship Facilities

In 2013, PGN provided assistance for the renovation and construction of places of worship and other supporting facilities as well as donations for orphans and needy people, mass weddings and assistance for other religious activities in connection with religious holidays.

## 8. Poverty Alleviation

To contribute to poverty alleviation efforts, PGN provided the following assistance:

- Social assistance for poor families in Gresik District.
- Assistance for PGN's essential commodities distribution program in 6 operational areas.

## Expenditure on CSR

The Partnership Program funds, including loan disbursement and development, spent by PGN in 2013 came to a total of Rp 15,778,438,527, or the equivalent of USD 1,294,481.79. These funds were disbursed to 184 development partners. This is less than the Partnership Program expenditure in 2012, due to the change in policy on Partnership and Community Development Programs from the Ministry of SOEs, which included a suspension on extending new loans, as stated in a letter from the Ministry of SOEs dated 3 April 2013 No. S-92/D5.MBU/201. This policy was cancelled by the issue of Regulation of the Minister of SOEs dated 10 September 2013 No. PER-o8/MBU/2013.

Expenditure on the Social and Environmental Responsibility Program, including Community Development, the funds for which were drawn from the corporate budget and the retained profits of the Company from the previous year amounted to Rp 131,271,495,382 or the equivalent of USD 11,361,051.91.

### FUND DISBURSEMENT FOR THE CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAM IN 2013

Description	TJSL (IDR)	TJSL (USD) *	PKBL (IDR)	PKBL (USD) **	JUMLAH (IDR)	JUMLAH (USD)
<b>A. ENVIRONMENT DEVELOPMENT PROGRAM</b>						
<b>SOE Partners</b>						
Natural Disaster	898,799,333	75,918.18	3,527,755,365	289,421.23	4,426,554,698	365,339.41
Education and/or training	16,918,944,206	1,520,050.56	19,881,397,730	1,631,093.42	36,800,341,936	3,151,143.98
Education and/or training Health	21,948,328,103	1,973,748.16	7,294,503,368	598,449.70	29,242,831,471	2,572,197.85
Public Facilities	11,701,555,183	988,454.63	5,200,853,815	426,684.21	16,902,408,998	1,415,138.83
Worship Facilities	22,349,391,672	2,025,649.28	5,502,951,186	451,468.63	27,852,342,858	2,477,117.00
Nature Conservatives	6,390,335,700	524,865.58	1,373,637,100	112,694.81	7,763,972,800	637,560.39
Proverty Alleviating	4,755,287,256	453,132.29	3,527,755,365	289,421.23	8,283,042,621	742,553.52
Total Disbursement SOE Partners	84,962,641,453	7,561,818.68	46,308,853,929	3,799,233.24	131,271,495,382	11,361,051.91
Total Disbursement SOE's Care	-	-	-	-	-	-
Total Realization of Environmental Management Program	84,962,641,453	7,561,818.68	46,308,853,929	3,799,233.24	131,271,495,382	11,361,051.91
<b>B. PARTNERSHIP PROGRAM</b>						
<b>Soft Loans</b>						
Farming ( West Java)			480,000,000	39,379.77	480,000,000	39,379.77
Plantation (East Java)			8,000,000,000	656,329.48	8,000,000,000	656,329.48
Total Soft Loan	-		8,480,000,000	695,709.25	8,480,000,000	695,709.25
<b>Training</b>						
Marketing and Promotion			4,937,380,934	405,068.58	4,937,380,934	405,068.58
Education and Training Partnership			2,300,887,539	188,767.54	2,300,887,539	188,767.54
Development Partnership			60,170,000	4,936.42	60,170,000	4,936.42
Total Partnership	-	-	7,298,438,527	598,772.54	7,298,438,527	598,772.54
Total Realization Partnership Program	-	-	15,778,438,527	1,294,481.79	15,778,438,527	1,294,481.79
<b>C. OPERATING EXPENSE</b>						
Operating Expense Partnership			5,745,441,929	471,362.86	5,745,441,929	471,362.86
Operating Expense Environment Development Program			3,839,176,835	314,970.62	3,839,176,835	314,970.62
Total Operating Expense	-	-	9,584,618,764	786,333	9,584,618,764	786,333
<b>Total</b>	<b>84,962,641,453</b>	<b>7,561,819</b>	<b>71,671,911,220</b>	<b>5,880,048.50</b>	<b>156,634,552,673</b>	<b>13,441,867.18</b>

\* using transaction rate

\*\*for comparison purposes, this is converted using the BI middle rate at the end of 2013: USD 1 = IDR 12,189

## PRODUCT AND CONSUMER RESPONSIBILITY



PGN's account executive and technical service officer frequently make a visit to customers or potential customers to forge a synergy and harmonious relation with customer.

### Policy

PGN is committed to fulfilling its responsibilities to customers. For PGN, customers are our partners in developing our business for the future, and customer satisfaction is therefore a fundamental part of our service. PGN is committed to implementing customer satisfaction programs by campaigning for the importance of service excellence in ProCISE, our corporate culture.

PGN takes into account the unique and dynamic characteristics of its customers so that it can continue to deliver their needs. PGN carries out various activities to ensure that we meet customer expectations with regard to both technical and service excellence.

## Program activities

In 2013, PGN implemented the following premium service programs for customers:

### 1. Contact Center

In 2013, to coincide with PGN's 48th anniversary, PGN launched the "PGN Contact Center", which can be reached by phone on 500645 or by email at [contact.center@pgn.co.id](mailto:contact.center@pgn.co.id). The '500645' number replaces the existing Gas Contact Center numbers: 0800 1 500 645 (toll free) or 021 633 3000. The change of number is to make it easier to manage customer service and the hotline branding makes it easier for customers or prospective customers to get information, make complaints or make inquiries about PGN's products and services.

The PGN Contact Center operates 24 hours a day and 7 days a week. Every general inquiry about PGN will be handled directly by a Contact Center Agent, while every complaint we receive will be forwarded to the relevant department. All inquiries and complaints will be recorded in the Contact Center data base. The Contact Center is headquartered at Head Office and integrated with the Company's three regional Strategic Business Units in Jakarta, Surabaya and Medan.

One of the elements of our corporate culture, ProCise, is Service Excellence. In the interests of putting this into action, the maximum response time for complaints is 24 from the time of receipt.

### 2. Measuring Customer Satisfaction

PGN, which controls 79% of the natural gas market in Indonesia, consistently strives to improve its service to customers by customer satisfaction and updating the Service Excellence Standards. In 2013, we measured customer satisfaction through a survey conducted by a third party. The outputs of this measurement are the Customer Satisfaction Index (CSI), Customer Dissatisfaction Index (CDI), Customer Loyalty Index (CLI), Customer Referral Index (CRI) and the Net Promoter Score (NPS). In 2013, the process uncovered various expectations and issues that we will take into account in order to be able to continue to give the best service and improve our service performance. In 2013, the measurement of customer satisfaction focused on all service encounters and customer expectations and hopes for the future in the very competitive natural gas trading market. The customer satisfaction survey covers all customer segments, namely household customers, commercial customers and industrial customers. The survey results in 2013 produced a CSI score of 5.22 (Likert scale 1-6).

- 3. Customer Gatherings to strengthen effective communication**, share the latest information, educate the market and foster closer relationships, PGN holds Customer Gatherings. These events also provide an opportunity for us to gain a better understanding of our customers and narrow the gap between their needs and ability to provide services.

As well as Customer Gatherings, PGN through our Account Executives and Technical Services actively visit existing and prospective customers to foster harmonization and synergy across the natural gas distribution business. During these visits, the Account Executives and Technical Services actively advise existing and prospective customers on making their equipment more efficient, and try to gain an understanding of the business situation of the existing/prospective customer concerned. This is very valuable input for the management when formulating policies on gas customers.

*For PGN, customers are our partners in developing our business for the future, and customer satisfaction is therefore a fundamental part of our service.*

Several customer gatherings were held in 2013, including the following:

#### CUSTOMER GATHERINGS IN SBU I

No	Area	Venue	Date
1	Bogor	IPB International Convention Center	24 May 2013
		Kantor PGN Area Bogor	26 July 2013
		Balai Pertemuan Umum Samina, Depok	28 August 2013
2	Bekasi	Gedung Olahraga, Perum Margahayu	27 June 2013
		Gedung Olahraga, Perum Margahayu	4 July 2013
		Kawasan Industri GIIIC and MM2100	July 2014
		Hotel Horizon, Bekasi	20 December 2013
		Mall Summarecon, Bekasi	23 December 2013
		Mall Summarecon, Bekasi	24 December 2013
3	Jakarta	Hotel Borobudur, Jakarta	28 May 2013
		Hotel JS Luwansa, Jakarta	23 December 2013
		Hotel Arya Duta, Jakarta	24 December 2013
		Hotel JS Luwansa	27 December 2013
		Bidara Cina	11 December 2013
		Rusun Tanah Abang	29 October 2013
		Perumnas Klender	22 August 2013
4	Cirebon	Hotel Santika, Cirebon	28 May 2013
		Desa Adi Darma dan Pasindangan	11-12 September 2013
5	Karawang	LIPI Subang	8 May 2013
		Bukit Indah Plaza Hotel	27 May 2013
		Sindang Deret Resto Karawang	23 December 2013
6	Tangerang	Gading Serpong	19 December 2013
		Hotel Grand Mahakam	20 December 2013
		Hotel Area, Serpong	20 December 2013
		Grand Zuri Hotel, BSD	23 December 2013
		The Breeze, BSD	23 December 2013
		Alam Sutera	24 December 2013
		Gading Serpong	30 December 2013
7	Palembang	Gading Serpong	31 December 2013
		Kel. Demang Lebar Daun, Palembang	19 June 2013
		Perum Seduduk Putih and Lorong PTUN	26 June 2013
		PGN Area Office Palembang	27 June 2013



**CUSTOMER GATHERINGS IN SBU II**

No	Area	Venue	Date
1	Surabaya and Sidoarjo	Empire Palace Hotel, Surabaya	20 November 2013
2	Pasuruan	Hotel Santika, Malang	14 May 2013

**CUSTOMER GATHERINGS IN SBU III**

No	Area	Venue	Date
1	Medan	The Grand Duck King Cambridge, Restoran Maxim Medan	22 and 23 May 2013
		The Grand Duck King Cambridge, Medan	5 December 2013
2	Batam & Pekanbaru	Hotel Harmoni One, Batam	17 May 2013
		Hotel Harris Marina, Batam	12 December 2013
		Hotel Novotel, Batam	19 December 2013
3	Pekanbaru	Hotel Pangeran, Pekanbaru	22 October 2013

**4. Customer Card**

In 2013, coinciding with PGN's 48th anniversary, PGN launched the "Customer Card" by issuing 91,000 Customer Cards to all PGN customers as a token of our appreciation for their loyalty to PGN, as well as to:

- Identify them as PGN customers,
- Facilitate their interactions with PGN,
- Make it easier for customers to find their Area code, customer identification number and the number of the PGN Contact Center as well as the address of the nearest PGN office.

**5. Promotion Program**

In 2013, to familiarize the public with natural gas products and with PGN itself, particularly outside PGN's existing areas and in areas where new development is planned, billboards were erected in the cities of Lampung, Subang (Cikampek) and Lamongan.

**Financial Impact of Customer Service Excellence Activities**

PGN continued to update its Service Excellence standards to enable the Company to meet customer expectations and deliver excellent service. 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 of the future. In 2013, PGN's expenditure on driving improvements in the quality of customer service and customer satisfaction amounted to Rp 3 billion.

# 07 | CONSOLIDATED FINANCIAL STATEMENTS





**PT Perusahaan Gas Negara (Persero) Tbk  
dan entitas anaknya/*and its subsidiaries***

Laporan keuangan konsolidasian beserta laporan atas auditor independen  
pada tanggal 31 Desember 2013 dan  
tahun yang berakhir pada tanggal tersebut/  
*Consolidated financial statements with independent auditors' report  
as of December 31, 2013 and the year then ended*



**Surat pernyataan direksi tentang tanggung jawab atas laporan keuangan konsolidasian tanggal 31 Desember 2013 dan 2012 PT Perusahaan Gas Negara (Persero) Tbk dan Entitas Anak**

***Directors statement letter relating to the responsibility on the consolidated financial statements as of December 31, 2013 and 2012 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<br>RT 001/004, Kel. Cipete Selatan<br>Cilandak, Jakarta Selatan | : | Residential Address<br>(as in identity card or other<br>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<br>RT 008/003, Tebet Barat<br>Tebet, Jakarta Selatan         | : | Residential Address<br>(as in identity card or other<br>qualifier) |
| Nomor Telepon  | : +6221 633 4838   | : | Telephone  |
| Jabatan  | : Direktur Keuangan / Finance Director   | : | Title  |

Menyatakan bahwa:

*Declare that:*

- |  |   |
|--|---|
| 1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian;   | 1. <i>We are responsible for the preparation and the presentation of the consolidated financial statements;</i>   |
| 2. Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia; dan   | 2. <i>The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards; and</i>            |
| a. Semua informasi dalam laporan keuangan konsolidasian Perusahaan telah dimuat secara lengkap dan benar;  | a. <i>All information has been fully and correctly disclosed in the Company's consolidated financial statements;</i>  |
| b. Laporan keuangan konsolidasian Perusahaan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material. | b. <i>The Company's consolidated financial statements do not contain false material information or facts, nor do they omit material information or facts.</i> |
| 3. Bertanggung jawab atas sistem pengendalian intern Perusahaan dan Entitas Anak.  | 3. <i>We are responsible for the Company's and Subsidiaries' internal control system.</i>   |

Demikian pernyataan ini dibuat dengan sebenarnya.

*This is our declaration, which has been made truthfully.*

Jakarta, 25 Februari 2014

Direktur Utama/President Director

Direktur Keuangan/Finance Director

Hendi Prio Santoso

Riza Pahlevi Tabrani



*The original consolidated financial statements included herein are in the Indonesian language.*

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
DAN ENTITAS ANAKNYA  
LAPORAN KEUANGAN KONSOLIDASIAN  
BESERTA LAPORAN AUDITOR INDEPENDEN PADA  
TANGGAL 31 DESEMBER 2013 DAN TAHUN YANG  
BERAKHIR PADA TANGGAL TERSEBUT**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITORS' REPORT AS OF  
DECEMBER 31, 2013 AND THE YEAR THEN  
ENDED**

**Daftar Isi**

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# Purwantono, Suherman & Surja

Indonesia Stock Exchange Building  
Tower 2, 7<sup>th</sup> Floor  
Jl. Jend. Sudirman Kav. 52-53  
Jakarta 12190, Indonesia

Tel: +62 21 5289 5000  
Fax: +62 21 5289 4100  
ey.com/id

*The original report included herein is in the Indonesian language.*

## Laporan Auditor Independen

Laporan No. RPC-4876/PSS/2014

**Pemegang Saham, Dewan Direksi dan Komisaris  
PT Perusahaan Gas Negara (Persero) Tbk**

Kami telah mengaudit laporan keuangan konsolidasian PT Perusahaan Gas Negara (Persero) Tbk dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2013, serta laporan laba-rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

## Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

## Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian tersebut bebas dari kesalahan penyajian material.

## Independent Auditors' Report

Report No. RPC-4876/PSS/2014

**The Shareholders, Boards of Directors and  
Commissioners  
PT Perusahaan Gas Negara (Persero) Tbk**

We have audited the accompanying consolidated financial statements of PT Perusahaan Gas Negara (Persero) Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2013, and the consolidated statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## Auditors' responsibility

Our responsibility is to express an opinion on such consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

**Laporan Auditor Independen (lanjutan)**

Laporan No. RPC-4876/PSS/2014 (lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

**Opini**

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Perusahaan Gas Negara (Persero) Tbk dan entitas anaknya tanggal 31 Desember 2013, serta kinerja keuangan dan arus kas konsolidasiannya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

**Independent Auditors' Report (continued)**

Report No. RPC-4876/PSS/2014 (continued)

*An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.*

*We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.*

**Opinion**

*In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Perusahaan Gas Negara (Persero) Tbk and its subsidiaries as of December 31, 2013, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.*



**Laporan Auditor Independen (lanjutan)**

Laporan No. RPC-4876/PSS/2014 (lanjutan)

**Hal-hal lain**

Audit kami atas laporan keuangan konsolidasian PT Perusahaan Gas Negara (Persero) Tbk dan entitas anaknya tanggal 31 Desember 2013, dan untuk tahun yang berakhir pada tanggal tersebut terlampir, dilaksanakan dengan tujuan untuk merumuskan suatu opini atas laporan keuangan konsolidasian tersebut secara keseluruhan. Informasi keuangan PT Perusahaan Gas Negara (Persero) Tbk (entitas induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2013, serta laporan laba rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir. Informasi Keuangan Entitas Induk telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampir berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Menurut opini kami, Informasi Keuangan Entitas Induk disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian terlampir secara keseluruhan.

**Independent Auditors' Report (continued)**

Report No. RPC-4876/PSS/2014 (continued)

**Other matters**

Our audit of the accompanying consolidated financial statements of PT Perusahaan Gas Negara (Persero) Tbk and its subsidiaries as of December 31, 2013, and for the year then ended, was performed for the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of PT Perusahaan Gas Negara (Persero) Tbk (parent entity), which comprises the statement of financial position as of December 31, 2013 and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures applied in the audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying 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

25 Februari 2014/February 25, 2014

The original consolidated financial statements included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
DAN ENTITAS ANAKNYA  
LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN  
31 Desember 2013  
(Disajikan Dalam Dolar AS, Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION  
December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

	2013	Catatan/ Notes	2012	
<b>ASET</b>				<b>ASSETS</b>
<b>ASET LANCAR</b>				<b>CURRENT ASSETS</b>
Kas dan setara kas	1.319.168.247	2d,2e,2f,2u,3,4 35,41,42,43	1.567.458.346	Cash and cash equivalents
Kas yang dibatasi penggunaannya	1.163.447	2d,2e,2f,2u,3,5,21, 37,41,42	8.478.599	Restricted cash
Investasi jangka pendek	85.384.831	2d,2f,2h,2u,3,6, 35,41,42,43	108.286.034	Short-term investments
Piutang usaha - setelah dikurangi cadangan kerugian penurunan nilai sebesar US\$12.162.454 pada tanggal 31 Desember 2013 dan US\$13.682.461 pada tanggal 31 Desember 2012	279.956.482	2d,2f,2u,3,7,28, 35,41,42,43 2d,2u,3,8,10, 37,41,42,43	258.652.097	Trade receivables - net of allowance for impairment losses of US\$12,162,454 as of December 31, 2013 and US\$13,682,461 as of December 31, 2012
Piutang lain-lain - neto	35.862.770	2g,9	5.068.328	Other receivables - net
Persediaan - neto	14.615.268	2f,2u,8,10, 35,37,38,43,45	2.445.065	Inventories - net
Uang muka jatuh tempo dalam waktu satu tahun	42.691.928	11	27.977.862	Current maturities of advances
Beban dibayar di muka	1.684.875		5.451.706	Prepaid expenses
<b>Total Aset Lancar</b>	<b>1.780.527.848</b>		<b>1.983.818.037</b>	<b>Total Current Assets</b>
<b>ASET TIDAK LANCAR</b>				<b>NON-CURRENT ASSETS</b>
Uang muka - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	84.887.358	2f,2u,8,10, 35,37,43	110.922.142	Advances - net of current maturities
Piutang lain-lain jangka panjang	40.265.562	2d,12,41,42	-	Other long-term receivables
Aset pajak tangguhan - neto	28.867.269	2v,3,22	38.264.346	Deferred tax assets - net
Penyertaan saham	95.331.310	2f,2h,2l, 13,35,37	65.952.471	Investment in shares of stock
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar US\$1.453.559.351 pada tanggal 31 Desember 2013 dan US\$1.285.416.180 pada tanggal 31 Desember 2012	1.837.231.368	2i,2l,2o,2w,3, 14,27,28,37,45	1.693.706.757	Fixed assets - net of accumulated depreciation of US\$1,453,559,351 as of December 31, 2013 and US\$1,285,416,180 as of December 31, 2012
Aset eksplorasi dan evaluasi	53.057	2j,2l,3,15,37	53.057	Exploration and evaluation assets
Properti minyak dan gas - setelah dikurangi akumulasi penyusutan, deplesi, amortisasi dan cadangan penurunan nilai sebesar US\$121.994.665	432.617.966	2k,3,15,37 2v,3,22	-	Oil and gas properties - net of accumulated depreciation, depletion, amortization and allowance for impairment of US\$121,994,665
Estimasi tagihan pajak	33.557.745	2c, 2l, 2m	10.342.095	Estimated claims for tax refund
Goodwill dan aset tak berwujud lainnya - neto	25.710.029	3,16	2.887.788	Goodwill and other intangible assets - net
Lain-lain	4.125.483		2.215.626	Others
<b>Total Aset Tidak Lancar</b>	<b>2.582.647.147</b>		<b>1.924.344.282</b>	<b>Total Non-Current Assets</b>
<b>TOTAL ASET</b>	<b>4.363.174.995</b>		<b>3.908.162.319</b>	<b>TOTAL ASSETS</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
DAN ENTITAS ANAKNYA  
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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION (continued)  
December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

	2013	Catatan/ Notes	2012	
<b>LIABILITAS DAN EKUITAS</b>				<b>LIABILITIES AND EQUITY</b>
<b>LIABILITAS JANGKA PENDEK</b>				<b>CURRENT LIABILITIES</b>
Utang usaha	158.320.476	2d,2f,2u,3,17, 35,37,41,42,43	189.130.962	Trade payables
Pinjaman bank jangka pendek	300.000.000	2d,3,18,20,29 41,42	-	Short-term bank loans
Liabilitas yang masih harus dibayar	180.125.591	2d,2r,2u,3,19,20 21,41,42,43	42.257.980	Accrued liabilities
Liabilitas imbalan kerja jangka pendek	35.622.036	2s,2u,33,43	37.302.957	Short-term employee's benefits liabilities
Utang lain-lain	57.609.234	2d,2u,3,14,19, 20,37,41,42,43	24.800.904	Other payables
Utang pajak	40.140.967	2v,2u,3,22	80.629.393	Taxes payables
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	113.980.602	2d,2f,2n,2u,3,20 21,35,37,41,42,43	98.627.228	Current maturities of long-term loans
<b>Total Liabilitas Jangka Pendek</b>	<b>885.798.906</b>		<b>472.749.424</b>	<b>Total Current Liabilities</b>
<b>LIABILITAS JANGKA PANJANG</b>				<b>NON-CURRENT LIABILITIES</b>
Liabilitas pajak tangguhan - neto	571.231	2v,22	650.855	Deferred tax liability - net
Utang lain-lain	13.994.894	19,37,41,42 2d,2z,3,	-	Other payables
Utang derivatif	11.927.017	31,41,42	87.115.630	Derivative payable
Liabilitas pembongkaran aset dan restorasi area dan provisi lain-lain	8.362.468	2t,3,39	-	Asset abandonment and restoration obligations and other provisions
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	611.976.149	2d,2f,2n,2u,3,20,21, 35,37,38,41,42,43	840.006.527	Long-term loans - net of current maturities
Liabilitas jangka panjang imbalan kerja	100.124.151	2s,3,33	149.495.805	Long-term liabilities for employees' benefits
Pendapatan diterima di muka	3.193.656	37	3.352.100	Unearned income
<b>Total Liabilitas Jangka Panjang</b>	<b>750.149.566</b>		<b>1.080.620.917</b>	<b>Total Non-Current Liabilities</b>
<b>TOTAL LIABILITAS</b>	<b>1.635.948.472</b>		<b>1.553.370.341</b>	<b>TOTAL LIABILITIES</b>
<b>EKUITAS</b>				<b>EQUITY</b>
Ekuitas yang dapat diatribusikan kepada pemilik entitas induk				Equity attributable to owners of the parent entity
Modal saham - nilai nominal US\$0,014 per saham				Share capital
Modal dasar - 70.000.000.000 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 69.999.999.999 Saham seri B				Par value US\$0.014 per shares
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	344.018.831	23	344.018.831	Authorized - 70,000,000,000 shares which consist of 1 Series A Dwiwarna share and 69,999,999,999 Series B share
Modal saham diperoleh kembali (251.054)	(251.054)	23	(251.054)	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 disetor lainnya	157.254.312	2p,22,23	157.254.312	Treasury stock
Saldo laba		24,36		Other paid-in capital
Dicadangkan	1.477.639.771		1.092.941.286	Retained earnings
Tidak dicadangkan	618.975.279		649.327.501	Appropriated
Komponen ekuitas lainnya (52.232.867)	(52.232.867)	2u,6,33	(45.946.520)	Unappropriated
<b>Total Ekuitas yang Dapat Diatribusikan Kepada Pemilik Entitas Induk</b>	<b>2.545.404.272</b>		<b>2.197.344.356</b>	<b>Total Equity Attributable to Owners of the Parent Entity</b>
Kepentingan nonpengendali	181.822.251	2b,34	157.447.622	Non-controlling interests
<b>TOTAL EKUITAS</b>	<b>2.727.226.523</b>		<b>2.354.791.978</b>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>	<b>4.363.174.995</b>		<b>3.908.162.319</b>	<b>TOTAL LIABILITIES AND EQUITY</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
DAN ENTITAS ANAKNYA  
LAPORAN LABA RUGI KOMPREHENSIF  
KONSOLIDASIAN  
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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME  
Year Ended December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

	2013	Catatan/ Notes	2012	
<b>PENDAPATAN NETO</b>	3.001.516.630	2f,2q,2x, 25,35,44	2.580.234.140	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	(1.583.522.145)	2f,2q,2x, 26,35,37,44	(1.107.842.836)	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>	<b>1.417.994.485</b>		<b>1.472.391.304</b>	<b>GROSS PROFIT</b>
Beban distribusi dan transmisi	(292.558.975)	2q,2x,14,27,33	(269.894.769)	Distribution and transmission expense
Beban umum dan administrasi	(216.617.353)	2q,2s,2x,7,8, 14,28,33,36	(204.389.934)	General and administrative expense
Pendapatan lain-lain	27.023.658	2q	21.415.500	Other income
Beban lain-lain	(2.156.558)	2q	(1.038.741)	Other expenses
<b>LABA OPERASI</b>	<b>933.685.257</b>		<b>1.018.483.360</b>	<b>OPERATING PROFIT</b>
Laba kurs - neto	83.899.214	2u,32	49.757.553	Gain on foreign exchange - net
Laba perubahan nilai wajar derivatif - neto	70.178.350	2z,31	65.101.054	Gain on change in fair value of derivative - net
Bagian laba dari entitas asosiasi	32.272.194		8.718.596	Share in profit of the associates
Pendapatan keuangan	26.910.239	2q,4,5,30	27.824.136	Finance income
Beban keuangan	(21.863.585)	2q,2t,18,21,29	(21.576.672)	Finance cost
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK</b>	<b>1.125.081.669</b>		<b>1.148.308.027</b>	<b>PROFIT BEFORE TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK</b>				<b>TAX BENEFIT (EXPENSE)</b>
Kini	(226.642.556)	2v,22	(238.367.358)	Current
Tangguhan	(4.554.593)	2v,19,22	5.315.581	Deferred
Beban Pajak - Neto	(231.197.149)		(233.051.777)	Tax Expense - Net
<b>LABA TAHUN BERJALAN</b>	<b>893.884.520</b>		<b>915.256.250</b>	<b>PROFIT FOR THE YEAR</b>
<b>PENDAPATAN (KERUGIAN) KOMPREHENSIF LAIN</b>				<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>
Keuntungan (kerugian) aktuarial	29.827.072	2s,33	(8.734.002)	Actuarial gains (losses)
Aset keuangan tersedia untuk dijual	(15.767.821)	2d,2f,2h,6	7.794.787	Available-for-sale financial assets
Selisih kurs karena penjabaran laporan keuangan				Difference in foreign currency translation of the financial statements
Entitas Anak, neto	(14.010.436)		(1.724.744)	of Subsidiaries, net
Sub-total	48.815		(2.663.959)	Sub-total
Pajak penghasilan terkait	(5.717.966)	2v,22	1.906.393	Income tax effect
<b>KERUGIAN KOMPREHENSIF LAIN SETELAH PAJAK</b>	<b>(5.669.151)</b>		<b>(757.566)</b>	<b>OTHER COMPREHENSIVE LOSS AFTER TAX</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN</b>	<b>888.215.369</b>		<b>914.498.684</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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DAN ENTITAS ANAKNYA  
LAPORAN LABA RUGI KOMPREHENSIF  
KONSOLIDASIAN (lanjutan)  
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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (continued)  
Year Ended December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

	2013	Catatan/ Notes	2012	
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>				<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk	860.533.234		890.885.456	Owners of the parent entity
Kepentingan nonpengendali	33.351.286	2b	24.370.794	Non-controlling interests
<b>TOTAL</b>	<b>893.884.520</b>		<b>915.256.250</b>	<b>TOTAL</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>				<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk	854.246.887		889.696.452	Owners of the parent entity
Kepentingan nonpengendali	33.968.482	2b	24.802.232	Non-controlling interests
<b>TOTAL</b>	<b>888.215.369</b>		<b>914.498.684</b>	<b>TOTAL</b>
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK PER SAHAM, DASAR</b>	<b>0,04</b>	2y,40	<b>0,04</b>	<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY PER SHARE, BASIC</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
DAN ENTITAS ANAKNYA  
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN  
Tahun Yang Berakhir Pada Tanggal 31 Desember 2013  
(Disajikan Dalam Dolar AS, Kecuali Dinyatakan Lain)**

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**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
Year Ended December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

Ekuitas yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity											
Catatan/ Notes	Modal Saham Ditempatkan dan Dibayar Issued and Fully Paid Capital Stock	Modal Saham Diperoleh Kembali/ Treasury Stock	Modal Diter Lainnya/ Other Paid In Capital	Saldo Laba/Retained Earnings		Selisih Kurs karena Perbedaan Laporan Entitas Anak/ Difference in Foreign Currency of the Financial Statements of Subsidiaries	Keuntungan (Kerugian) yang Tersedia Aktual/ Gain (Losses)	Aset Keuangan yang Tersedia untuk Dijual/ Financial Assets for-sale	Total Komponen Ekuitas/ Total Other Components of Equity	Kepentingan Nonpengontrol/ Non-controlling Interests	Total Ekuitas/ Total Equity
				Tidak Dedangkan/ Unappropriated	Tidak Dedangkan/ Unappropriated						
	344.018.831	(251.056)	157.254.312	789.957.094	439.246.776	685.513	-	1.119.417	1.804.930	147.326.378	1.879.357.289
<b>Saldo pada tanggal 1 Januari 2012, sebelum penyusutan</b>											
Penyesuaian neto yang timbul dari penerapan Peraturan Standar Akuntansi Keuangan (Peraturan 2012) (Revisi 2010), Imbasan Keras	25	-	-	-	-	-	(46.562.446)	-	(46.562.446)	(635.488)	(47.197.934)
<b>Saldo pada tanggal 31 Desember 2012, setelah penyusutan</b>											
344.018.831	(251.056)	157.254.312	789.957.094	439.246.776	685.513	(46.562.446)	1.119.417	(44.757.516)	1.832.199.335	146.690.890	1.832.199.335
Laba tahun berjalan	-	-	-	-	880.855.456	-	(7.258.887)	7.794.787	(1.189.004)	24.370.794	915.256.250
Pendapatan (kerugian) komprehensif lain	-	-	-	-	880.855.456	(1.724.804)	(7.258.887)	7.794.787	(1.189.004)	431.438	(757.586)
Total laba komprehensif	-	-	-	-	880.855.456	(1.724.804)	(7.258.887)	7.794.787	(1.189.004)	24.802.232	914.498.694
Pembayaran dividen	24	-	-	-	(352.205.589)	-	-	-	-	-	(352.205.589)
Dana untuk program kemitraan	24,36	-	-	-	(12.807.476)	-	-	-	-	-	(12.807.476)
Pencadangan saldo laba untuk	24,36	-	-	-	(12.807.476)	-	-	-	-	-	(12.807.476)
Pembayaran dividen dari Entitas Anak	24	-	-	-	302.984.192	-	-	-	-	(14.045.500)	-
<b>Saldo pada tanggal 31 Desember 2012</b>											
344.018.831	(251.056)	157.254.312	1.092.941.286	649.327.501	(1.039.319)	(53.821.333)	8.514.204	(45.946.520)	1.874.447.622	2.394.791.978	2.394.791.978
Laba tahun berjalan	-	-	-	-	880.533.234	-	23.491.910	(15.767.821)	(6.286.917)	33.351.286	883.844.520
Pendapatan (kerugian) komprehensif lain	-	-	-	-	880.533.234	(14.010.436)	23.491.910	(15.767.821)	(6.286.917)	617.196	(5.669.151)
Total laba komprehensif	-	-	-	-	880.533.234	(14.010.436)	23.491.910	(15.767.821)	(6.286.917)	33.968.482	886.215.369
Pembayaran dividen	24	-	-	-	(506.186.971)	-	-	-	-	-	(506.186.971)
Pencadangan saldo laba untuk	24	-	-	-	(364.698.485)	-	-	-	-	-	(364.698.485)
Pembayaran dividen dari Entitas Anak	24	-	-	-	394.698.485	-	-	-	-	(9.593.853)	-
<b>Saldo pada tanggal 31 Desember 2013</b>											
344.018.831	(251.056)	157.254.312	1.477.639.771	618.975.279	(15.049.827)	(30.329.423)	(6.853.617)	(52.232.897)	181.922.251	2.727.226.523	2.727.226.523

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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DAN ENTITAS ANAKNYA  
LAPORAN ARUS KAS KONSOLIDASIAN  
Tahun Yang Berakhir Pada Tanggal  
31 Desember 2013  
(Disajikan Dalam Dolar AS, Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF  
CASH FLOWS  
Year Ended December 31, 2013  
(Expressed in US Dollar, Unless Otherwise Stated)**

	2013	Catatan/ Notes	2012	
<b>ARUS KAS DARI AKTIVITAS OPERASI</b>				<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>
Penerimaan dari pelanggan	2.954.338.709		2.585.937.818	Receipts from customers
Penerimaan dari penghasilan bunga	26.123.918		28.611.949	Receipts from interest income
Pembayaran kepada pemasok	(1.537.213.811)		(957.261.487)	Payments to suppliers
Pembayaran pajak penghasilan setelah dikurangi penerimaan dari tagihan pajak	(330.351.685)		(221.120.643)	Payments for income taxes net of receipts from claims for tax refund
Pembayaran untuk beban operasi dan aktivitas operasi lainnya	(211.762.229)		(187.800.150)	Payments for operating expenses and other operating activities
Pembayaran kepada karyawan	(54.659.968)		(59.785.653)	Payments to employees
Pembayaran bunga	(17.599.905)		(22.163.413)	Payments for interest
<b>Kas neto yang diperoleh dari aktivitas operasi</b>	<b>828.875.029</b>		<b>1.166.418.421</b>	<b>Net cash provided by operating activities</b>
<b>ARUS KAS DARI AKTIVITAS INVESTASI</b>				<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>
Pengurangan (penambahan) kas yang dibatasi penggunaannya	7.315.152		(4.933.727)	Deductions (additions) from restricted cash
Penambahan (pengurangan) investasi jangka pendek	4.182.001	6	(73.826.325)	Additions (deductions) to short-term investments
Penerimaan dividen dari Entitas Asosiasi	2.498.684	13	-	Dividends received from Associate
Akuisisi Entitas Anak tidak langsung, setelah dikurangi kas yang diperoleh	(259.851.818)	16	-	Acquisition of indirect Subsidiary, net of cash acquired
Penambahan aset tetap	(206.784.857)		(159.296.204)	Additions to fixed assets
Penambahan aset minyak dan gas	(110.553.335)		-	Additions to oil and gas assets
Penambahan kerjasama operasi minyak dan gas bumi atau kontrak jasa/ perjanjian partisipasi	(103.344.086)		-	The additional of interest in oil and gas operation or service contract/ participation sharing agreement
Penambahan penyertaan saham	-		(12.228.398)	Increase in investment in shares of stock
Penambahan biaya ditangguhkan	-		(8.924)	Increase in deferred charges
<b>Kas neto yang digunakan untuk aktivitas investasi</b>	<b>(666.538.259)</b>		<b>(250.293.578)</b>	<b>Net cash used in investing activities</b>
<b>ARUS KAS DARI AKTIVITAS PENDANAAN</b>				<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>
Penerimaan pinjaman bank jangka pendek	300.000.000	18	-	Receipts from short-term bank loans borrowings
Penerimaan atas penyertaan saham oleh kepentingan nonpengendali Entitas Anak	5.172		4.715	Receipts from the issuance of shares to non-controlling interest of the Subsidiary
Pembayaran dividen	(510.620.916)	24	(327.730.116)	Payments of dividends
Pembayaran pinjaman	(115.059.958)		(81.338.968)	Payments of loans
Pembayaran atas derivatif	(5.010.263)		(26.099.109)	Payments of derivative
Pembayaran untuk program kemitraan dan bina lingkungan	-		(25.096.388)	Payments for partnership and community development program
<b>Kas neto yang digunakan untuk aktivitas pendanaan</b>	<b>(330.685.965)</b>		<b>(460.259.866)</b>	<b>Net cash used in financing activities</b>
Pengaruh perubahan kurs neto dari kas dan setara kas	(79.940.904)		(29.768.495)	Net effects of foreign exchange differences on cash and cash equivalents
<b>KENAIKAN (PENURUNAN) NETO KAS DAN SETARA KAS</b>	<b>(248.290.099)</b>		<b>426.096.482</b>	<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>
<b>KAS DAN SETARA KAS AWAL TAHUN</b>	<b>1.567.458.346</b>		<b>1.141.361.864</b>	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>
<b>KAS DAN SETARA KAS AKHIR TAHUN</b>	<b>1.319.168.247</b>	2e,4	<b>1.567.458.346</b>	<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>

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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**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. 57 dari Notaris Fathiah Helmi S.H., tanggal 17 April 2013, yang mengatur, antara lain, perubahan susunan Dewan Komisaris dan Direksi. Perubahan ini telah dilaporkan dan diterima oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Penerimaan No. AHU-AH.01.10-20152 tanggal 24 Mei 2013.

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**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. 57 of Notary Fathiah Helmi, S.H., dated April 17, 2013, concerning, among others, the change in the composition of the Boards of Commissioners and Directors of the Company. The amendments were reported to and accepted by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Acknowledgment Letter No. AHU-AH.01.10-20152 dated May 24, 2013.

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**1. UMUM (lanjutan)**

**a. Pendirian Perusahaan (lanjutan)**

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.

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, Lampung, Cilegon, 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.

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**1. GENERAL (continued)**

**a. The Company's Establishment (continued)**

*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.*

*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, Lampung, Cilegon, 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.*

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**1. UMUM (lanjutan)**

**a. Pendirian Perusahaan (lanjutan)**

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 14).

Perusahaan dimiliki oleh Pemerintah Republik Indonesia selaku pemegang saham mayoritas.

**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.

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.

**1. GENERAL (continued)**

**a. The Company's Establishment (continued)**

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 14).*

*The Company is majority owned by the Government of the Republic of Indonesia.*

**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.*

*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.*



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**1. UMUM (lanjutan)**

**b. Penawaran Umum Efek Perusahaan (lanjutan)**

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.

Pada tanggal 24 Oktober 2008, Perusahaan melakukan pembelian kembali atas saham yang telah beredar sebesar 1.850.000 lembar saham dengan harga pembelian senilai Rp1.350 per saham dengan nilai sebesar Rp2.501.246.250 termasuk biaya transaksi.

Pada tanggal 31 Desember 2008, Perusahaan menyajikan nilai saham yang diperoleh kembali sebesar Rp2.501.246.250 pada akun "Modal Saham Diperoleh Kembali" sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian.

**c. Penyelesaian Laporan Keuangan Konsolidasian**

Laporan keuangan konsolidasian ini telah diselesaikan dan disetujui untuk diterbitkan oleh Direksi Perusahaan pada tanggal 25 Februari 2014.

**d. Entitas Anak dan Entitas Asosiasi**

Pada tanggal 31 Desember 2013 dan 2012, persentase kepemilikan Perusahaan, baik secara langsung maupun tidak langsung dan total aset Entitas Anak adalah sebagai berikut:

Entitas Anak, Kegiatan Usaha, Kedudukan, dan Tanggal Pendirian/ <i>Subsidiaries, Business Activities, Domiciles and Date of Establishment</i>	Tahun Usaha Komersial Dimulai/ <i>Year of Commercial Operations Started</i>	Persentase Kepemilikan/ <i>Percentage of Ownership</i>		Total Aset dalam Juta Dolar AS Sebelum Eliminasi/ <i>Total Assets in Millions US Dollar Before Elimination</i>	
		2013	2012	2013	2012
		<u>Dimiliki langsung oleh Perusahaan/ Held directly by the Company</u>			
PT Transportasi Gas Indonesia (Transgasindo) Transmisi gas/Gas <i>transmission</i> Indonesia, 1 Februari 2002/ <i>February 1, 2002</i>	2002	59,87%	59,87%	540	555
PGN Euro Finance 2003 Limited (PGNEF) Bidang keuangan/ <i>Financing company</i> Mauritius, 24 Juli 2003/ <i>July 24, 2003</i>	2003 <sup>21</sup>	100.00%	100.00%	-	-

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**1. GENERAL (continued)**

**b. The Company's Public Offering (continued)**

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 buy-back shares with maximum fund allocated amounting to Rp450,000,000,000, which was taken from other reserve of the Company's funds.

On October 24, 2008, the Company repurchased the issued shares amounting to 1,850,000 shares with purchase price Rp1,350 per share with total amount of Rp2,501,246,250 inclusive of transaction cost.

On December 31, 2008, the Company presented the buy-back shares amounting to Rp2,501,246,250 as "Treasury Stock" account as part of equity in the consolidated statements of financial position.

**c. Completion of the Consolidated Financial Statements**

The accompanying consolidated financial statements were completed and authorized for issue by the Company's Directors on February 25, 2014.

**d. Subsidiaries and Associates**

As of December 31, 2013 and 2012, the percentage of ownership of the Company, either directly or indirectly and total assets of the Subsidiaries are as follows:

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**1. UMUM (lanjutan)**

**d. Entitas Anak dan Entitas Asosiasi  
(lanjutan)**

Entitas Anak, Kegiatan Usaha, Kedudukan, dan Tanggal Pendirian/ <i>Subsidiaries, Business Activities, Domiciles and Date of Establishment</i>	Tahun Usaha Komersial Dimulai/ <i>Year of Commercial Operations Started</i>	Persentase Kepemilikan/ <i>Percentage of Ownership</i>		Total Aset dalam Juta Dolar AS Sebelum Eliminasi/ <i>Total Assets in Millions US Dollar Before Elimination</i>	
		2013	2012	2013	2012
<u>Dimiliki langsung oleh Perusahaan (lanjutan)/ Held directly by the Company (continued)</u>					
PT PGAS Telekomunikasi Nusantara (PGASKOM) Jasa telekomunikasi/ <i>Telecommunication services</i> Indonesia, 10 Januari 2007/ <i>January 10, 2007</i>	2009	99,93%	99,93%	17	16
PT PGAS Solution (PGASSOL) Konstruksi / <i>Construction</i> Indonesia, 6 Agustus 2009/ <i>August 6, 2009</i>	2010	99,91%	99,91%	29	13
PT Saka Energi Indonesia (SEI) Eksplorasi minyak dan gas/ <i>Exploration of oil and gas</i> Indonesia, 27 Juni 2011/ <i>June 27, 2011</i>	2013	100,00%	100,00%	527	4
PT Gagas Energi Indonesia (GEI) Distribusi gas bumi/ <i>Distribution of natural gas</i> Indonesia, 27 Juni 2011/ <i>June 27, 2011</i>	2012	100,00%	100,00%	43	27
PT PGN LNG Indonesia (PLI) Pengolahan <i>liquefied natural gas</i> / <i>Processing of liquefied natural gas</i> Indonesia, 26 Juni 2012/ <i>June 26, 2012</i>	- <sup>1)</sup>	100,00%	100,00%	30	39
<b>Total/Total</b>				<b>1.186</b>	<b>654</b>

Dimiliki oleh PT Saka Energi Indonesia (SEI)/  
Held through PT Saka Energi Indonesia (SEI)

PT Saka Lematang (SL) Eksplorasi minyak dan gas/ <i>Exploration of oil and gas</i> Indonesia, 24 September 2012/September 24, 2012	- <sup>1)</sup>	100,00%	100,00%	- <sup>4)</sup>	-
PT Saka Ketapang Perdana (SKP) Eksplorasi minyak dan gas/ <i>Exploration of oil and gas</i> Indonesia, 17 Oktober 2012/October 17, 2012	- <sup>1)</sup>	100,00%	100,00%	102	-
PT Saka Bangkanai Klemantan (SBK) Eksplorasi dan produksi minyak dan gas/ <i>Exploration and production of oil and gas</i> Indonesia, 11 Maret 2013/March 11, 2013	- <sup>1)</sup>	100,00%	-	102	-
Saka Indonesia Pangkah B.V. (SIP) <sup>3)</sup> Eksplorasi dan produksi minyak dan gas/ <i>Exploration and production of oil and gas</i> Belanda/Netherlands, 3 Agustus 2007/August 3, 2007	2007	100,00%	-	270	-

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**1. UMUM (lanjutan)**

**d. Entitas Anak dan Entitas Asosiasi  
(lanjutan)**

Entitas Anak, Kegiatan Usaha, Kedudukan, dan Tanggal Pendirian/ <i>Subsidiaries, Business Activities, Domiciles and Date of Establishment</i>	Tahun Usaha Komersial Dimulai/ <i>Year of Commercial Operations Started</i>	Persentase Kepemilikan/ <i>Percentage of Ownership</i>		Total Aset dalam Juta Dolar AS Sebelum Eliminasi/ <i>Total Assets in Millions US Dollar Before Elimination</i>	
		2013	2012	2013	2012
<u>Dimiliki oleh PT Saka Energi Indonesia (SEI) (lanjutan)/ Held through PT Saka Energi Indonesia (SEI) (continued)</u>					
PT Saka Indonesia Sesulu (SIS) Eksplorasi minyak dan gas/ <i>Exploration of oil and gas</i> Indonesia, 7 Maret 2013/ <i>March 7, 2013</i>	- <sup>1]</sup>	100,00%	-	-	-
<b>Total/Total</b>				<b>474</b>	<b>-</b>
<u>Dimiliki oleh PT PGAS Telekomunikasi Nusantara (PGASKOM)/ Held through PT PGAS Telekomunikasi Nusantara (PGASKOM)</u>					
PGAS Telecommunications International Pte. Ltd. (PTI) Jasa Telekomunikasi/ <i>Telecommunications services</i> Singapura/ <i>Singapore,</i> 24 November 2009/ <i>November 24, 2009</i>	2010	100,00%	100,00%	5	3
PT Telemedia Dinamika Sarana (TDS) Jasa Telekomunikasi/ <i>Telecommunications services</i> Indonesia, 2 Oktober 2002/ <i>October 2, 2002</i>	2013	90,00%	-	- <sup>4]</sup>	-
<b>Total/Total</b>				<b>5</b>	<b>3</b>

1) Belum beroperasi komersial/Not yet started commercial operation

2) Dalam proses likuidasi/In the liquidation process

3) Dahulu Kufpec Indonesia (Pangkah) B.V./Formerly Kufpec Indonesia (Pangkah) B.V.

4) Nilai aset di bawah 1 juta US Dollar/The amount of assets is below one million US Dollar

Kelompok usaha mempunyai kerjasama operasi minyak dan gas atau kontrak jasa/perjanjian partisipasi dan pembagian ekonomi pada tanggal 31 Desember 2013 dan 2012 sebagai berikut:

Kerjasama Operasi/ <i>Joint Ventures</i>	Negara/ <i>Country</i>	Hak kepemilikan (%) / Interest (%)	
		2013	2012
Blok Bangkanai	Indonesia	30%	-
Blok Ujung Pangkah	Indonesia	25%	-
Blok Ketapang	Indonesia	20%	20%
Blok Lematang-Petar <sup>1)</sup>	Indonesia	5%	5%

1) Dalam proses pelepasan/In the process of disposal

**Kombinasi Bisnis**

Pada tanggal 28 Juni 2013, PT PGAS Telekomunikasi Nusantara (PGASKOM) telah melakukan akuisisi atas 90% saham pada PT Telemedia Dinamika Sarana (TDS) dari pemilik saham sebelumnya dengan imbalan pembelian yang dialihkan dengan total sebesar Rp675.000.000. Atas transaksi ini, PGASKOM mengakui *goodwill* sebesar US\$55.378.

The Group has interests in the following oil and gas joint venture operations or Service Contracts/Participation and Economic Sharing Agreements as of December 31, 2013 and 2012:

**Business Combination**

On June 28, 2013, PT PGAS Telekomunikasi Nusantara (PGASKOM) acquired 90% equity interests in PT Telemedia Dinamika Sarana (TDS) from the previous owners with purchase consideration transferred of Rp675,000,000. Under this transaction, PGASKOM recognized a *goodwill* amounting to US\$55,378.

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**1. UMUM (lanjutan)**

**d. Entitas Anak dan Entitas Asosiasi (lanjutan)**

Pada tanggal 26 Juni 2013, PT Saka Energi Indonesia telah melakukan akuisisi atas 100% kepemilikan saham pada Kufpec Indonesia (Pangkah) B.V. (KIP) dari pemilik saham lama, yaitu Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed), dengan imbalan pembelian yang dialihkan sebesar US\$259.851.818 (Catatan 16).

Pada tanggal 17 Juli 2013, KIP telah berganti nama menjadi Saka Indonesia Pangkah B.V. (SIP).

Lihat Catatan 16 untuk pengungkapan akuntansi Kombinasi Bisnis dari transaksi tersebut.

Informasi mengenai Entitas Asosiasi yang dimiliki oleh Kelompok Usaha pada tanggal-tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

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	
			2013	2012
PT Nusantara Regas (NR)	Jakarta, 2012	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 (GEJ)	Jambi, 2005	Transportasi dan distribusi gas bumi/ Transportation and distribution of natural gas	40,00%	40,00%

**e. Dewan Komisaris, Direksi dan Karyawan**

Berdasarkan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 17 April 2013, para pemegang saham menyetujui susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2013 sebagai berikut:

**Dewan Komisaris**

Komisaris Utama  
Komisaris  
Komisaris  
Komisaris  
Komisaris Independen  
Komisaris Independen

Bayu Krisnamurthi  
M. Zamkhani  
Firmanzah  
Kiagus Ahmad Badaruddin  
Widya Purnama  
Pudja Sunasa

**e. Boards of Commissioners, Directors and Employees**

Based on the Annual General Meeting of Shareholders on April 17, 2013, the shareholders approved the members of the Company's Boards of Commissioners and Directors as of December 31, 2013:

**Board of Commissioners**

Chairman of the Board of Commissioners  
Commissioner  
Commissioner  
Commissioner  
Independent Commissioner  
Independent Commissioner

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**1. UMUM (lanjutan)**

**e. Dewan Komisaris, Direksi dan Karyawan (lanjutan)**

**Dewan Direksi**

Direktur Utama  
Direktur Keuangan  
Direktur Pengusahaan  
Direktur Teknologi dan Pengembangan  
Direktur Perencanaan Investasi dan  
Manajemen Risiko  
Direktur Sumber Daya Manusia dan  
Umum

Hendi Prio Santoso  
M. Riza Pahlevi Tabrani  
Jobi Triananda Hasjim  
Djoko Saputro

Muhammad Wahid Sutopo

Hendi Kusnadi

Berdasarkan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 22 Mei 2012, para pemegang saham menyetujui susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2012 sebagai berikut:

**Dewan Komisaris**

Komisaris Utama  
Komisaris  
Komisaris  
Komisaris  
Komisaris Independen  
Komisaris Independen

Bayu Krisnamurthi  
M. Zamkhani  
Bambang Dwijanto  
Kiagus Ahmad Badaruddin  
Widya Purnama  
Pudja Sunasa

**Dewan Direksi**

Direktur Utama  
Direktur Keuangan  
Direktur Pengusahaan  
Direktur Teknologi dan Pengembangan  
Direktur Perencanaan Investasi dan  
Manajemen Risiko  
Direktur Sumber Daya Manusia dan  
Umum

Hendi Prio Santoso  
M. Riza Pahlevi Tabrani  
Jobi Triananda Hasjim  
Djoko Saputro

Muhammad Wahid Sutopo

Hendi Kusnadi

Pada tanggal 31 Desember 2013, susunan Komite Audit Perusahaan adalah sebagai berikut:

Ketua  
Anggota  
Anggota  
Anggota  
Anggota

Pudja Sunasa  
Mohamad Slamet Wibowo  
Imbuh Sulistyarni  
Kanyatama P. Mulyono\*)  
Gunawan Indradi

Chairman  
Member  
Member  
Member  
Member

Pada tanggal 31 Desember 2012, susunan Komite Audit Perusahaan adalah sebagai berikut:

Ketua  
Anggota  
Anggota  
Anggota  
Anggota

Pudja Sunasa  
Tjahjanto Budisatrio  
Mohamad Slamet Wibowo  
Imbuh Sulistyarni  
Shalahuddin Haikal

Chairman  
Member  
Member  
Member  
Member

\*) Berdasarkan Surat Keputusan Dewan Komisaris No. Kep.09/D-KOM/2013, tanggal 31 Oktober 2013, Dewan Komisaris mengangkat Kanyatama P. Mulyono sebagai anggota Komite Audit untuk menggantikan Shalahuddin Haikal, yang berlaku efektif pada tanggal 1 November 2013.

**1. GENERAL (continued)**

**e. Boards of Commissioners, Directors and Employees (continued)**

**Board of Directors**

President Director  
Director of Finance  
Director of Operations  
Director of Technology and Development  
Director of Investment Planning and  
Risk Management  
Director of Human Resources and  
General Affairs

Based on the Annual General Meeting of Shareholders on May 22, 2012, the shareholders approved the members of the Company's Boards of Commissioners and Directors as of December 31, 2012:

**Board of Commissioners**

Chairman of the Board of Commissioners  
Commissioner  
Commissioner  
Commissioner  
Independent Commissioner  
Independent Commissioner

**Board of Directors**

President Director  
Director of Finance  
Director of Operations  
Director of Technology and Development  
Director of Investment Planning and  
Risk Management  
Director of Human Resources and  
General Affairs

As of December 31, 2013, the members of the Company's Audit Committee are as follows:

As of December 31, 2012, the members of the Company's Audit Committee are as follows:

\*) Based on the Board of Commissioners' decision letter No. Kep.09/D-KOM/2013, dated October 31, 2013, the Board of Commissioners agreed to appoint Kanyatama P. Mulyono as a member of Audit Committee to replace Shalahuddin Haikal which were effective on November 1, 2013.

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**1. UMUM (lanjutan)**

**e. Dewan Komisaris, Direksi dan Karyawan (lanjutan)**

Pada tanggal 31 Desember 2013 dan 2012, jumlah karyawan tetap Perusahaan dan Entitas Anak (bersama-sama disebut sebagai "Kelompok Usaha") masing-masing adalah 1.938 orang dan 1.920 orang (tidak diaudit).

**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 Nomor VIII.G.7 tentang Pedoman Penyajian dan Pengungkapan Laporan Keuangan yang diterbitkan oleh BAPEPAM-LK.

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 penyajian yang digunakan dalam laporan keuangan konsolidasian adalah Dolar Amerika Serikat yang merupakan mata uang fungsional Perusahaan dan Kelompok Usaha (Catatan 2.u). Setiap entitas di dalam Kelompok Usaha menetapkan mata uang fungsional sendiri dan transaksi-transaksi di dalam laporan keuangan dari setiap entitas diukur berdasarkan mata uang fungsional tersebut.

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**1. GENERAL (continued)**

**e. Boards of Commissioners, Directors and Employees (continued)**

*As of December 31, 2013 and 2012, the Company and Subsidiaries (collectively referred to as the "Group") have a total of 1,938 and 1,920 permanent employees (unaudited), respectively.*

**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 Regulation Number VIII.G.7 on the Guidelines on Financial Statement Presentation and Disclosures issued by BAPEPAM-LK.*

*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 presentation currency used in the preparation of the consolidated financial statements is the US Dollar which is the functional currency of the Company and the Group (Note 2.u). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**a. Dasar Penyajian Laporan Keuangan  
Konsolidasian (lanjutan)**

Mata uang fungsional Transgasindo, GEI, SEI dan PT Nusantara Regas adalah Dolar Amerika Serikat, sedangkan untuk PGASKOM, PGASSOL dan PLI adalah Rupiah.

**b. Prinsip-prinsip Konsolidasian**

Laporan keuangan konsolidasian meliputi akun-akun Kelompok Usaha seperti disebutkan pada Catatan 1.d (secara langsung maupun tidak langsung) dengan kepemilikan saham lebih dari 50%.

Laporan keuangan konsolidasian disusun dengan menggunakan kebijakan akuntansi yang sama untuk transaksi dan peristiwa lain dalam keadaan yang serupa. Jika anggota Kelompok Usaha menggunakan kebijakan akuntansi yang berbeda untuk transaksi dan peristiwa dalam keadaan yang serupa, maka penyesuaian dilakukan atas laporan keuangannya dalam penyusunan laporan keuangan konsolidasian.

Seluruh saldo akun dan transaksi yang signifikan antara Perusahaan dengan Entitas Anak telah dieliminasi.

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

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**a. Basis of Preparation of the Consolidated  
Financial Statements (continued)**

*The functional currency of Transgasindo, GEI, SEI and PT Nusantara Regas is the US Dollar while PGASKOM, PGASSOL and PLI is the Rupiah.*

**b. Principles of Consolidation**

*The consolidated financial statements include the accounts of the Group as described in Note 1.d, in which the Company maintains (directly or indirectly) equity ownership of more than 50%.*

*Consolidated financial statements have been prepared using uniform accounting policies for transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.*

*All significant intercompany accounts and transactions between the Company and Subsidiaries have been eliminated.*

*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*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**b. Prinsip-prinsip Konsolidasian (lanjutan)**

- (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.

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 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 entitas induk, 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" pada Laporan Posisi Keuangan Konsolidasian. Hak minoritas atas laba (rugi) neto Entitas Anak pada Laporan Laba Rugi Komprehensif Konsolidasian disajikan sebagai "Laba/Rugi Tahun Berjalan yang Dapat Diatribusikan kepada Kepentingan Nonpengendali".

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POLICIES (continued)**

**b. Principles of Consolidation (continued)**

- (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.*

*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 cumulative 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 parent 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" 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/Loss for the Year Attributable to Non-Controlling Interests".*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**b. Prinsip-prinsip Konsolidasian (lanjutan)**

Untuk tujuan konsolidasi, laporan keuangan PGASKOM, PGASSOL dan PLI dijabarkan ke dalam Dolar Amerika Serikat dengan menggunakan:

**Akun/Accounts**

Aset dan liabilitas/  
Assets and liabilities

Pendapatan dan beban/  
Revenues and expenses

**Kurs/Exchange Rates**

Kurs rata-rata pembelian dan penjualan Bank Indonesia pada akhir tahun pelaporan/  
Average buying and selling exchange rate of Bank Indonesia at end of reporting year

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 PGASKOM, PGASSOL dan PLI ke dalam Dolar Amerika Serikat disajikan dalam akun "Pendapatan komprehensif lainnya - Selisih Kurs karena Penjabaran Laporan Keuangan Entitas Anak" sebagai bagian dari Komponen Ekuitas Lainnya pada ekuitas dalam laporan posisi keuangan konsolidasian.

**c. Kombinasi Bisnis dan Goodwill**

Kelompok Usaha menerapkan PSAK No. 22 (Revisi 2010), "Kombinasi Bisnis", yang menjelaskan transaksi atau peristiwa lain yang memenuhi definisi kombinasi bisnis guna meningkatkan relevansi, keandalan dan daya banding informasi yang disajikan entitas pelapor mengenai kombinasi bisnis dan dampak terkait dalam laporan keuangannya.

Kombinasi bisnis dicatat dengan menggunakan metode akuisisi. Biaya perolehan dari sebuah akuisisi diukur pada nilai agregat imbalan yang dialihkan, diukur pada nilai wajar pada tanggal akuisisi dan jumlah setiap KNP pada pihak yang diakuisisi. Untuk setiap kombinasi bisnis, Kelompok Usaha memilih apakah mengukur KNP pada entitas yang diakuisisi baik pada nilai wajar ataupun pada proporsi kepemilikan KNP atas aset neto yang teridentifikasi dari entitas yang diakuisisi. Biaya-biaya akuisisi yang timbul dibebankan langsung dan disertakan dalam "Beban Umum dan Administrasi".

Ketika melakukan akuisisi atas sebuah bisnis, Kelompok Usaha mengklasifikasikan dan menentukan aset keuangan yang diperoleh dan liabilitas keuangan yang diambil alih berdasarkan pada persyaratan kontraktual, kondisi ekonomi dan kondisi terkait lain yang ada pada tanggal akuisisi.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**b. Principles of Consolidation (continued)**

For consolidation purposes, the financial statements of PGASKOM, PGASSOL and PLI are translated into US Dollar using the following:

**Akun/Accounts**  
Assets and liabilities

**Kurs/Exchange Rates**  
Average buying and selling exchange rate of Bank Indonesia at end of reporting year

The difference arising from the translation of PGASKOM, PGASSOL and PLI's financial statements into US Dollar is presented as "Other Comprehensive Income - Difference in Foreign Currency Translation of the Financial Statements of Subsidiaries" account as part of Other Components of Equity in the equity section of the consolidated statements of financial position.

**c. Business Combinations and Goodwill**

The Group adopts PSAK No. 22 (Revised 2010), "Business Combinations", which stipulates the nature of a transaction or other event that meets the definition of a business combination to improve the relevancy, reliability and comparability of the information that a reporting entity provides in its financial statements about a business combination and its effects.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any NCI in the acquiree. For each business combination, the Group selects whether it measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are directly expensed and included in "General and Administrative Expenses".

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**c. Kombinasi Bisnis dan Goodwill (lanjutan)**

Dalam suatu kombinasi bisnis yang dilakukan secara bertahap, Kelompok Usaha mengukur kembali kepentingan ekuitas yang dimiliki sebelumnya pada pihak yang diakuisisi pada nilai wajar tanggal akuisisi dan mengakui keuntungan atau kerugian yang dihasilkan.

Imbalan kontinjensi yang akan dibayarkan oleh pihak pengakuisisi diakui pada nilai wajar pada tanggal akuisisi. Perubahan nilai wajar atas imbalan kontinjensi setelah tanggal akuisisi yang diklasifikasikan sebagai aset atau liabilitas, akan diakui pada laporan laba rugi berjalan atau sebagai pendapatan komprehensif lain sesuai dengan PSAK No. 55 (Revisi 2011). Jika diklasifikasikan sebagai ekuitas, imbalan kontinjensinya tidak diukur kembali sampai penyelesaian terakhir dalam ekuitas.

Pada tanggal akuisisi, *goodwill* awalnya diukur pada harga perolehan yang merupakan selisih lebih nilai agregat dari imbalan yang dialihkan dan jumlah setiap KNP atas selisih jumlah dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih. Jika imbalan tersebut kurang dari nilai wajar aset neto entitas anak yang diakuisisi, selisih tersebut diakui sebagai laba atau rugi sebagai keuntungan dari pembelian dengan diskon setelah sebelumnya manajemen melakukan penilaian atas identifikasi dan nilai wajar dari aset yang diperoleh dan liabilitas yang diambil alih dan dicatat dalam laporan laba rugi komprehensif konsolidasian.

Setelah pengakuan awal, *goodwill* diukur pada jumlah tercatat dikurangi akumulasi kerugian penurunan nilai. Untuk tujuan pengujian penurunan nilai, *goodwill* yang diperoleh dari suatu kombinasi bisnis, sejak tanggal akuisisi dialokasikan kepada setiap Unit Penghasil Kas ("UPK") dari Kelompok Usaha yang diharapkan akan bermanfaat dari sinergi kombinasi tersebut, terlepas dari apakah aset atau liabilitas lain dari pihak yang diakuisisi ditetapkan atas UPK tersebut.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**c. Business Combinations and Goodwill  
(continued)**

*If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.*

*Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with PSAK No. 55 (Revised 2011) either in profit or loss as other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.*

*At acquisition date, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss as gain on bargain purchase after previously assessing the identification and fair value measurement of the acquired assets and the assumed liabilities and recorded in consolidated statements of comprehensive income.*

*After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's Cash-generating Units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those CGUs.*

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**c. Kombinasi Bisnis dan Goodwill (lanjutan)**

Jika *goodwill* telah dialokasikan pada suatu UPK dan operasi tertentu atas UPK tersebut dihentikan, maka *goodwill* yang diasosiasikan dengan operasi yang dihentikan tersebut termasuk dalam jumlah tercatat operasi tersebut ketika menentukan keuntungan atau kerugian dari pelepasan. *Goodwill* yang dilepaskan tersebut diukur berdasarkan nilai relatif operasi yang dihentikan dan porsi UPK yang ditahan.

**d. Aset dan Liabilitas Keuangan**

**(i) Aset Keuangan**

Pengakuan awal

Aset keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2011) 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 Kelompok Usaha 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 tahun keuangan.

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**c. Business Combinations and Goodwill  
(continued)**

Where goodwill forms part of a CGU and part of the operations within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

**d. Financial Assets and Liabilities**

**(i) Financial Assets**

Initial recognition

Financial assets within the scope of the PSAK No. 55 (Revised 2011) 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 Group commits 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 financial 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 year end.



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**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, dan keuntungan dan kerugian terkait diakui dalam laba rugi pada saat pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, demikian juga melalui proses amortisasi.

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 harus direklasifikasi ke dalam laba atau rugi sebagai penyesuaian reklasifikasi.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**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 and gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

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 dicatat pada biaya perolehan diamortisasi

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.

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**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.

- Financial assets carried at amortized cost

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.

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**(ii) Penurunan Nilai dari Aset Keuangan  
(lanjutan)**

- Aset keuangan dicatat pada biaya perolehan diamortisasi (lanjutan)

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 (*collateralized financial asset*) mencerminkan arus kas yang dapat dihasilkan dari utilisasi dari jaminan deposit yang diberikan oleh pelanggan kepada Kelompok Usaha.

Estimasi tahun 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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**d. Financial Assets and Liabilities (continued)**

**(ii) Impairment of Financial Assets  
(continued)**

- Financial assets carried at amortized cost (continued)

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.

The estimated year 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.

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(ii) Penurunan Nilai dari Aset Keuangan  
(lanjutan)**

- Aset keuangan dicatat pada biaya perolehan diamortisasi (lanjutan)

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 tahun terjadinya kerugian historis tersebut, dan untuk menghilangkan pengaruh kondisi yang ada pada tahun 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 tahun 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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**d. Financial Assets and Liabilities (continued)**

**(ii) Impairment of Financial Assets  
(continued)**

- Financial assets carried at amortized cost (continued)

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 year on which the historical loss experience is based and to remove the effects of conditions in the historical year 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 year, 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)**

- Aset keuangan dicatat pada biaya perolehan diamortisasi (lanjutan)

Penerimaan kemudian atas piutang yang telah dihapusbukukan sebelumnya, jika pada tahun berjalan, dikreditkan pada cadangan kerugian penurunan nilai, sedangkan jika setelah tanggal laporan posisi keuangan konsolidasian, dikreditkan sebagai pendapatan operasional lainnya.

- Aset keuangan yang tersedia untuk dijual

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  
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**d. Financial Assets and Liabilities (continued)**

**(ii) Impairment of Financial Assets  
(continued)**

- Financial assets carried at amortized cost (continued)

*Subsequent recoveries of previously written-off receivables, if in the current year, are credited to the allowance for impairment losses, but if after the consolidated statement of financial position date, are credited to other operating income.*

- Available-for-sale (AFS) financial assets

*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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**(ii) Penurunan Nilai dari Aset Keuangan  
(lanjutan)**

- Aset keuangan yang tersedia untuk dijual (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.

**(iii) Liabilitas Keuangan**

Pengakuan awal

Liabilitas keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2011) diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi, utang dan pinjaman. Pada tanggal laporan posisi keuangan konsolidasian, Kelompok Usaha memiliki kedua 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 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 kadaluarsa.

- a. Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi

Kategori ini terdiri dari liabilitas keuangan diklasifikasikan sebagai diperdagangkan.

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**d. Financial Assets and Liabilities (continued)**

**(ii) Impairment of Financial Assets  
(continued)**

- Available-for-sale (AFS) 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.

**(iii) Financial Liabilities**

Initial recognition

Financial liabilities within the scope of PSAK No. 55 (Revised 2011) are classified as financial liabilities at fair value through profit or loss, 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 initial 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.

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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 laba rugi (lanjutan)

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.

Keuntungan dan kerugian yang timbul dari perubahan nilai wajar liabilitas keuangan yang diklasifikasikan sebagai diperdagangkan disajikan dalam laporan laba rugi komprehensif konsolidasian sebagai akun "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.

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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)

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.

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" account.

- 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.



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**(iii) Liabilitas Keuangan (lanjutan)**

Pengakuan awal (lanjutan)

- b. Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi (lanjutan)

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 di dalamnya 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.

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.

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**d. Financial Assets and Liabilities (continued)**

**(iii) Financial Liabilities (continued)**

Initial recognition (continued)

- b. Financial liabilities at amortized cost (continued)

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.

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.

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**(iv) Penentuan Nilai Wajar (lanjutan)**

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 dan *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.

Beberapa input dari model ini tidak berasal dari data yang dapat diobservasi di pasar dan demikian merupakan hasil estimasi berdasarkan asumsi tertentu.

Derivatif ditentukan menggunakan *Monte Carlo Simulation*.

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**d. Financial Assets and Liabilities (continued)**

**(iv) Determination of Fair Value (continued)**

*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.*

*Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.*

*Derivative are measured using appropriate Monte Carlo Simulation.*

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**(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) Penyesuaian Risiko Kredit**

Perusahaan menyesuaikan harga di pasar yang lebih menguntungkan untuk mencerminkan adanya perbedaan risiko kredit pihak lawan antara instrumen yang diperdagangkan di pasar tersebut dengan instrumen yang dinilai untuk posisi aset keuangan. Dalam menentukan nilai wajar posisi liabilitas keuangan, risiko kredit Perusahaan terkait dengan instrumen harus diperhitungkan

**(vii) Reklasifikasi Instrumen Keuangan**

Kelompok Usaha tidak mereklasifikasi instrumen keuangan dari atau ke kategori instrumen keuangan yang diukur pada nilai wajar melalui laba rugi selama instrumen keuangan tersebut dimiliki atau diterbitkan.

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**d. Financial Assets and Liabilities (continued)**

**(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) Credit Risk Adjustments**

*The Company adjusts the price in the more advantageous market to reflect any differences in counterparty credit risk between instruments traded in that market and the ones being valued for financial asset positions. In determining the fair value of financial liability positions, the Company's own credit risk associated with the instrument is taken into account.*

**(vii) 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.*

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(vii) Reklasifikasi Instrumen Keuangan  
(lanjutan)**

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:

- 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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**d. Financial Assets and Liabilities (continued)**

**(vii) Reclassification of Financial  
Instruments (continued)**

*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:*

- *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 cumulative gain or loss previously recognized in equity is recognized in the consolidated statements of comprehensive income.*

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(viii) 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)**

**d. Financial Assets and Liabilities (continued)**

**(viii) 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 2011)/ Category as defined by PSAK No. 55 (Revised 2011)	Golongan/ Class	Subgolongan/ Subclass
Aset keuangan/ Financial assets	Pinjaman yang diberikan dan piutang/ Loans and receivables	Piutang lain-lain/ Other receivables	Kas dan setara kas/Cash and cash equivalents
			Kas yang dibatasi penggunaannya/Restricted cash
			Piutang usaha/Trade receivables
			Piutang dari aktivitas minyak dan gas/ Receivables from oil and gas activities
			Piutang dari Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC)/Receivables from Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC)
			Piutang underlifting/Underlifting receivable
			Piutang bunga/Interest receivables
			Piutang dari Pemerintah Republik Indonesia/ Receivables from the Government of the Republic of Indonesia
			Piutang lain-lain - lainnya/Other receivables - others
			Piutang lain-lain jangka panjang/Other long-term receivables
Liabilitas keuangan/ Financial liabilities	Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi/ Financial liabilities at amortized cost	Utang lain-lain/ Other payables	Aset keuangan tersedia dijual/ Available-for-sale financial assets
			Investasi jangka pendek/Short-term investments
			Utang usaha/Trade payables
			Pinjaman bank jangka pendek/Short-term bank loans
			Liabilitas kepada kontraktor/Liabilities to contractors
			Cash Call
			Jaminan gas/Gas guarantee deposits
			Utang kepada PT Riau Andalan Pulp and Paper/ Payable to PT Riau Andalan Pulp and Paper
			Pembelian barang dan jasa/Purchase of goods and services
			Jaminan masa konstruksi proyek/Project performance bonds
			Utang kepada ConocoPhillips (Grissik) Ltd./ Payables to ConocoPhillips (Grissik) Ltd.
			Utang lain-lain - lainnya/Other payables - others
			Liabilitas kepada kontraktor dan pemasok/ Liabilities to contractors and suppliers
			Pembelian aset tetap/Purchase of fixed assets
			Bunga yang masih harus dibayar/Accrued interest
			Jasa konsultan/Consultant fees
			Beban pemeliharaan/Maintenance expenses
			Iuran ke BPH Migas/BPH Migas levy
			Asuransi/Insurance
			Liabilitas yang masih harus dibayar lain-lain/Other accrued liabilities
	Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi/ Financial liabilities at fair value through profit or loss	Utang derivatif/Derivative payable	Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun/ Current maturities of long-term loans
			Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun/ Long-term loans - net of current maturities

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(ix) 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.

**e. Setara Kas dan Kas yang Dibatasi  
Penggunaannya**

Deposito berjangka dengan jangka waktu tiga bulan atau kurang sejak tanggal penempatan yang tidak dibatasi penggunaannya dan tidak dijadikan jaminan diklasifikasikan sebagai "Setara Kas".

Rekening bank yang dibatasi penggunaannya sehubungan dengan persyaratan perjanjian pinjaman disajikan sebagai "Kas yang Dibatasi Penggunaannya" (Catatan 5).

**f. Transaksi Dengan Pihak Berelasi**

Kelompok Usaha mempunyai transaksi dengan pihak berelasi sebagaimana didefinisikan pada PSAK No. 7 (Revisi 2010).

Saldo dan transaksi yang material antara Kelompok Usaha dengan Pemerintah Negara Republik Indonesia dan entitas berelasi dengan Pemerintah diungkapkan dalam catatan atas laporan keuangan konsolidasian yang relevan. Kelompok Usaha memilih untuk mengungkapkan transaksi dengan entitas berelasi dengan Pemerintah dengan menggunakan pengecualian dari persyaratan pengungkapan pihak berelasi.

Transaksi dengan pihak berelasi dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, yang mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak yang tidak berelasi.

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**d. Financial Assets and Liabilities (continued)**

**(ix) 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.*

**e. Cash Equivalents and Restricted Cash**

*Time deposits with maturity periods of three months or less at the time of placement, not restricted for use and not used as collateral are considered as "Cash Equivalents".*

*Cash in banks which are restricted for use as stipulated under the terms of the loan agreement is presented as "Restricted Cash" (Note 5).*

**f. Transactions with Related Parties**

*The Group has transactions with related parties as defined in PSAK No. 7 (Revised 2010).*

*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 to the consolidated financial statements. The Group elected to disclose the transactions with Government-related entities, using the exemption from general related party disclosure requirements.*

*Transactions with related parties are made based on terms agreed by the parties, which may not be the same as those of the transaction between unrelated parties.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
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**g. Persediaan**

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.

**h. Penyertaan Saham**

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 Kelompok Usaha 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.

Bila bagian Kelompok Usaha atas kerugian entitas asosiasi sama besar atau melebihi bagian atas ekuitas entitas asosiasi, maka pengakuan atas bagian dari rugi tersebut dihentikan. Setelah kepentingan Kelompok Usaha dikurangkan menjadi nihil, tambahan kerugian dicadangkan, dan liabilitas diakui atas kerugian lebih lanjut dari entitas asosiasi hanya bila Kelompok Usaha memiliki kewajiban konstruktif atau legal atau melakukan pembayaran atas nama entitas asosiasi. Bila entitas asosiasi kemudian melaporkan laba, Kelompok Usaha melanjutkan pengakuan atas bagian atas laba tersebut setelah bagian atas laba tersebut sama dengan bagian atas rugi yang tidak diakui sebelumnya.

Laporan keuangan entitas asosiasi disusun untuk tahun pelaporan yang sama dengan Kelompok Usaha.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**g. Inventories**

*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.*

**h. Investment in Shares of Stock**

*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 Group's 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.*

*If the Group's share of losses of an associate equals or exceeds its interest in the associate, it discontinues recognizing its share of further losses. After the Groups' interest is reduced to nil, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.*

*The financial statements of the associate are prepared for the same reporting year of the Group.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

**h. Penyertaan Saham (lanjutan)**

Setelah penerapan metode ekuitas, 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.

**i. Aset Tetap**

Aset tetap, kecuali tanah, 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.

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:

	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

Tanah dinyatakan sebesar harga perolehan dan tidak diamortisasi karena manajemen berpendapat bahwa besar kemungkinan hak atas tanah tersebut dapat diperbaharui/diperpanjang pada saat jatuh tempo.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**h. Investment in Shares of Stock (continued)**

After application of the equity method, 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. Fixed Assets**

Fixed assets, except land, are stated at cost less accumulated depreciation and impairment losses. If the recognition criteria are met, the acquisition cost will include the cost of replacing part of the fixed assets when that cost is incurred. 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.

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:

Land are stated at cost and not amortized as the management is of the opinion that it is probable the titles of land rights can be renewed/extended upon expiration.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**i. Aset Tetap (lanjutan)**

Biaya pengurusan legal hak atas tanah dalam bentuk Hak Guna Bangunan ("HGB") yang dikeluarkan ketika tanah diperoleh pertama kali diakui sebagai bagian dari biaya perolehan tanah pada akun "Aset Tetap" dan tidak diamortisasi. Sementara biaya pengurusan perpanjangan atau pembaruan legal hak atas tanah diakui sebagai aset tak berwujud dan diamortisasi sepanjang umur hukum hak atau umur ekonomis tanah, mana yang lebih pendek. (Catatan 2m)

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 jumlah tercatat dari aset) dimasukkan dalam laporan laba rugi komprehensif konsolidasian pada tahun 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.o).

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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**i. Fixed Assets (continued)**

*The legal cost of land rights in the form of Building Usage Rights ("HGB") incurred when the land was acquired initially are recognized as part of the cost of the land under "Fixed Assets" account and not amortized. Meanwhile the extension or the legal renewal costs of land rights are recognized as intangible assets and amortized over the shorter of the rights' legal life or land's economic life. (Note 2m)*

*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 year the asset is derecognized.*

*The asset's residual values, useful lives and methods of depreciation 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.o).*

*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 estimasi nilai yang 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. Aset Eksplorasi dan Evaluasi**

Kelompok Usaha menerapkan PSAK No. 64, "Aktivitas Eksplorasi dan Evaluasi pada Pertambangan Sumber Daya Mineral", yang menetapkan bahwa beban eksplorasi dan evaluasi termasuk biaya geologi dan geofisika, biaya pengeboran sumur eksplorasi termasuk biaya pengeboran sumur tes stratigrafi tahap eksplorasi dan biaya lainnya yang terkait untuk mengevaluasi kelayakan teknis dan komersialitas dari minyak dan gas yang diekstraksi dikapitalisasi dan disajikan terpisah sebagai akun "Aset Eksplorasi dan Evaluasi" di laporan posisi keuangan konsolidasian.

Biaya eksplorasi dan evaluasi pada suatu *area of interest* dibebankan pada tahun berjalan, kecuali biaya tersebut dapat ditangguhkan pembebanannya apabila izin untuk melakukan eksplorasi dan kegiatan pertambangan di *area of interest* tersebut masih berlaku dan memenuhi salah satu ketentuan berikut ini:

- Kegiatan eksplorasi dan evaluasi pada tanggal laporan keuangan belum mencapai tahap yang dapat menentukan apakah kegiatan tersebut akan dapat dibuktikan dan dapat diperoleh kembali (*recoverable*), serta kegiatan yang aktif dan signifikan dalam *area of interest* terkait masih berlangsung; atau
- Biaya-biaya tersebut diharapkan dapat diperoleh kembali melalui keberhasilan pengembangan dan eksploitasi *area of interest* atau melalui penjualan *area of interest*.

Biaya eksplorasi dan pengembangan yang ditangguhkan mencakup akumulasi biaya yang terkait dengan penyelidikan umum, administrasi dan perizinan, geologi dan geofisika dan biaya-biaya yang terjadi untuk mengembangkan area tambang sebelum dimulainya produksi komersial.

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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. Exploration and Evaluation Assets**

*The Group adopted PSAK No.64, "Activity of Exploration and Evaluation of Mineral Resources", prescribes that the exploration and evaluation expenses, including geological and geophysical costs, costs of drilling exploratory wells, including stratigraphic test well drilling costs of exploration stage and other costs related to evaluating the technical feasibility and commerciality of oil and gas are extracted separately capitalized and presented as part of "Exploration and Evaluation Assets" in the consolidated statements of financial position.*

*Costs of exploration and evaluation in an area of interest are charged in the current year, unless these costs can be deferred if the permission to carry out exploration and mining activities in the area of interest are current and meet one of the following conditions:*

- *Exploration and evaluation activities on the financial statements date has not reached a stage which can determine whether they will be proven and recoverable, also active and significant in the related area of interest is ongoing; or*
- *These costs are expected to be recouped through successful development and exploitation of the area of interest or through a sales area of interest.*

*Exploration and development costs include accumulated deferred costs associated with the general investigation, administration and licensing, and geological and geophysical costs incurred to develop a mine prior to the commencement of commercial production.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**j. Aset Eksplorasi dan Evaluasi (lanjutan)**

Aset eksplorasi dan evaluasi dinilai untuk penurunannya pada saat terdapat bukti dan keadaan yang menunjukkan bahwa nilai tercatat aset tersebut mungkin melebihi jumlah yang dapat dipulihkan (Catatan 2.I). Aset eksplorasi dan evaluasi direklasifikasi ke aset minyak dan gas bumi pada saat kelayakan teknis dan komersialitas dari minyak dan gas yang diekstraksi tersebut dapat dibuktikan.

**k. Aset Minyak dan Gas Bumi**

Biaya pengeboran sumur pengembangan dan sumur tes stratigrafi tahap pengembangan, platform, perlengkapan sumur dan fasilitas produksi terkait, dikapitalisasi sebagai aset sumur, perlengkapan dan fasilitas dalam pengerjaan. Biaya tersebut dipindahkan ke aset sumur, perlengkapan dan fasilitas terkait pada saat pengeboran atau konstruksi selesai.

Penyusutan, deplesi dan amortisasi atas aset minyak dan gas bumi, kecuali untuk aset sumur, perlengkapan dan fasilitas dalam pengerjaan, dihitung dengan menggunakan metode satuan unit produksi, dengan menggunakan produksi kotor yang dibagi dengan cadangan kotor yang terbukti dan telah dikembangkan.

**l. Penurunan Nilai Aset Non-keuangan**

Pada setiap akhir tahun pelaporan, Kelompok Usaha menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai aset (yaitu aset takberwujud dengan umur manfaat tidak terbatas, aset takberwujud yang belum dapat digunakan, atau *goodwill* yang diperoleh dalam suatu kombinasi bisnis) diperlukan, maka Kelompok Usaha membuat estimasi formal jumlah terpulihkan aset tersebut.

Jumlah terpulihkan yang ditentukan untuk aset individual adalah jumlah yang lebih tinggi antara nilai wajar aset atau UPK dikurangi biaya untuk menjual dengan nilai pakainya, kecuali aset tersebut tidak menghasilkan arus kas masuk yang sebagian besar independen dari aset atau kelompok aset lain. Jika nilai tercatat aset atau UPK lebih besar daripada jumlah terpulihkannya, maka aset tersebut dipertimbangkan mengalami penurunan nilai dan nilai tercatat aset diturunkan menjadi sebesar jumlah terpulihkannya.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**j. Exploration and Evaluation Assets  
(continued)**

Exploration and evaluation assets are assessed to decline when there is evidence and circumstances indicate that the carrying amount of the asset may exceed its recoverable amount (Note 2.I). Exploration and evaluation assets are reclassified to oil and gas assets at the time of the technical feasibility and commerciality of oil and gas are extracted can be determined.

**k. Oil and Gas Properties**

Costs of drilling development wells and development-type stratigraphic test wells, platforms, well equipment and attendant production facilities, are capitalized as uncompleted wells, equipment and facilities. Such costs are transferred to wells and related equipment and facilities upon completion.

Depreciation, depletion and amortization of oil and gas properties, except uncompleted wells, equipment and facilities under construction, is calculated using the unit of production method, using gross production divided by gross proved developed reserves.

**l. Impairment of Non-financial Assets**

The Group assesses at the end of each reporting year 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.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**1. Penurunan Nilai Aset Non-keuangan  
(lanjutan)**

Kelompok Usaha mendasarkan perhitungan penurunan nilai pada rincian perhitungan anggaran atau prakiraan yang disusun secara terpisah untuk masing-masing UPK Kelompok Usaha atas aset individual yang dialokasikan. Perhitungan anggaran dan prakiraan ini secara umum mencakup periode selama sepuluh tahun. Untuk periode yang lebih panjang, tingkat pertumbuhan jangka panjang dihitung dan diterapkan pada proyeksi arus kas setelah tahun kesepuluh.

Dalam menghitung nilai pakai, estimasi arus kas masa depan neto didiskontokan ke nilai kini dengan menggunakan tingkat diskonto sebelum pajak yang menggambarkan penilaian pasar kini dari nilai waktu uang dan risiko spesifik atas aset. Dalam menentukan nilai wajar dikurangi biaya untuk menjual, digunakan harga penawaran pasar terakhir, jika tersedia. Jika tidak terdapat transaksi tersebut, Kelompok Usaha menggunakan model penilaian yang sesuai untuk menentukan nilai wajar aset. Perhitungan-perhitungan ini dikuatkan oleh penilaian berganda atau indikator nilai wajar yang tersedia.

Kerugian penurunan nilai dari operasi yang berkelanjutan, jika ada, diakui sebagai laba atau rugi sesuai dengan kategori biaya yang konsisten dengan fungsi dari aset yang diturunkan nilainya.

Untuk aset selain *goodwill*, penilaian dilakukan pada akhir setiap tanggal pelaporan apakah terdapat indikasi bahwa rugi penurunan nilai yang telah diakui dalam tahun sebelumnya mungkin tidak ada lagi atau mungkin telah menurun. Jika indikasi dimaksud ditemukan, maka entitas mengestimasi jumlah terpulihkan aset atau UPK tersebut. Kerugian penurunan nilai yang telah diakui dalam tahun 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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**1. Impairment of Non-financial Assets  
(continued)**

*The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of ten years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the tenth year.*

*In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the assets. These calculations are corroborated by valuation multiples or other available fair value indicators.*

*Impairment losses of continuing operations, if any, are recognized in the profit or loss in those expense categories consistent with the functions of the impaired asset.*

*For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the asset's or CGU's recoverable amount is estimated. 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.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**l. Penurunan Nilai Aset Non-keuangan  
(lanjutan)**

Pembalikan rugi penurunan nilai diakui sebagai laba atau rugi. Setelah pembalikan tersebut, penyusutan aset tersebut disesuaikan di periode mendatang untuk mengalokasikan jumlah tercatat aset yang direvisi, dikurangi nilai sisanya, dengan dasar yang sistematis selama sisa umur manfaatnya.

*Goodwill* diuji untuk penurunan nilai setiap tahun dan ketika terdapat indikasi bahwa nilai tercatatnya mungkin mengalami penurunan nilai. Penurunan nilai bagi *goodwill* ditetapkan dengan menentukan jumlah tercatat tiap UPK (atau kelompok UPK) terkait dari *goodwill* tersebut. Jika jumlah terpulihkan UPK kurang dari jumlah tercatatnya, rugi penurunan nilai diakui. Rugi penurunan nilai terkait *goodwill* tidak dapat dibalik pada tahun berikutnya.

**m. Aset tak Berwujud**

Biaya pengurusan perpanjangan atau pembaruan legal hak atas tanah diakui sebagai aset tak berwujud dan diamortisasi sepanjang umur hak hukum atau umur ekonomik tanah, mana yang lebih pendek.

**n. 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.

**o. Kapitalisasi Biaya Pinjaman**

Biaya pinjaman yang dapat diatribusikan langsung dengan perolehan, pembangunan atau pembuatan aset kualifikasian dikapitalisasi sebagai bagian biaya perolehan aset tersebut. Biaya pinjaman lainnya diakui sebagai beban pada saat terjadi. Biaya pinjaman terdiri dari biaya bunga dan biaya lain yang ditanggung oleh Kelompok Usaha sehubungan dengan peminjaman dana.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**l. Impairment of Non-financial Assets  
(continued)**

Reversal of an impairment loss is recognized in the profit or loss. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

*Goodwill* is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than their carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future years.

**m. Intangible Assets**

The legal cost incurred to extend or renewed the land rights are recorded as intangible assets and amortized over the shorter of the rights' legal life or land's economic life.

**n. 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.

**o. Capitalization of Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalized as part of the cost of the related assets. Otherwise, borrowing costs are recognized as expenses when incurred. Borrowing costs consist of interests and other financing charges that the Group incurs in connection with the borrowing of funds.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**o. Kapitalisasi Biaya Pinjaman (lanjutan)**

Kapitalisasi biaya pinjaman dimulai pada saat aktivitas yang diperlukan untuk mempersiapkan aset agar dapat digunakan sesuai dengan maksudnya, dan pengeluaran untuk aset kualifikasian dan biaya pinjamannya telah terjadi. Kapitalisasi biaya pinjaman dihentikan pada saat selesainya secara substansi seluruh aktivitas yang diperlukan untuk mempersiapkan aset kualifikasian agar dapat digunakan sesuai dengan maksudnya (Catatan 2.i).

**p. Biaya Penerbitan Emisi Efek Ekuitas**

Biaya emisi efek ekuitas disajikan sebagai pengurang "Modal Disetor Lainnya" sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian.

**q. Pengakuan Pendapatan dan Beban**

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 penjualan minyak mentah dan gas bumi diakui berdasarkan kepemilikan entitas secara konsolidasi pada lapangan produksi (metode "*entitlement*"), ketika barang secara fisik dan risiko dan manfaat terkait telah berpindah kepada pembeli, yang secara umum adalah pada saat dimuat ke kapal atau truk, atau pada saat barang memasuki saluran pipa.

Pendapatan yang diperoleh dari PSC diakui atas dasar hak neto sesuai dengan persyaratan PSC. Selisih Antara *lifting* actual minyak mentah dan gas bumi menimbulkan piutang jika hak Grup melebihi *lifting* minyak mentah dan gas tersebut (posisi *under lifting*) dan menimbulkan utang jika *lifting* minyak mentah dan gas bumi melebihi hak Grup (posisi *over lifting*). Volume *under lifting* dan *over lifting* dinilai berdasarkan harga jual rata-rata setahun untuk minyak mentah (yaitu *Indonesia Crude Price*, "ICP") dan gas (yaitu harga dalam kontrak).

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**o. Capitalization of Borrowing Costs  
(continued)**

*Capitalization of borrowing costs commences when the activities to prepare the qualifying asset for its intended use are in progress and the expenditures for the qualifying asset and the borrowing costs have been incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets are completed for their intended use (Note 2.i).*

**p. 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.*

**q. Revenue and Expense Recognition**

*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.*

*Crude oil and natural gas sales revenue is recognized on the basis of the consolidated entity's interest in a producing field ("*entitlements*" method), when the physical product and associates risks and rewards of ownership pass to the purchaser, which is generally at the time of ship or truck loading, or on the product entering the pipeline.*

*Revenue earned under a PSC is recognized on a net of entitlements basis according to the terms of the PSC. Differences between the Group's actual liftings of crude oil and gas result in a receivable when entitlements exceed lifting of crude oil and gas (under lifting position) and in payable when lifting or crude oil and gas exceed entitlements (over lifting position). Under lifting and over lifting volumes are valued based on the annual weighted average sales price for crude oil (i.e. *Indonesia Crude Price*, "ICP") and gas (i.e. contract prices).*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**q. Pengakuan Pendapatan dan Beban  
(lanjutan)**

Pendapatan dari jasa lainnya diakui pada saat jasa diserahkan atau secara signifikan diberikan dan manfaat jasa tersebut telah dinikmati oleh pelanggan.

Pendapatan/Beban Keuangan

Untuk semua instrumen keuangan yang diukur pada biaya perolehan diamortisasi dan aset keuangan kategori tersedia dijual yang memperoleh bunga, 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 tahun yang lebih singkat, untuk nilai tercatat neto dari aset keuangan atau liabilitas keuangan.

Pengakuan Beban

Beban diakui pada saat terjadinya dengan menggunakan metode akrual.

**r. Provisi**

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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**q. Revenue and Expense Recognition  
(continued)**

Revenues from other services are recognized when the services are rendered or significantly provided and the benefits have been received by the customers.

Finance Income/Cost

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available-for-sale, 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 year, where appropriate, to the net carrying amount of the financial asset or liability.

Expense Recognition

Expenses are recognized as incurred on an accrual basis.

**r. Provisions**

Provisions are recognized when the Group has a present obligation (legal and constructive) 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.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**s. Imbalan Kerja**

Kelompok Usaha menerapkan PSAK No. 24 (Revisi 2010), "Imbalan Kerja", yang memperbolehkan entitas untuk menerapkan metode sistematis atas pengakuan yang lebih cepat dari keuntungan/kerugian aktuarial yang timbul dari imbalan pasti, antara lain pengakuan langsung keuntungan/kerugian yang terjadi pada tahun berjalan ke dalam pendapatan komprehensif lain. Kelompok Usaha memilih metode ini dalam pengakuan keuntungan/kerugian aktuarial, karenanya penerapan awal PSAK No. 24 (Revisi 2010) ini berdampak signifikan terhadap laporan keuangan Kelompok Usaha.

Pada saat penerapan awal, sesuai dengan ketentuan transisi PSAK No. 24 (Revisi 2010), saldo keuntungan/kerugian aktuarial yang belum diakui pada tanggal 1 Januari 2012 sebesar US\$47.197.934 diakui dalam pendapatan komprehensif lain dalam laporan posisi keuangan konsolidasian tanggal 1 Januari 2012.

Untuk program iuran pasti, kontribusi yang terutang diakui sebagai beban pada tahun berjalan.

Berdasarkan PSAK No. 24 (Revisi 2010), beban imbalan pasca kerja manfaat pasti ditentukan dengan metode penilaian aktuaris *Projected Unit Credit* dan keuntungan dan kerugian aktuarial diakui pada tahun dimana keuntungan dan kerugian terjadi dalam pendapatan komprehensif lain.

Biaya jasa lalu atas pengenalan program manfaat pasti atau perubahan utang imbalan dari program yang ada diamortisasi sepanjang tahun 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 aktuarial dan biaya jasa lalu langsung diakui dalam tahun berjalan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**s. Employee Benefits**

*The Group adopted PSAK No. 24 (Revised 2010), "Employee Benefits", permits an entity to adopt any systematic method that results in faster recognition of actuarial gains and losses, which among others is immediate recognition of actuarial gains and losses in the year in which they occur recognized in other comprehensive income. The Group decided to apply this method in recognizing the actuarial gains and losses and therefore, the initial adoption of PSAK No. 24 (Revised 2010) has significant impact on the Group's consolidated financial statements.*

*On initial adoption, in accordance with transitional provision of PSAK No. 24 (Revised 2010), the balance of unrecognized actuarial gains/losses amounting to US\$47,197,934 was recognized in other components of equity in the consolidated statement of financial position as of January 1, 2012.*

*For defined contribution pension plan, contribution payables are charged to current year operations.*

*Under PSAK No. 24 (Revised 2010), the cost of providing defined benefit post-retirement employee benefits is determined using the Projected Unit Credit actuarial valuation method and the actuarial gains and losses is recognized in the year in which they occur in other comprehensive income.*

*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 year until the benefits concerned become rights or 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 are recognized immediately in the current year.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**s. Imbalan Kerja (lanjutan)**

**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 dan Pensiunan 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 Undang-Undang Ketenagakerjaan No. 13/2003 (UU No. 13/2003), mana yang lebih tinggi. Perusahaan juga memberikan imbalan jangka panjang lainnya.

**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 (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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**s. Employee Benefits (continued)**

**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 dan Pensiunan 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.*

**Subsidiaries**

**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.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**s. Imbalan Kerja (lanjutan)**

**Entitas Anak (lanjutan)**

**Transgasindo (lanjutan)**

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 imbalan jangka panjang lainnya.

**PGASKOM, PGASSOL, SEI DAN GEI**

PGASKOM, PGASSOL dan GEI memberikan imbalan pasca kerja yang tidak didanai kepada karyawannya sesuai dengan Undang-undang Ketenagakerjaan No. 13 Tahun 2003 tanggal 25 Maret 2003 (UU No. 13/2003).

**t. Liabilitas Pembongkaran Aset dan Restorasi Area**

Kelompok Usaha mengakui liabilitas pembongkaran dan pemindahan aset dan restorasi area atas fasilitas produksi minyak dan gas bumi, sumur, pipa dan aset-aset yang terkait sesuai dengan persyaratan dalam kontrak bagi hasil atau sesuai dengan peraturan yang berlaku.

Estimasi awal biaya pembongkaran dan pemindahan aset minyak dan gas bumi dan restorasi area aset diakui sebagai komponen biaya perolehan, yang disusutkan/didepresiasi dengan menggunakan metode satuan unit produksi yang sejalan dengan tarif deplesi aset yang dipilih.

Dalam banyak kasus, aktivitas pembongkaran dan pemindahan aset dan restorasi area fasilitas produksi minyak dan gas, sumur, pipa saluran dan aset terkait terjadi pada beberapa tahun di masa yang akan datang. Provisi atas liabilitas pembongkaran dan pemindahan aset, dan restorasi area di masa yang akan datang adalah berupa estimasi terbaik pada tanggal pelaporan keuangan atas nilai kini dari pengeluaran di masa yang akan datang untuk melaksanakan liabilitas pembongkaran dan pemindahan aset dan restorasi area tersebut, sesuai dengan ketentuan hukum yang berlaku pada tanggal pelaporan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**s. Employee Benefits (continued)**

**Subsidiaries (continued)**

**Transgasindo (continued)**

*This fund is contributed by both employees and Transgasindo with contribution of 2% and 6% of the employees' monthly salaries, respectively.*

*Starting March 2011, the Transgasindo also provides for other long-term employees' benefits.*

**PGASKOM, PGASSOL, SEI AND GEI**

*PGASKOM, PGASSOL and GEI provide an unfunded employee benefits to its employees in accordance with Labor Law No. 13 Year 2003 dated March 25, 2003 (LL No. 13/2003).*

**t. Asset Abandonment and Site Restoration Obligation**

*The Group recognizes its obligations for future dismantlement and transfer of assets and site restoration of oil and gas production facilities, wells, pipelines and related assets in accordance with the provisions in the production sharing contracts or in line with applicable regulations.*

*The initial estimated costs for dismantlement and site restoration of oil and gas properties are recognized as part of the acquisition costs of the assets and are subsequently depreciated/depleted using the unit-of-production method in line with the selected assets depletion rate.*

*In most instances, the dismantlement and transfer of assets and site restoration activities of oil and gas production facilities, wells, pipelines and related assets will occur many years in the future. The provision for future dismantlement and transfer of assets and aset restoration obligation is the best estimate of the present value of the future expenditures required to undertake the dismantlement and transfer of assets and site restoration obligation at the reporting date, based on current legal requirements.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**t. Liabilitas Pembongkaran Aset dan  
Restorasi Aset (lanjutan)**

Perkiraan liabilitas pembongkaran dan pemindahan aset dan restorasi area di masa yang akan datang tersebut melibatkan estimasi manajemen mengenai saat aktivitas tersebut akan dilakukan, sejauh mana aktivitas tersebut harus dilakukan, dan juga teknologi yang akan digunakan di masa depan.

Estimasi tersebut direvisi setiap tahun dan disesuaikan bila diperlukan. Penyesuaian dicerminkan dalam nilai kini atas provisi liabilitas pembongkaran dan pemindahan aset dan restorasi area pada tanggal laporan posisi keuangan konsolidasian, dimana juga dilakukan penyesuaian dengan jumlah yang sama atas nilai buku aset yang bersangkutan.

Pembalikan dari efek diskonto dalam penghitungan provisi diakui sebagai beban pendanaan.

**u. Transaksi dan Saldo dalam Mata Uang Asing**

Masing-masing Entitas dalam Kelompok Usaha mempertimbangkan indikator utama dan indikator lainnya dalam menentukan mata uang fungsionalnya. Perusahaan menentukan mata uang fungsionalnya dan mata uang Kelompok Usaha adalah Dolar AS dan memutuskan mata uang penyajian laporan keuangan konsolidasian menggunakan Dolar AS.

Transaksi dalam mata uang asing dicatat dalam mata uang fungsional berdasarkan nilai tukar yang berlaku pada saat transaksi dilakukan. Pada tanggal pelaporan aset dan liabilitas moneter dalam mata uang asing dijabarkan sesuai dengan rata-rata kurs jual dan beli yang diterbitkan oleh Bank Indonesia pada tanggal transaksi perbankan terakhir untuk tahun yang bersangkutan dan laba atau rugi kurs yang timbul dikreditkan atau dibebankan pada operasi tahun yang bersangkutan, kecuali untuk selisih kurs yang dapat diatribusikan ke aset tertentu dikapitalisasi ke aset dalam pembangunan dan pemasangan.

Nilai tukar yang digunakan adalah sebagai berikut:

	31 Des. 2013/ Dec. 31, 2013
1 Dolar Amerika (US\$)/Rupiah	12.189,00
1 Dolar Amerika (US\$)/SG\$	1,22
1 Dolar Amerika (US\$)/JPY	104,92

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**t. Asset Abandonment and Site Restoration  
Obligation (continued)**

The estimate future dismantlement and transfer of assets and site restoration obligation, therefore, requires management to make judgements regarding the timing of removal and transfer, the extent of restoration activities required and future removal and restoration technologies.

Such estimates are reviewed on an annual basis and adjusted each year as required. Adjustments are reflected in the present value of the dismantlement and transfer of assets and site restoration obligation provision at the consolidated statement of financial position date with a corresponding change in the book value of the associated asset.

The unwinding of the effect of discounting the provision is recognized as a finance cost.

**u. Foreign Currency Transactions and Balances**

Each entity in the Group considers the primary indicators and other indicators in determining its functional currency. The Company determined that its and the Group's functional currency is the US Dollar and decided that the presentation currency for the consolidated financial statements is the US Dollar.

Transactions involving foreign currencies are recorded in the functional currency at the rates of exchange prevailing at the time the transactions are made. At the reporting date, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the average of the selling and buying rates of exchange prevailing of the last banking transaction date of the year, as published by Bank Indonesia and any resulting gains or losses are credited or charged to current year operations, except for foreign exchange differentials that can be attributed to qualifying assets which are capitalized to properties under construction and installation.

The rates of exchange used were as follows:

	31 Des. 2012/ Dec. 31, 2012	
9.670,00		US Dollar 1 (US\$)/Rupiah
1,22		US Dollar 1 (US\$)/SG\$
86,36		US Dollar 1 (US\$)/JPY

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

**u. Transaksi dan Saldo dalam Mata Uang Asing (lanjutan)**

Efektif tanggal 1 Januari 2013, SEI melakukan perubahan mata uang yang penyajian dari Rupiah menjadi Dolar AS sehubungan dengan perubahan mata uang fungsional SEI. SEI mempertimbangkan perubahan signifikan dari beban, arus kas dan sumber pembiayaan SEI dalam menentukan mata uang fungsionalnya. Untuk tujuan perbandingan, SEI melakukan penjabaran atas laporan keuangan tanggal 31 Desember 2012 ke dalam Dolar AS dengan menggunakan:

**Akun/Accounts**

Aset dan liabilitas/  
*Assets and liabilities*

Beban/  
*Expenses*

**Kurs/Exchange Rates**

Kurs rata-rata pembelian dan penjualan Bank Indonesia pada akhir tahun pelaporan/  
*Average buying and selling exchange rate of Bank Indonesia at end of reporting year*

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*

**v. Pajak Penghasilan**

Perusahaan mengajukan perubahan mata uang pembukuan untuk perpajakan menjadi Dolar AS. Perubahan ini disetujui oleh Kementerian Keuangan Republik Indonesia - Direktorat Jenderal Pajak dalam Surat Keputusan No. KEP-278/WPJ.19/2012 tanggal 20 Maret 2012. Transgasindo juga memperoleh persetujuan Kementerian Keuangan Republik Indonesia - Direktorat Jenderal Pajak untuk menyelenggarakan pembukuan dalam Dolar AS untuk tujuan perpajakan berdasarkan Surat Keputusan No. KEP-401/PJ.42/2002 tanggal 16 September 2002.

**Pajak kini**

Aset dan liabilitas pajak kini untuk tahun berjalan dan lalu diukur sebesar jumlah yang diharapkan dapat direstitusi dari atau dibayarkan kepada otoritas perpajakan. Tarif pajak dan peraturan pajak yang digunakan untuk menghitung jumlah tersebut adalah yang telah berlaku atau secara substantif telah berlaku pada tanggal pelaporan.

Penghasilan kena pajak berbeda dengan laba yang dilaporkan dalam laba atau rugi karena penghasilan kena pajak tidak termasuk bagian dari pendapatan atau beban yang dikenakan pajak atau dikurangkan di tahun-tahun yang berbeda, dan juga tidak termasuk bagian-bagian yang tidak dikenakan pajak atau tidak dapat dikurangkan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**u. Foreign Currency Transactions and Balances (continued)**

Effective on January 1, 2013, SEI changed its presentation currency from Rupiah to US Dollar in connection with the changes of SEI's functional currency. SEI considers the significant changes from expenses, cash flows and source of financing in determining its functional currency. For comparative purposes, the rates of exchange used by SEI in translating the financial statements as of December 31, 2012 to the US Dollar are as follows:

**Accounts**

Average buying and selling exchange rate of Bank Indonesia at end of reporting year

Weighted-average middle rate of Bank Indonesia during the year of statements of comprehensive income

**v. Income Tax**

The Company applied for change in bookkeeping currency to US Dollar. The change was approved by the Ministry of Finance of the Republic of Indonesia - Directorate General of Taxation in its Decision Letter No. KEP-278/WPJ.19/2012 dated March 20, 2012. Transgasindo also obtained approval from the Ministry of Finance of the Republic of Indonesia - Directorate General of Taxation to use US Dollar as its bookkeeping for tax purposes based on Decision Letter No. KEP-401/PJ.42/2002 dated September 16, 2002.

**Current tax**

Current income tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as the reporting dates.

Taxable profit differs from profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**v. Pajak Penghasilan (lanjutan)**

Pajak kini (lanjutan)

Koreksi terhadap liabilitas perpajakan dicatat saat surat ketetapan pajak diterima atau apabila dilakukan banding, ketika hasil banding sudah diputuskan.

Kekurangan/kelebihan pembayaran pajak penghasilan disajikan sebagai bagian dari "Beban Pajak Kini" dalam laporan laba rugi komprehensif konsolidasian. Kelompok Usaha juga menyajikan bunga/denda, jika ada, sebagai bagian dari "Beban Pajak Kini".

Pajak tangguhan

Pajak tangguhan diakui dengan menggunakan metode liabilitas atas perbedaan temporer pada tanggal pelaporan antara dasar pengenaan pajak aset dan liabilitas dan jumlah tercatatnya untuk tujuan pelaporan keuangan pada tanggal pelaporan.

Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer yang kena pajak dan aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan rugi fiskal yang belum terpakai, sepanjang besar kemungkinan besar laba kena pajak akan tersedia sehingga perbedaan temporer yang boleh dikurangkan dan rugi fiskal yang belum terpakai tersebut dapat dimanfaatkan.

Aset pajak tangguhan diakui untuk seluruh perbedaan temporer yang boleh dikurangkan dan akumulasi rugi pajak yang belum dikompensasikan, bila kemungkinan besar laba kena pajak akan tersedia sehingga perbedaan temporer dapat dikurangkan tersebut dan rugi pajak belum dikompensasikan tersebut dapat dimanfaatkan.

Liabilitas pajak tangguhan dan aset pajak tangguhan (jika memenuhi kriteria) diakui atas perbedaan temporer kena pajak terkait dengan investasi pada entitas anak dan asosiasi, kecuali yang waktu pembalikannya dapat dikendalikan dan kemungkinan besar perbedaan temporer tersebut tidak akan dibalik di masa depan yang dapat diperkirakan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**v. Income Tax (continued)**

Current tax (continued)

Amendments to taxation obligations are recorded when an assessment is received or if appealed against, when the results of the appeal are determined.

The underpayment/overpayment of income tax is presented as part of "Tax Expense - Current" in the consolidated statement of comprehensive income. The Group also presented interest/penalty, if any, as part of "Tax Expenses - Current".

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences and unused tax losses can be utilized.

Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets (provided fulfilling recognition criteria) are recognized in respect of taxable temporary differences associated with investments in subsidiaries and associates, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**v. Pajak Penghasilan (lanjutan)**

Pajak tangguhan (lanjutan)

Jumlah tercatat aset pajak tangguhan ditelaah pada setiap tanggal pelaporan dan nilai tercatat aset pajak tangguhan tersebut diturunkan apabila laba fiskal mungkin tidak memadai untuk mengkompensasi sebagian atau semua manfaat aset pajak tangguhan. Aset pajak tangguhan yang belum diakui sebelumnya ditelaah pada setiap tanggal pelaporan dan diakui sepanjang laba kena pajak yang akan datang kemungkinan besar akan tersedia untuk dipulihkan.

Aset dan liabilitas pajak tangguhan diukur berdasarkan tarif pajak yang diharapkan akan dipakai pada tahun saat aset direalisasikan atau liabilitas diselesaikan berdasarkan tarif pajak dan peraturan perpajakan yang berlaku atau yang telah secara substantif berlaku pada tanggal pelaporan.

Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

Pajak tangguhan sehubungan dengan bagian yang diakui di luar laba atau rugi diakui di luar laba atau rugi. Pajak tangguhan tersebut diakui berkaitan dengan transaksi baik yang ada di pendapatan komprehensif lainnya atau langsung dibebankan ke ekuitas.

Aset pajak tangguhan dan liabilitas pajak tangguhan disaling-hapuskan jika terdapat hak secara hukum untuk melakukan saling hapus atas aset pajak kini terhadap liabilitas pajak kini atau aset dan liabilitas pajak tangguhan pada entitas yang sama, atau kelompok usaha yang bermaksud untuk menyelesaikan aset dan liabilitas lancar berdasarkan jumlah neto.

Entitas Anak yang terlibat dalam kegiatan eksplorasi dan produksi minyak dan gas bumi di Indonesia dikenai tarif pajak penghasilan badan sebesar antara 44%.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**v. Income Tax (continued)**

Deferred tax (continued)

*The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the benefit of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.*

*Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled based on the tax rates and tax laws that have been enacted or substantively enacted as at the reporting 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 to equity.*

*Deferred tax relating to items recognized outside of profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.*

*Deferred tax assets and deferred tax liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities, or the deferred tax assets and deferred tax liabilities relate to the same taxable entity, or the group intends to settle its current assets and liabilities on a net basis.*

*The Subsidiary involved in oil and gas exploration and production in Indonesia are subject to income tax at rates 44%.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**w. Ventura Bersama**

Kelompok Usaha memiliki kepemilikan dalam ventura bersama yaitu entitas yang dikendalikan secara bersama-sama, dimana pihak-pihak dalam ventura memiliki perjanjian kontraktual (*contractual arrangement*) yang membentuk pengendalian bersama atas aktivitas ekonomi entitas tersebut. Perjanjian tersebut membutuhkan suatu kesepakatan diantara venturer mengenai keputusan keuangan dan operasional.

Kelompok Usaha mengakui bagian kepemilikan dalam ventura bersama menggunakan metode konsolidasi proporsional (*proportionate consolidation*). Kelompok Usaha menggabungkan bagiannya atas setiap aset, liabilitas, pendapatan dan beban dari ventura bersama dengan unsur yang sama, satu demi satu dalam laporan keuangan konsolidasinya. Laporan keuangan ventura bersama disiapkan dalam periode pelaporan yang sama dengan Kelompok Usaha. Penyesuaian dilakukan ketika diperlukan untuk membuat kebijakan akuntansi sejalan dengan kebijakan akuntansi Kelompok Usaha.

Penyesuaian dilakukan dalam laporan keuangan konsolidasian Kelompok Usaha untuk mengeliminasi bagian saldo transaksi antar Kelompok Usaha, transaksi dan keuntungan dan kerugian yang belum direalisasi dari transaksi antar Kelompok Usaha dan ventura bersama tersebut. Kerugian dari transaksi akan segera dicatat jika kerugian tersebut memberikan bukti pengurangan dari nilai realisasi neto dari aset lancar atau kerugian penurunan nilai. Ventura bersama dikonsolidasi proporsional sampai tanggal dimana Kelompok Usaha berhenti memiliki pengendalian atas ventura bersama.

Ketika Kelompok Usaha kehilangan pengendalian bersama, Kelompok Usaha mengakui dan mencatat investasi yang tersisa pada nilai wajar. Perbedaan antara nilai tercatat dari entitas pengendalian bersama dan nilai wajar investasi yang tersisa dan pendapatan dari pelepasan dicatat dalam laba atau rugi. Ketika investasi tersisa menunjukkan pengaruh yang signifikan, maka investasi akan dicatat sebagai investasi pada asosiasi.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**w. Joint Venture**

*The Group has an interest in a joint venture, which is a jointly controlled entity, whereby the venturers have a contractual arrangement that establishes joint control over the economic activities of the entity. The agreement requires unanimous agreement for financial and operating decisions among the venturers.*

*The Group recognizes its interest in the joint venture using the proportionate consolidation method. The Group combines its proportionate share of each the assets, liabilities, income and expenses of the joint venture with similar items, line by line, in its consolidated financial statements. The financial statements of the joint venture are prepared for the same reporting period as the Group. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.*

*Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share in intra group balances transactions and unrealized gains and losses on such transactions between the Group and its joint venture. Losses on transactions are recognized immediately if the loss provides evidence of a reduction in the net realizable value of current assets or an impairment loss. The joint venture is proportionately consolidated until the date on which the Group ceases to have joint control over the joint venture.*

*Upon loss of joint control, the Group, measures and recognizes its remaining investment at its fair value. Any difference between the carrying amount of the former joint controlled entity upon loss of joint control and the fair value of the remaining investment and proceeds from disposal are recognized in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in associates.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**x. Informasi Segmen**

Untuk tujuan manajemen, Kelompok Usaha dibagi menjadi empat 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 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 44, termasuk faktor yang digunakan untuk mengidentifikasi segmen yang dilaporkan dan dasar pengukuran informasi segmen.

**y. 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 2013 dan 2012, dan oleh karenanya, laba per saham dilusi tidak dihitung dan disajikan pada laporan laba rugi komprehensif konsolidasian.

**z. Instrumen Keuangan Derivatif**

Perusahaan melakukan transaksi derivatif untuk tujuan mengelola risiko perubahan nilai tukar mata uang asing yang berasal dari pinjaman jangka panjang Perusahaan dalam mata uang asing.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**x. Segment Information**

*For management purposes, the Group is organized into four 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 44, including the factors used to identify the reportable segments and the measurement basis of segment information.*

**y. 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, 2013 and 2012, and accordingly, no diluted earnings per share is calculated and presented in the consolidated statements of comprehensive income.*

**z. Derivative Financial Instruments**

*The Company enters into and engages in derivative for the purpose of managing its foreign exchange exposures emanating from the Company's long-term loans in foreign currencies.*



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
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**z. Instrumen Keuangan Derivatif (lanjutan)**

Perusahaan menerapkan PSAK No. 55 (Revisi 2011), "Instrumen Keuangan: Pengakuan dan Pengukuran" yang 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 2011), 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.

**aa. Standar Akuntansi yang Telah Diterbitkan  
Namun Belum Berlaku Efektif**

Berikut ini adalah beberapa standar akuntansi yang telah diterbitkan oleh Dewan Standar Akuntansi Keuangan (DSAK) yang dipandang relevan terhadap pelaporan keuangan Kelompok Usaha namun belum berlaku efektif untuk laporan keuangan tahun 2013:

- PSAK No. 1 (2013): Penyajian Laporan Keuangan, yang diadopsi dari IAS 1, berlaku efektif 1 Januari 2015.

PSAK ini mengubah penyajian kelompok pos-pos dalam Penghasilan Komprehensif Lain. Pos-pos yang akan direklasifikasi ke laba rugi disajikan terpisah dari pos-pos yang tidak akan direklasifikasi ke laba rugi.

- PSAK No. 4 (2013): Laporan Keuangan Tersendiri, yang diadopsi dari IAS 4, berlaku efektif 1 Januari 2015.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**z. Derivative Financial Instruments (continued)**

*The Company applied PSAK No. 55 (Revised 2011), "Financial Instruments: Recognition and Measurement" 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 2011), 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.*

**aa. Accounting Standards that Have Been  
Published But Not Yet Effective**

*The following are several published accounting standards by the Indonesian Financial Accounting Standards Board (DSAK) that are considered relevant to the financial reporting of the Group but not yet effective for 2013 financial statements:*

- PSAK No. 1 (2013): *Presentation of Financial Statements*, adopted from IAS 1, effective January 1, 2015.

*This PSAK changes the grouping of items presented in Other Comprehensive Income. Items that could be reclassified to profit or loss would be presented separately from items that will never be reclassified.*

- PSAK No. 4 (2013): *Separate Financial Statements*, adopted from IAS 4, effective January 1, 2015.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**aa. Standar Akuntansi yang Telah Diterbitkan  
Namun Belum Berlaku Efektif (lanjutan)**

PSAK ini hanya mengatur persyaratan akuntansi ketika entitas induk menyajikan laporan keuangan tersendiri sebagai informasi tambahan. Pengaturan akuntansi untuk laporan keuangan konsolidasian diatur dalam PSAK 65.

- PSAK No. 15 (2013): Investasi pada Entitas Asosiasi dan Ventura Bersama, yang diadopsi dari IAS 28, berlaku efektif 1 Januari 2015.

PSAK ini mengatur penerapan metode ekuitas pada investasi ventura bersama dan juga entitas asosiasi.

- PSAK No. 24 (2013): Imbalan Kerja, yang diadopsi dari IAS 19, berlaku efektif 1 Januari 2015.

PSAK ini, antara lain, menghapus mekanisme koridor dan pengungkapan atas informasi liabilitas kontinjensi untuk menyederhanakan klarifikasi dan pengungkapan.

- PSAK No. 65: Laporan Keuangan Konsolidasi, yang diadopsi dari IFRS 10, berlaku efektif 1 Januari 2015.

PSAK ini menggantikan porsi PSAK 4 (2009) yang mengenai pengaturan akuntansi untuk laporan keuangan konsolidasian, menetapkan prinsip penyusunan dan penyajian laporan keuangan konsolidasian ketika entitas mengendalikan satu atau lebih entitas lain.

- PSAK No. 66: Pengaturan bersama, yang diadopsi dari IFRS 11, berlaku efektif 1 Januari 2015.

PSAK ini menggantikan PSAK 12 (2009) dan ISAK 12. PSAK ini menghapus opsi metode konsolidasi proporsional untuk mencatat bagian ventura bersama.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**aa. Accounting Standards that Have Been  
Published But Not Yet Effective (continued)**

*This PSAK prescribes only the accounting requirements when a parent entity prepares separate financial statements as additional information. Accounting for consolidated financial statements is determined in PSAK 65.*

- *PSAK No. 15 (2013): Investments in Associates and Joint Ventures, adopted from IAS 28, effective January 1, 2015.*

*This PSAK describes the application of the equity method to investments in joint ventures in addition to associates.*

- *PSAK No. 24 (2013): Employee Benefits, adopted from IAS 19, effective January 1, 2015.*

*This PSAK, among other, removes the corridor mechanism and contingent liability disclosures to simple clarifications and disclosures.*

- *PSAK No. 65: Consolidated Financial Statements, adopted from IFRS 10, effective January 1, 2015.*

*This PSAK replaces the portion of PSAK 4 (2009) that addresses the accounting for consolidated financial statements, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.*

- *PSAK No. 66: Joint Arrangements, adopted from IFRS 11, effective January 1, 2015.*

*This PSAK replaces PSAK 12 (2009) and ISAK 12. This PSAK removes the option to account for jointly controlled entities using proportionate consolidation.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**aa. Standar Akuntansi yang Telah Diterbitkan  
Namun Belum Berlaku Efektif (lanjutan)**

- PSAK No. 67: Pengungkapan Kepentingan dalam Entitas Lain, yang diadopsi dari IFRS 12, berlaku efektif 1 Januari 2015.

PSAK ini mencakup semua pengungkapan yang diatur sebelumnya dalam PSAK 4 (2009), PSAK 12 (2009) dan PSAK 15 (2009). Pengungkapan ini terkait dengan kepentingan entitas dalam entitas-entitas lain.

- PSAK No. 68: Pengukuran Nilai Wajar, yang diadopsi dari IFRS 13, berlaku efektif 1 Januari 2015.

PSAK ini memberikan panduan tentang bagaimana pengukuran nilai wajar ketika nilai wajar disyaratkan atau diizinkan.

- ISAK No. 27: Pengalihan Aset dari Pelanggan, yang diadopsi dari IFRIC 18, berlaku efektif 1 Januari 2014.
- ISAK No. 28: Pengakhiran Liabilitas Keuangan dengan Instrumen Ekuitas, yang diadopsi dari IFRIC 19, berlaku efektif 1 Januari 2014.

Kelompok Usaha sedang mengevaluasi dampak dari standar akuntansi tersebut dan belum menentukan dampaknya terhadap laporan keuangan konsolidasiannya.

**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN**

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 tahun pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat pada aset dan liabilitas dalam tahun pelaporan berikutnya.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**aa. Accounting Standards that Have Been  
Published But Not Yet Effective (continued)**

- PSAK No. 67: Disclosure of Interest in Other Entities, adopted from IFRS 12, effective January 1, 2015.

*This PSAK includes all of the disclosures that were previously in PSAK 4 (2009), PSAK 12 (2009) and PSAK 15 (2009). This disclosures relate to an entity's interests in other entities.*

- PSAK No. 68: Fair Value Measurement, adopted from IFRS 13, effective January 1, 2015.

*This PSAK provides guidance on how to measure fair value when fair value is required or permitted.*

- ISAK No. 27: Transfer of Assets from Customers, adopted from IFRIC 18, effective January 1, 2014.
- ISAK No. 28: Extinguishing Financial Liabilities with Equity Instruments, adopted from IFRIC 19, effective January 1, 2014.

*The Group is presently evaluating and has not yet determined the effects of these accounting standards on its consolidated financial statements.*

**3. SIGNIFICANT ACCOUNTING JUDGMENTS,  
ESTIMATES AND ASSUMPTIONS**

*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 year. 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.*

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Pertimbangan**

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:

Alokasi Biaya Perolehan dan Penurunan Nilai Goodwill

Akuntansi akuisisi mengharuskan penggunaan estimasi akuntansi secara ekstensif dalam mengalokasikan biaya perolehan kepada nilai pasar wajar yang dapat diandalkan atas aset dan liabilitas yang diakuisisi, termasuk aset tak berwujud. Sesuai PSAK No. 22 (Revisi 2010), "Kombinasi Bisnis", goodwill tidak diamortisasi dan tergantung pada untuk penurunan nilai setiap tahunnya. Nilai tercatat goodwill Kelompok Usaha pada tanggal 31 Desember 2013 adalah sebesar US\$21.688.712 (31 Desember 2012: nihil). Penjelasan lebih rinci diungkapkan dalam Catatan 16.

Pembuatan estimasi arus kas masa depan dalam menentukan nilai wajar properti minyak dan gas pada tanggal akuisisi melibatkan estimasi yang signifikan. Walaupun manajemen berkeyakinan bahwa asumsi yang digunakan adalah tepat dan masuk akal, perubahan signifikan pada asumsi tersebut dapat mempengaruhi secara material evaluasi atas nilai terpulihkan dan dapat menimbulkan penurunan nilai sesuai PSAK No. 48, "Penurunan Nilai Aset."

Goodwill diuji untuk penurunan nilai setiap tahunnya dan jika terdapat indikasi penurunan nilai. Manajemen menggunakan pertimbangan dalam mengestimasi jumlah terpulihkan dan menentukan adanya indikasi penurunan nilai. Estimasi atau nilai terpulihkan diuraikan pada bagian "Estimasi dan Asumsi" pada catatan ini.

Penentuan Mata Uang Fungsional

Mata uang fungsional adalah mata uang dari lingkungan ekonomi primer dimana Kelompok Usaha beroperasi. Manajemen mempertimbangkan mata uang yang paling mempengaruhi pendapatan dan beban dari jasa yang diberikan serta mempertimbangkan indikator lainnya dalam menentukan mata uang yang paling tepat menggambarkan pengaruh ekonomi dari transaksi, kejadian dan kondisi yang mendasari.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS,  
ESTIMATES AND ASSUMPTIONS (continued)**

**Judgments**

*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:*

Purchase Price Allocation and Goodwill Impairment

*Acquisition accounting requires extensive use of accounting estimates to allocate the purchase price to the reliable fair market values of the assets and liabilities purchased, including intangible assets. Under PSAK No. 22 (Revised 2010), "Business Combinations", goodwill is not amortized and is subject to an annual impairment testing. The carrying amount of the Group's goodwill as of December 31, 2013 was US\$21,688,712 (December 31, 2012: nil). Further details are disclosed in Note 16.*

*The preparation of estimated future cash flows in determining the fair values of oil and gas properties at the date of acquisition involves significant estimations. While the management believes that its assumptions are appropriate and reasonable, significant changes in its assumptions may materially affect its assessment of recoverable values and may lead to future impairment charges under PSAK No. 48, "Impairment of Assets."*

*Goodwill is subject to annual impairment test and whenever there is an indication that such asset may be impaired. Management uses its judgment in estimating the recoverable value and determining if there is any indication of impairment. Estimates on the recoverable amount are further described in "Estimates and Assumptions" section in this note.*

Determination of Functional Currency

*The functional currency is the currency of the primary economic environment in which the Group operates. The management considered the currency that mainly influences the revenue and cost of rendering services and other indicators in determining the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.*

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (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 2011) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Kelompok Usaha seperti diungkapkan pada Catatan 2.d.

**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.

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.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS,  
ESTIMATES AND ASSUMPTIONS (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 2011). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2.d.*

**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 controls of the Group. Such changes are reflected in the assumptions when they occur.*

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.*



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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

Estimasi Masa Manfaat Aset Tetap (lanjutan)

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 2013 adalah sebesar US\$1.837.231.368 (31 Desember 2012: US\$1.693.706.757). Penjelasan lebih rinci diungkapkan dalam Catatan 14.

Biaya eksplorasi dan evaluasi

Kebijakan akuntansi Grup untuk biaya eksplorasi dan evaluasi mengakibatkan biaya tertentu dikapitalisasi untuk sebuah wilayah kerja yang dianggap dapat dipulihkan oleh eksploitasi di masa depan atau penjualan atau dimana kegiatan tersebut belum mencapai tahap tertentu yang memungkinkan dilakukan penilaian yang wajar atas keberadaan cadangan. Kebijakan ini mengharuskan manajemen untuk membuat estimasi dan asumsi tertentu atas peristiwa dan keadaan di masa depan, khususnya apakah operasi eksploitasi dapat dilaksanakan secara ekonomis.

Setiap perkiraan dan asumsi tersebut dapat berubah seiring tersedianya informasi baru. Jika, setelah dilakukan kapitalisasi atas biaya berdasarkan kebijakan ini, suatu pertimbangan dibuat bahwa pemulihan biaya dianggap tidak dimungkinkan, biaya yang telah dikapitalisasi tersebut akan dibebankan ke dalam laporan laba rugi komprehensif konsolidasian.

Kegiatan pengembangan dimulai setelah dilakukan pengesahan proyek oleh tingkat manajemen yang berwenang. Pertimbangan diterapkan oleh manajemen dalam menentukan kelayakan suatu proyek secara ekonomis. Dalam melakukan pertimbangan ini, manajemen perlu membuat estimasi dan asumsi tertentu yang serupa dengan kapitalisasi biaya eksplorasi dan evaluasi yang dijelaskan di atas.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS,  
ESTIMATES AND ASSUMPTIONS (continued)**

**Estimates and Assumptions (continued)**

Estimating Useful Lives of Fixed Assets (continued)

*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, 2013 was US\$1,837,231,368 (December 31, 2012: US\$1,693,706,757). Further details are disclosed in Note 14.*

Exploration and evaluation expenditures

*The Group's accounting policy for exploration and evaluation expenditure results in certain items of expenditure being capitalized for an area of interest where it is considered likely to be a recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established.*

*Any such estimates and assumptions may change as new information becomes available. If, after having capitalized the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalized amount will be written off to the consolidated statement of comprehensive income.*

*Development activities commence after a project is sanctioned by the appropriate level of management. Judgement is applied by management in determining when a project is economically viable. In exercising this judgement, management is required to make certain estimates and assumptions similar to those described above for capitalized exploration and evaluation expenditure.*



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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

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.

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 2013 adalah sebesar US\$100.124.151 (31 Desember 2012: US\$149.495.805). Penjelasan lebih rinci mengenai asumsi-asumsi yang digunakan diungkapkan pada Catatan 33.e.

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**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

Pension and Employees' Benefits

*The cost of defined benefit pension plans and other long-term employees' 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.*

*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 employees' benefits expense. The carrying amount of the Group's estimated liabilities for employees' benefits as of December 31, 2013 was US\$100,124,151 (December 31, 2012: US\$149,495,805). Further details about the assumptions used are disclosed in Note 33.e.*

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

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.

Nilai tercatat dari aset keuangan yang diukur pada nilai wajar dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2013 adalah sebesar US\$85.384.831 (31 Desember 2012: US\$108.286.034), sedangkan nilai tercatat liabilitas keuangan yang diukur pada nilai wajar dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2013 adalah sebesar US\$11.927.017 (31 Desember 2012: US\$87.115.630) (Catatan 6 dan 31).

Cadangan Kerugian Penurunan Nilai atas 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 2013 adalah sebesar US\$292.118.936 (31 Desember 2012: US\$272.334.558). Penjelasan lebih lanjut diungkapkan dalam Catatan 7.

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**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

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 judgement 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.*

*The carrying amount of financial asset carried at fair value in the consolidated statements of financial position as of December 31, 2013 was US\$85,384,831 (December 31, 2012: US\$108,286,034), while the carrying amount of financial liability carried at fair value in the consolidated statements of financial position as of December 31, 2013 was US\$11,927,017 (December 31, 2012: US\$87,115,630) (Notes 6 and 31).*

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, 2013 was US\$292,118,936 (December 31, 2012: US\$272,334,558). Further details are disclosed in Note 7.*

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

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 neto utang pajak penghasilan badan pada tanggal 31 Desember 2013 adalah sebesar US\$14.421.465 (31 Desember 2012: US\$66.127.570). Penjelasan lebih rinci diungkapkan dalam Catatan 22.b.

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 2013, Kelompok Usaha memiliki rugi fiskal yang dapat dikompensasi sebesar US\$3.233.089 (31 Desember 2012: US\$2.101.638). Rugi fiskal tersebut terkait kepada Entitas Anak yang masih mengalami kerugian, belum daluwarsa dan tidak dapat digunakan untuk disalinghapuskan dengan penghasilan kena pajak entitas lain dalam Kelompok Usaha.

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**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

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, 2013 was US\$14,421,465 (December 31, 2012: US\$66,127,570). Further details are disclosed in Note 22.b.

Realizability of Deferred 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, 2013, the Group has tax loss carry forwards amounting to US\$3,233,089 (December 31, 2012: US\$2,101,638). 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.

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI  
AKUNTANSI SIGNIFIKAN (lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

Liabilitas Pembongkaran Aset dan Restorasi Area

Kelompok Usaha mengakui provisi untuk liabilitas pembongkaran aset dan restorasi area terkait dengan sumur minyak dan gas, fasilitas dan infrastruktur. Dalam menentukan nilai provisi, asumsi dan estimasi yang diperlukan adalah tingkat diskonto dan biaya yang diharapkan untuk membongkar dan memindahkan semua peralatan dari daerah pengeboran dan restorasi area. Nilai tercatat dari provisi tersebut pada tanggal 31 Desember 2013 dan 31 Desember 2012 masing-masing sebesar US\$8.362.468 dan nihil. Penjelasan lebih rinci diungkapkan dalam Catatan 39.

Estimasi Cadangan

Nilai tercatat untuk deplesi, penyusutan dan untuk amortisasi beserta pemulihan nilai tercatat aset minyak dan gas, yang digunakan untuk memproduksi minyak dan gas tergantung pada estimasi cadangan minyak dan gas. Faktor utama yang mempengaruhi estimasi tersebut adalah penilaian teknis atas kuantitas produksi cadangan minyak dan gas yang ada dan kendala ekonomis seperti ketersediaan pasar komersial atas produksi minyak dan gas bumi maupun asumsi yang terkait dengan antisipasi harga komoditas dan biaya pengembangan dan produksi cadangan tersebut.

Asumsi ekonomi yang digunakan untuk memperkirakan cadangan berubah dari waktu ke waktu dan data geologi bertambah selama masa operasi, oleh karena itu perkiraan cadangan dapat berubah dari waktu ke waktu. Perubahan cadangan yang dilaporkan dapat mempengaruhi hasil dan posisi keuangan Kelompok Usaha dalam berbagai cara diantaranya:

- Nilai tercatat aset dapat terpengaruh akibat perubahan estimasi arus kas masa depan.
- Penyusutan dan amortisasi yang dibebankan ke dalam laporan laba rugi komprehensif konsolidasian dapat berubah apabila beban-beban tersebut ditentukan berdasarkan unit produksi, atau jika masa manfaat ekonomi umur aset berubah.

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**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

Asset Abandonment and Site Restoration Obligations

*The Group has recognized provision for asset abandonment and site restoration obligations associated with its oil and gas wells, facilities and infrastructures. In determining the amount of provision, assumptions and estimates are required in relation to discount rates and the expected cost to dismantle and remove all the structures from the site and restore the site. The carrying amounts of the provision as of December 31, 2013 and December 31, 2012 are US\$8,362,468 and nil, respectively. Further details are disclosed in Note 39.*

Reserve Estimates

*The amounts recorded for depletion, depreciation and amortization as well as the recovery of the carrying value of oil and gas properties involving production of oil and gas reserves depends on estimated reserves of oil and gas. The primary factors affecting these estimates are technical engineering assessments of producible quantities of oil and gas reserves in place and economic constraints such as the availability of commercial markets for oil and gas production as well as assumptions related to anticipated commodity prices and the costs of development and production of the reserves.*

*The economic assumptions used to estimate reserves change from period to period, and additional geological data is generated during the course of operations, therefore estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including:*

- *Asset carrying values may be affected due to changes in estimated future cash flows.*
- *Depreciation and amortization charged in the consolidated statements of comprehensive income may change where such charges are determined on a units of production basis, or where the useful economic lives of assets change.*



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**Estimasi dan Asumsi (lanjutan)**

Estimasi Cadangan (lanjutan)

- Penyisihan untuk aktivitas purna-operasi, restorasi lokasi aset, dan hal-hal yang berkaitan dengan lingkungan dapat berubah apabila terjadi perubahan dalam perkiraan cadangan yang mempengaruhi ekspektasi tentang waktu atau biaya kegiatan ini.
- Nilai tercatat aset/liabilitas pajak tangguhan dapat berubah karena perubahan estimasi pemulihan manfaat pajak.

Penurunan Nilai Aset Non-Keuangan

Sesuai dengan kebijakan akuntansi Kelompok Usaha, setiap aset atau unit penghasil kas dievaluasi pada setiap periode pelaporan untuk menentukan ada tidaknya indikasi penurunan nilai aset. Jika terdapat indikasi tersebut, akan dilakukan perkiraan atas nilai aset yang dapat kembali dan kerugian akibat penurunan nilai akan diakui sebesar selisih antara nilai tercatat aset dengan nilai yang dapat dipulihkan kembali dari aset tersebut. Jumlah nilai yang dapat dipulihkan kembali dari sebuah aset atau kelompok aset penghasil kas diukur berdasarkan nilai yang lebih tinggi antara nilai wajar dikurangi biaya untuk menjual dan nilai pakai aset.

Aset yang memiliki masa manfaat yang terbatas, seperti *goodwill* atau aset tak berwujud yang belum siap untuk digunakan, tidak diamortisasi dan diuji setiap tahun untuk penurunan nilai. Jumlah nilai yang dapat diperoleh kembali dari unit penghasil kas ditentukan berdasarkan perhitungan nilai pakai.

Aset minyak dan gas bumi yang telah menemukan cadangan terbukti, ditelaah untuk penurunan nilai ketika kejadian dan perubahan keadaan mengindikasikan bahwa nilai tercatat aset tidak dapat dipulihkan. Jika terdapat indikasi tersebut, nilai terpulihkan aset akan diestimasi. Nilai terpulihkan aset ditentukan berdasarkan nilai yang lebih besar antara nilai wajar aset dikurangi biaya untuk menjual dan nilai pakainya.

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**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

Reserve Estimates (continued)

- *Decommissioning, site restoration and environmental provision may change where changes in estimated reserves affect expectations about the timing or cost of these activities.*
- *The carrying value of deferred tax assets/liabilities may change due to changes in estimates of the likely recovery of the tax benefits.*

Impairment of Non-Financial Assets

*In accordance with the Group's accounting policy, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indications exists, a formal estimate of the recoverable amount is performed and an impairment loss recognized to the extent that the carrying amount of an asset or cash generating unit of a group of assets is measured at the higher of fair value less costs to sell and value in use.*

*Assets that have an indefinite useful-life for example, goodwill or intangible assets not ready to use - are not subject to amortization and are tested annually for impairment. The recoverable amounts of cash generating units have been determined based on value-in-use calculations.*

*Proven oil and gas properties are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is determined as the greater of an asset's fair value less cost to sell and value in use.*

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**Estimasi dan Asumsi (lanjutan)**

Penurunan Nilai Aset Non-Kuangan (lanjutan)

Penentuan nilai wajar dan nilai pakai membutuhkan manajemen untuk membuat estimasi dan asumsi atas produksi yang diharapkan dan volume penjualan, harga komoditas (mempertimbangkan harga saat ini dan masa lalu, tren harga dan faktor-faktor terkait), cadangan (lihat "Estimasi Cadangan" di atas), biaya operasi, biaya pembongkaran dan restorasi serta belanja modal di masa depan. Estimasi dan asumsi ini terpapar risiko dan ketidakpastian; sehingga ada kemungkinan perubahan situasi dapat mengubah proyeksi ini, yang dapat mempengaruhi nilai aset yang dapat dipulihkan kembali. Dalam keadaan seperti itu, sebagian atau seluruh nilai tercatat aset mungkin akan mengalami penurunan nilai lebih lanjut atau terjadi pengurangan rugi penurunan nilai yang dampaknya akan dicatat dalam laporan laba-rugi.

**3. SIGNIFICANT ACCOUNTING JUDGMENT,  
ESTIMATES AND ASSUMPTION (continued)**

**Estimates and Assumptions (continued)**

Impairment of Non-Financial Assets (continued)

The determination of fair value and value in use requires management to make estimates and assumptions about expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves (see "Reserve Estimates" above), operating costs, decommissioning and site restoration cost, and future capital expenditure. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired, or the impairment charge reduced, with the impact recorded in the profit or loss.

**4. KAS DAN SETARA KAS**

Akun ini terdiri dari:

	2013	2012
Kas (Rp2.627.271.900 pada tahun 2013 dan Rp767.051.410 pada tahun 2012)	215.544	79.323
Bank Rekening Dolar Amerika Serikat (US\$) <u>Entitas berelasi dengan Pemerintah</u> (Catatan 35) PT Bank Mandiri (Persero) Tbk PT Bank Negara Indonesia (Persero) Tbk PT Bank Rakyat Indonesia (Persero) Tbk	400.646.286 94.350.229 60.256.272	112.813.133 43.065.729 74.914.920
<u>Pihak ketiga</u> Bank of America, N.A., Singapura Citibank N.A., Jakarta The Royal Bank of Scotland N.V., Jakarta The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	84.949.869 112.560 71.357 -	58.173.712 136.891 49.321 113.996
Rekening Rupiah <u>Entitas berelasi dengan Pemerintah</u> (Catatan 35) PT Bank Mandiri (Persero) Tbk (Rp176.676.321.956 pada tahun 2013 dan Rp288.825.581.158 pada tahun 2012) PT Bank Rakyat Indonesia (Persero) Tbk (Rp97.840.476.086 pada tahun 2013 dan Rp122.432.053.373 pada tahun 2012)	14.494.735 8.026.949	29.868.209 12.661.019

**4. CASH AND CASH EQUIVALENTS**

This account consists of:

Cash on hand (Rp2,627,271,900 in 2013 and Rp767,051,410 in 2012)
Cash in banks United States Dollar (US\$) accounts <u>Government-related entities (Note 35)</u> PT Bank Mandiri (Persero) Tbk PT Bank Negara Indonesia (Persero) Tbk PT Bank Rakyat Indonesia (Persero) Tbk
<u>Third parties</u> Bank of America N.A., Singapore Citibank N.A., Jakarta The Royal Bank of Scotland N.V., Jakarta The Hongkong and Shanghai Banking Corporation Ltd., Jakarta
Rupiah accounts <u>Government-related entities (Note 35)</u> PT Bank Mandiri (Persero) Tbk (Rp176,676,321,956 in 2013 and Rp288,825,581,158 in 2012) PT Bank Rakyat Indonesia (Persero) Tbk (Rp97,840,476,086 in 2013 and Rp122,432,053,373 in 2012)



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**4. KAS DAN SETARA KAS (lanjutan)**

**4. CASH AND CASH EQUIVALENTS (continued)**

	2013	2012	
Bank (lanjutan)			Cash in banks (continued)
Rekening Rupiah (lanjutan)			Rupiah accounts (continued)
<u>Entitas berelasi dengan Pemerintah</u>			<u>Government-related entities</u>
<u>(Catatan 35) (lanjutan)</u>			<u>(Note 35) (continued)</u>
PT Bank Negara Indonesia			PT Bank Negara Indonesia
(Persero) Tbk			(Persero) Tbk
(Rp88.146.660.556 pada tahun			(Rp88,146,660,556 in 2013 and
2013 dan Rp158.008.159.045 pada	7.231.656	16.340.037	Rp158,008,159,045 in 2012)
tahun 2012)			PT Bank Tabungan Negara
PT Bank Tabungan Negara			(Persero) Tbk
(Persero) Tbk			(Rp1,536,675,290 in 2013 and
(Rp1.536.675.290 pada tahun 2013 dan	126.071	7.683	Rp74,296,392 in 2012)
Rp74.296.392 pada tahun 2012)			PT Bank Mandiri Syariah
PT Bank Mandiri Syariah	44.643	-	(Rp544,152,860)
(Rp544.152.860)			
<u>Pihak ketiga</u>			<u>Third parties</u>
Bank of America N.A., Jakarta			Bank of America N.A., Jakarta
(Rp2.461.148.493 pada tahun 2013	201.916	982.807	(Rp2,461,148,493 in 2013 and
dan Rp9.503.745.590 pada tahun 2012)			Rp9,503,745,590 in 2012)
PT Bank Central Asia Tbk			PT Bank Central Asia Tbk
(Rp1.683.651.225 pada tahun	138.129	356.778	(Rp1,683,651,225 in 2013 and
2013 dan Rp3.450.042.035 pada			Rp3,450,042,035 in 2012)
tahun 2012)			PT Bank CIMB Niaga Tbk
PT Bank CIMB Niaga Tbk			(Rp771,442,288 in 2013 and
(Rp771.442.288 pada tahun 2013	63.290	78.774	Rp761,748,501 in 2012)
dan Rp761.748.501 pada tahun 2012)			PT Bank QNB Kesawan Tbk
PT Bank QNB Kesawan Tbk	-	56.067	(Rp542,164,044)
(Rp542.164.044)			
Rekening Yen Jepang (JPY)			Japanese Yen (JPY) accounts
<u>Entitas berelasi dengan Pemerintah</u>			<u>Government-related entity (Note 35)</u>
<u>(Catatan 35)</u>			
PT Bank Mandiri (Persero) Tbk			PT Bank Mandiri (Persero) Tbk
(JPY47.137.416 pada tahun	449.253	11.193.730	(JPY47,137,416 in 2013 and
2013 dan JPY966.717.657 pada			JPY966,717,657 in 2012)
tahun 2012)			
<u>Pihak ketiga</u>			<u>Third party</u>
The Royal Bank of Scotland N.V.,			The Royal Bank of Scotland N.V.,
Jakarta			Jakarta
(JPY124.464.255 pada tahun	1.186.235	3.396.151	(JPY124,464,255 in 2013 and
2013 dan JPY293.299.812 pada tahun			JPY293,299,812 in 2012)
2012)			
Rekening Dolar Singapura (SG\$)			Singapore Dollar (SG\$) accounts
<u>Pihak ketiga</u>			<u>Third party</u>
Citibank N.A., Jakarta			Citibank N.A., Jakarta
(SG\$222.680 pada tahun 2013	175.893	173.945	(SG\$222,680 in 2013 and
dan SG\$212.728 pada tahun 2012)			SG\$212,728 in 2012)
Sub-total	672.525.343	364.382.902	Sub-total
Setara kas - Deposito berjangka yang tidak			Cash equivalents - Unrestricted
dibatasi penggunaannya			time deposits
Rekening Dolar Amerika Serikat (US\$)			United States Dollar (US\$) accounts
<u>Entitas berelasi dengan Pemerintah</u>			<u>Government-related entities (Note 35)</u>
<u>(Catatan 35)</u>			
PT Bank Rakyat Indonesia (Persero) Tbk	300.000.000	378.500.000	PT Bank Rakyat Indonesia
			(Persero) Tbk
PT Bank Negara Indonesia (Persero) Tbk	105.400.000	433.017.062	PT Bank Negara Indonesia
			(Persero) Tbk
PT Bank Mandiri (Persero) Tbk	20.000.000	-	PT Bank Mandiri (Persero) Tbk

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**4. KAS DAN SETARA KAS (lanjutan)**

	2013	2012
Setara kas - Deposito berjangka yang tidak dibatasi penggunaannya (lanjutan)		
Rekening Rupiah		
<u>Entitas berelasi dengan Pemerintah</u>		
PT Bank Tabungan Negara (Persero) Tbk (Rp1.025.000.000.000 pada tahun 2013 dan Rp1.666.500.000.000 pada tahun 2012)	84.092.221	172.337.125
PT Bank Mandiri (Persero) Tbk (Rp641.602.480.616 pada tahun 2013 dan Rp1.138.102.480.000 pada tahun 2012)	52.637.822	117.694.155
PT Bank Rakyat Indonesia (Persero) Tbk (Rp611.000.000.000 pada tahun 2013 dan Rp675.000.000.000 pada tahun 2012)	50.127.164	69.803.516
PT Bank Negara Indonesia (Persero) Tbk (Rp412.500.000.000 pada tahun 2013 dan Rp302.000.000.000 pada tahun 2012)	33.841.989	31.230.610
PT Bank Mandiri Syariah (Rp2.000.000.000 pada tahun 2013 dan 2012)	164.082	206.825
<u>Pihak ketiga</u>		
PT Bank Tabungan Pensiunan Nasional Tbk (Rp2.000.000.000)	164.082	206.828
Sub-total	646.427.360	1.202.996.121
<b>Total</b>	<b>1.319.168.247</b>	<b>1.567.458.346</b>

Tingkat bunga tahunan deposito berjangka pada tanggal berikut adalah sebagai berikut:

	2013
Rekening Rupiah	4,00% - 10,00%
Rekening Dolar AS	0,25% - 2,25%

**5. KAS YANG DIBATASI PENGGUNAANNYA**

Akun ini terdiri dari:

	2013	2012
Rekening Dolar Amerika Serikat (US\$)		
<u>Pihak ketiga</u>		
Bank of America N.A., Singapura	305.505	322.467
The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	978	1.282
<u>Entitas berelasi dengan Pemerintah (Catatan 35)</u>		
PT Bank Mandiri (Persero) Tbk	594.150	-
Rekening Rupiah		
<u>Entitas berelasi dengan Pemerintah (Catatan 35)</u>		
PT Bank Mandiri (Persero) Tbk (Rp3.203.432.934 pada tahun 2013 dan Rp61.457.400.623 pada tahun 2012)	262.814	6.355.470
PT Bank Negara Indonesia (Persero) Tbk (Rp17.400.000.000)	-	1.799.380
<b>Total</b>	<b>1.163.447</b>	<b>8.478.599</b>

**4. CASH AND CASH EQUIVALENTS (continued)**

Cash equivalents - Unrestricted time deposits (continued)	
Rupiah accounts	
<u>Government-related entities</u>	
PT Bank Tabungan Negara (Persero) Tbk (Rp1,025,000,000,000 in 2013 and Rp1,666,500,000,000 in 2012)	
PT Bank Mandiri (Persero) Tbk (Rp641,602,480,616 in 2013 and Rp1,138,102,480,000 in 2012)	
PT Bank Rakyat Indonesia (Persero) Tbk (Rp611,000,000,000 in 2013 and Rp675,000,000,000 in 2012)	
PT Bank Negara Indonesia (Persero) Tbk (Rp412,500,000,000 in 2013 and Rp302,000,000,000 in 2012)	
PT Bank Mandiri Syariah (Rp2,000,000,000 in 2013 and 2012)	
<u>Third party</u>	
PT Bank Tabungan Pensiunan Nasional Tbk (Rp2,000,000,000)	
Sub-total	
<b>Total</b>	

The annual interest rates of time deposits on the following dates are as follows:

	2012
Rupiah account	4,00% - 7,25%
US Dollar account	0,12% - 2,15%

**5. RESTRICTED CASH**

This account consists of:

US Dollar (US\$) accounts	
<u>Third parties</u>	
Bank of America N.A., Singapore	
The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	
<u>Government-related entity (Note 35)</u>	
PT Bank Mandiri (Persero) Tbk	
Rupiah accounts	
<u>Government-related entities (Note 35)</u>	
PT Bank Mandiri (Persero) Tbk (Rp3,203,432,934 in 2013 and Rp61,457,400,623 in 2012)	
PT Bank Negara Indonesia (Persero) Tbk (Rp17,400,000,000)	
<b>Total</b>	

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**5. KAS YANG DIBATASI PENGGUNAANNYA  
(lanjutan)**

Kas yang dibatasi penggunaannya di Bank of America, N.A. sebesar US\$305.505 dan US\$322.467 masing-masing pada tanggal 31 Desember 2013 dan 2012, ditujukan untuk pembayaran wesel bayar Transgasindo.

Kas yang dibatasi penggunaannya di The Hongkong and Shanghai Banking Corporation Ltd. (HSBC) sebesar US\$978 dan US\$1.282 masing-masing pada tanggal 31 Desember 2013 dan 2012, yang ditujukan untuk pembayaran pinjaman jangka panjang Transgasindo yang diperoleh dari HSBC pada tanggal 30 Agustus 2010 (Catatan 21).

Pada tanggal 31 Desember 2013 dan 2012, kas yang dibatasi penggunaannya di PT Bank Mandiri (Persero) Tbk, pihak berelasi, merupakan rekening penampungan sehubungan dengan Perjanjian *Domestic Swap* antara Perusahaan, PT Banten Global Development dan Gas Supply Pte. Ltd. terkait dengan pembelian gas sebesar US\$594.150. Selain itu, terdapat 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) masing-masing sebesar US\$262.814 dan US\$331.505 pada tahun 2013 dan 2012 (Catatan 37.7).

Pada tanggal 31 Desember 2012, kas yang dibatasi penggunaannya di PT Bank Mandiri (Persero) Tbk sebesar US\$6.023.965 dan PT Bank Negara Indonesia (Persero) Tbk sebesar US\$1.799.380 merupakan rekening penampungan (*escrow account*) PT Gagasan Energi Indonesia (GEI) sehubungan jaminan sebagai syarat penerbitan *Standby Letter of Credit* (SBLC) dengan jangka waktu 1 tahun kepada PT Sarana Indo Energi, PT Gresik Migas, NTE dan PT Taruko Energy.

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**5. RESTRICTED CASH (continued)**

*The restricted cash in Bank of America, N.A. amounting to US\$305,505 and US\$322,467 as of December 31, 2013 and 2012, respectively, were established for the repayment of Transgasindo's promissory notes.*

*The restricted cash in The Hongkong and Shanghai Banking Corporation Ltd. (HSBC) amounting to US\$978 and US\$1,282 as of December 31, 2013 and 2012, respectively, were established for the repayment of Transgasindo's long-term loan obtained from HSBC on August 30, 2010 (Note 21).*

*As of December 31, 2013 and 2012, the restricted cash in PT Bank Mandiri (Persero) Tbk, a related party, represents escrow account in accordance with the Domestic Swap Agreement between the Company, PT Banten Global Development and Gas Supply Pte. Ltd. in relation to the purchasing of gas amounted to US\$594,150. Aside from that, there is 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) amounted to US\$262,814 and US\$331,505 in 2013 and 2012, respectively (Note 37.7).*

*As of December 31, 2012, the restricted cash in PT Bank Mandiri (Persero) Tbk amounting to US\$6,023,965 and PT Bank Negara Indonesia (Persero) Tbk amounted to US\$1,799,380 represents escrow account in PT Gagasan Energi Indonesia (GEI) in accordance with covered gas purchases by a Standby Letter of Credit (SBLC) in 1 year from PT Sarana Indo Energi, PT Gresik Migas, NTE and PT Taruko Energy.*

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**6. INVESTASI JANGKA PENDEK**

Investasi jangka pendek merupakan investasi pada instrumen utang, yang dikategorikan sebagai aset keuangan tersedia untuk dijual dan nilai wajarnya ditentukan berdasarkan harga kuotasian yang dipublikasikan dalam pasar aktif, yang diterbitkan oleh pihak-pihak berikut:

	2013	2012
<u>Entitas berelasi dengan</u>		
Pemerintah (Catatan 35)		
PT Pertamina (Persero)	65.493.310	65.493.310
Obligasi Pemerintah - Indon 22	14.814.679	14.814.679
Lembaga Pembiayaan Ekspor Indonesia (LPEI)		
(Rp50.000.000.000 pada tahun 2013 dan Rp100.000.000.000 pada tahun 2012)	4.102.059	10.341.262
Surat Berharga Syariah Negara (SBSN)	4.000.000	4.000.000
PT Aneka Tambang (Persero) Tbk (ANTAM)		
(Rp25.000.000.000 pada tahun 2013 dan 2012)	2.051.030	2.585.315
Perum Pegadaian (Rp20.000.000.000 pada tahun 2013 dan 2012)	1.640.824	2.068.252
Ditambah (dikurang):		
Kenaikan (penurunan) belum direalisasi atas perubahan nilai wajar asset keuangan tersedia untuk dijual	(6.853.617)	8.914.204
Diskon	136.546	69.012
<b>Total</b>	<b>85.384.831</b>	<b>108.286.034</b>

Perusahaan melakukan pembelian obligasi PT Pertamina (Persero) (Pertamina) sebagai berikut: (1) pada tanggal 22 Juni 2011 dengan biaya perolehan sebesar US\$1.000.000, dengan nilai nominal US\$100/lembar dan harga beli sebesar US\$100/lembar; (2) pada tanggal 27 Juni 2011 dengan biaya perolehan sebesar US\$4.993.750 dengan nilai nominal sebesar US\$100/lembar dan harga beli sebesar US\$99/lembar; dan (3) pada tanggal 6 Oktober 2011 dengan biaya perolehan sebesar US\$9.686.500 dengan nilai nominal sebesar US\$100/lembar dan harga beli sebesar US\$97/lembar. Tingkat bunga tahunan obligasi tersebut adalah sebesar 5,25% dan berdasarkan Moody's Investors Services, peringkat dari obligasi tersebut adalah Baa3.

**6. SHORT-TERM INVESTMENTS**

Short-term investments represent investment in debt instrument which is categorized as available-for sale financial assets and which fair value is determined by reference to published price quotations in an active market, issued by the following parties:

	2013	2012
<u>Government-related entities</u>		
(Note 35)		
PT Pertamina (Persero)	65.493.310	65.493.310
The Government Bond - Indon 22	14.814.679	14.814.679
Indonesia Eximbank		
(Rp50,000,000,000 in 2013 and Rp100,000,000,000 in 2012)	4.102.059	10.341.262
Surat Berharga Syariah Negara (SBSN)	4.000.000	4.000.000
PT Aneka Tambang (Persero) Tbk (ANTAM)		
(Rp25,000,000,000 in 2013 and 2012)	2.051.030	2.585.315
Perum Pegadaian		
(Rp20,000,000,000 in 2013 and 2012)	1.640.824	2.068.252
Add (deduct):		
Unrealized gain (loss) on increase (decrease) in fair value of available-for-sale financial assets	(6.853.617)	8.914.204
Discount	136.546	69.012
<b>Total</b>	<b>85.384.831</b>	<b>108.286.034</b>

The Company purchased PT Pertamina (Persero) (Pertamina)'s bonds as follows: (1) on June 22, 2011 with acquisition cost of US\$1,000,000, with nominal amount of US\$100/bonds and purchase price of US\$100/bonds; (2) on June 27, 2011, with acquisition cost of US\$4,993,750, with nominal amount of US\$100/bonds and purchase price of US\$99/bonds; and (3) on October 6, 2011, with acquisition cost of US\$9,686,500, with nominal amount of US\$100/bonds and purchase price of US\$97/bonds. The bonds earn annual interest rate at 5.25% and based on Moody's Investors Services, the bonds are rated at Baa3.

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**6. INVESTASI JANGKA PENDEK (lanjutan)**

Pada bulan April 2012, Perusahaan melakukan pembelian obligasi PT Pertamina (Persero) (Pertamina) dengan biaya perolehan sebesar US\$49.813.060 dengan nilai nominal sebesar US\$100/lembar dan harga beli berkisar antara US\$99,414-US\$99,675/lembar. Tingkat bunga tahunan obligasi adalah sebesar 4,875% dan berdasarkan Moody's Investors Services, peringkat dari obligasi tersebut adalah Baa3.

Pada bulan April 2012, Perusahaan melakukan pembelian obligasi INDON 22 dengan biaya perolehan sebesar US\$16.800.000 dengan nilai nominal sebesar US\$100/lembar dan harga beli berkisar antara US\$98,50-US\$99,00/lembar. Tingkat bunga tahunan obligasi adalah sebesar 3,75% dan berdasarkan Moody's Investors Services, peringkat dari obligasi tersebut adalah Baa3. Pada tanggal 14 September 2012, Perusahaan melakukan penjualan obligasi INDON 22 dengan nominal sebesar US\$2.000.000 dengan total harga jual sebesar US\$2.130.000.

Pada tanggal 20 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 20 November 2012, Perusahaan melakukan pembelian obligasi Lembaga Pembiayaan Ekspor Indonesia (LPEI) Seri A dengan biaya perolehan sebesar Rp50.000.000.000 yang dibeli pada nilai nominal. Tingkat bunga tahunan obligasi adalah sebesar 6,25% dan berdasarkan PT Pefindo, peringkat dari obligasi tersebut adalah AAA. Pada tanggal 9 Desember 2013, Perusahaan menerima sebesar Rp50.000.000.000 (setara dengan US\$4.102.059) yang berasal dari jatuh tempo dari aset keuangan tersedia untuk dijual tersebut.

Pada tanggal 19 November 2012, Perusahaan melakukan pembelian obligasi Surat Berharga Syariah Negara (SBSN) dengan biaya perolehan sebesar US\$4.000.000 dengan nilai nominal sebesar US\$100/lembar dan harga beli sebesar US\$100/lembar. Tingkat bunga tahunan obligasi adalah sebesar 3,3% dan berdasarkan Moody's Investors Service, peringkat dari obligasi tersebut adalah Baa3/Stable.

**6. SHORT-TERM INVESTMENTS (continued)**

*In April 2012, the Company purchased PT Pertamina (Persero) (Pertamina)'s bonds with acquisition cost of US\$49,813,060 with nominal amount of US\$100/bonds and purchase price is ranging from US\$99.414-US\$99.675/bonds. The bonds earn annual interest rate at 4.875% and based on Moody's Investors Services, the bonds are rated at Baa3.*

*In April 2012, the Company purchased several INDON 22 bonds with acquisition cost of US\$16,800,000 with nominal amount of US\$100/bonds and purchase price ranging from US\$98.50-US\$99.00/bonds. The bonds earn annual interest rate is 3.75% and based on Moody's Investors Services, the bonds are rated at Baa3. On September 14, 2012, the Company sold INDON 22 bonds with nominal amount of US\$2,000,000, with total proceeds of US\$2,130,000.*

*On December 20, 2011, the Company purchased Indonesia Eximbank's Series C bonds, with acquisition cost of Rp50,000,000,000 which is purchased at nominal amount. The bonds earn annual interest rate at 8.50% and based on PT Pefindo, the bonds are rated at AAA.*

*On November 20, 2012, the Company purchased Indonesia Eximbank's Series A bonds, with acquisition cost of Rp50,000,000,000 which is purchased at nominal amount. The bonds earn annual interest rate at 6.25% and based on PT Pefindo, the bonds are rated at AAA. On December 9, 2013, the Company received the proceeds of Rp50,000,000,000 (equivalent to US\$4,102,059) from maturities of such available for sales financial assets.*

*On November 19, 2012, the Company purchased Surat Berharga Syariah Negara (SBSN)'s bonds with acquisition cost of US\$4,000,000 with nominal amount of US\$100/bonds and purchase price of US\$100/bonds. The bonds earn annual interest rate at 3.3% and based on Moody's Investors Services, the bonds are rated at Baa3/Stable.*



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**6. INVESTASI JANGKA PENDEK (lanjutan)**

Pada tanggal 14 Desember 2011, Perusahaan melakukan pembelian obligasi PT Aneka Tambang (Persero) Tbk (ANTAM) 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 11 Oktober 2011, Perusahaan melakukan pembelian obligasi Perusahaan Umum (Perum) 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)**

On December 14, 2011, the Company purchased PT Aneka Tambang (Persero) Tbk (ANTAM)'s Series B bonds with acquisition cost of Rp25,000,000,000 which is purchased at nominal amount. The bonds earn annual interest rate at 9.05% and based on PT Pefindo, the bonds are rated at AA-.

On October 11, 2011, the Company purchased Perusahaan Umum (Perum) Pegadaian's Series C bonds with acquisition cost of Rp20,000,000,000 which is purchased at nominal amount. The bonds earn annual interest rate at 9.00% and based on PT Pefindo, the bonds are rated at AA+.

**7. PIUTANG USAHA**

Akun ini terdiri dari piutang dari:

**7. TRADE RECEIVABLES**

This account consists of receivables from:

	2013	2012	
<u>Entitas berelasi dengan Pemerintah</u> (Catatan 35)			<u>Government-related entities</u> (Note 35)
Distribusi gas	76.287.787	66.457.473	Gas distribution
Transmisi gas	2.137.538	3.033.731	Gas transmission
Sub-total	78.425.325	69.491.204	Sub-total
<u>Pihak ketiga</u>			<u>Third parties</u>
Distribusi gas	171.822.728	174.720.787	Gas distribution
Transmisi gas	31.029.560	24.335.473	Gas transmission
Minyak dan gas	8.141.743	-	Oil and gas
Sewa fiber optik	2.699.580	3.787.094	Fiber optic rental
Sub-total	213.693.611	202.843.354	Sub-total
Total	292.118.936	272.334.558	Total
Cadangan kerugian penurunan nilai			Allowance for impairment losses
Penurunan individual	(11.386.439)	(12.834.252)	Individual impairment
Penurunan kolektif	(776.015)	(848.209)	Collective impairment
Sub-total	(12.162.454)	(13.682.461)	Sub-total
<b>Neto</b>	<b>279.956.482</b>	<b>258.652.097</b>	<b>Net</b>

Piutang usaha dari entitas berelasi dengan Pemerintah mayoritas berasal dari piutang PT Perusahaan Listrik Negara (Persero) (PLN) dan PT PLN Batam masing-masing sebesar US\$50.127.813 dan US\$1.582.221 pada tanggal 31 Desember 2013 dan US\$41.188.136 dan US\$1.841.627 pada tanggal 31 Desember 2012.

A substantial portion of the receivables from Government related entities represents receivables from PT Perusahaan Listrik Negara (Persero) (PLN) and PT PLN Batam amounting to US\$50,127,813 and US\$1,582,221 as of December 31, 2013 and US\$41,188,136 and US\$1,841,627 as of December 31, 2012.



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**7. PIUTANG USAHA (lanjutan)**

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

	2013
Dollar Amerika Serikat	245.204.957
Rupiah (Rp571.834.489.483 pada tahun 2013 dan Rp585.564.239.100 pada tahun 2012)	46.913.979
<b>Total</b>	<b>292.118.936</b>

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

	2013
Saldo awal	13.682.461
Penurunan nilai selama tahun berjalan (Catatan 28)	783.775
Perubahan kurs	(2.303.782)
<b>Saldo akhir</b>	<b>12.162.454</b>

Analisa umur piutang usaha dihitung sejak tanggal faktur adalah sebagai berikut:

	2013
Lancar dan tidak mengalami penurunan nilai	261.319.336
Telah jatuh tempo	
> 1 bulan - 3 bulan	14.233.337
> 3 bulan - 6 bulan	861.745
> 6 bulan - 1 tahun	676.774
> 1 tahun	15.027.744
<b>Total</b>	<b>292.118.936</b>

Piutang usaha tidak dijamin, tidak dikenakan bunga dan umumnya dikenakan syarat pembayaran selambat-lambatnya tanggal 20 bulan penagihan.

**Transgasindo, Entitas Anak**

Pada tanggal 11 Juni 2013, BPH Migas menerbitkan surat No. 781/07/Ka BPH/2013 ("Surat BPH Migas") kepada Direktur Utama Transgasindo terkait pengaplikasian tarif baru toll fee pada ruas pipa Grissik - Singapura sebagaimana disebutkan pada surat keputusan BPH Migas Nomor 217/Tarif/BPH Migas/Kom/VIII/2010 tertanggal 11 Agustus 2010 ("Surat Pengumuman Tarif Baru").

**7. TRADE RECEIVABLES (continued)**

The details of trade receivables based on currencies are as follows:

	2012	
	211.779.828	United States Dollar
	60.554.730	Rupiah (Rp571,834,489,483 in 2013 and Rp585,564,239,100 in 2012)
<b>Total</b>	<b>272.334.558</b>	<b>Total</b>

The changes in the allowance for impairment losses are as follows:

	2012	
	12.379.728	Beginning balance
	1.906.639	Impairment during the year (Note 28)
	(603.906)	Foreign exchange rate changes
<b>Saldo akhir</b>	<b>13.682.461</b>	<b>Ending balance</b>

The aging analysis of trade receivables based on invoice dates are as follows:

	2012	
	245.978.448	Neither past due nor impaired
	7.429.612	Past due
	1.894.126	> 1 month - 3 months
	2.083.446	> 3 months - 6 months
	14.948.926	> 6 months - 1 year
		> 1 year
<b>Total</b>	<b>272.334.558</b>	<b>Total</b>

Trade receivables are unsecured, non-interest bearing and are generally subject to the terms of payment at no later than the 20<sup>th</sup> of the billing month.

**Transgasindo, a Subsidiary**

On 11 June 2013, BPH Migas issued letter No. 781/07/Ka BPH/2013 (the "BPH Migas' Letter") to the President Director of Transgasindo regarding the application of a new tariff for toll fees in the Grissik - Singapore pipeline which had been issued according to BPH Migas decision letter No. 217/Tarif/BPH Migas/Kom/VIII/2010 dated 11 August 2010 ("New Tariff Announcement Letter").

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**7. PIUTANG USAHA (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

Penerbitan Surat BPH Migas tersebut sehubungan dengan surat keputusan Mahkamah Agung Republik Indonesia No. 205/K/TUN/2012 yang menolak kasasi yang diajukan oleh ConocoPhillips (Grissik) Ltd terkait perselisihannya dengan BPH Migas, tentang tarif baru *toll fee* yang akan diaplikasikan pada awal Agustus 2010, sebagaimana disebutkan dalam Surat Pengumuman Tarif Baru.

Terkait dengan perselisihan tentang tarif baru, Transgasindo telah mencadangkan rugi penurunan nilai sebesar US\$4 juta, yang mencerminkan piutang yang diperselisihkan untuk periode Agustus hingga Desember 2010. Transgasindo tidak mencadangkan rugi penurunan nilai untuk periode 1 Januari 2011 hingga 30 Juni 2013, dikarenakan penagihan pada para *shipper* di periode tersebut menggunakan tarif lama.

Sebagaimana penerbitan Surat BPH Migas, Transgasindo dapat mengakui tambahan pendapatan dan piutang untuk transportasi gas sejak 1 Januari 2011 akibat dari pengaplikasian tarif baru. Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, Transgasindo telah menerapkan penerapan baru ini untuk penagihan kepada pelanggan.

Manajemen Kelompok Usaha berpendapat bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan atas tidak tertagihnya piutang usaha.

**8. PIUTANG LAIN-LAIN**

Akun ini terdiri:

	2013
Pajak Pertambahan Nilai yang dapat ditagihkan	11.710.173
Piutang dari aktivitas minyak dan gas	11.116.613
Piutang <i>underlifting</i>	2.934.610
Piutang dari Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC)	2.687.500
Uang muka proyek (Rp30.240.591.030 pada tahun 2013 dan Rp3.232.586.877 pada tahun 2012)	2.480.974
Bunga (USD1.617.271 dan Rp7.209.898.630 pada tahun 2013 dan US\$1.422.283 dan Rp5.873.818.207 pada tahun 2012)	2.208.780
Panjar dinas (Rp17.963.417.463 pada tahun 2013 dan Rp12.728.026.141 pada tahun 2012)	1.473.740
Pemerintah Republik Indonesia	1.301.663
Lain-lain (US\$2.086, SG\$5.527, dan Rp15.176.461.543 pada tahun 2013 dan US\$2.086, SG\$5.527, dan Rp13.373.045.970 pada tahun 2012)	1.251.545
<b>Total</b>	<b>37.165.598</b>

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**7. TRADE RECEIVABLES (continued)**

**Transgasindo, a Subsidiary (continued)**

The issuance of the BPH Migas' Letter was in relation with the decision letter of Supreme Court of Republic of Indonesia No. 205/K/TUN/2012 rejecting the cassation proposed by ConocoPhillips (Grissik) Ltd about its dispute with BPH Migas, which was due to a new tariff for toll fees to be applied at the beginning of August 2010, as mentioned in the New Tariff Announcement Letter.

Due to the dispute over the new tariff, Transgasindo provided allowance for impairment losses amounting to US\$4 million, which represents disputed of receivables for the period August to December 2010. Transgasindo did not provide any additional allowance for impairment losses for the period January 1, 2011 to June 30, 2013, as it had billed the shippers with the old tariff.

By the issuance of the BPH Migas' Letter, Transgasindo will be able to recognize the additional revenue and receivables for gas transportation commencing January 1, 2011 resulting from application of the new tariff. Up to the completion date of the consolidated financial statements, Transgasindo has applied the new tariff to its invoices submitted to customers.

The management of the Group believes that the allowance for impairment losses is adequate to cover any loss from uncollectible of trade receivables.

**8. OTHER RECEIVABLES**

This account consists of:

	2012	
	-	Reimbursable Value-Added Tax
	-	Receivables from oil and gas activities
	-	Underlifting receivable
	-	Receivables from Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC)
	-	Advances for project (Rp30,240,591,030 in 2013 and Rp3,232,586,877 in 2012)
	334.290	Interests (USD1,617,271 and Rp7,209,898,630 in 2013 and US\$1,422,283 and Rp5,873,818,207 in 2012)
	2.029.710	Advances to employees (Rp17,963,417,463 in 2013 and Rp12,728,026,141 in 2012)
	1.316.238	The Government of the Republic of Indonesia
	1.301.663	Others (US\$2,086, SG\$5,527 and Rp15,176,461,543 in 2013 and US\$2,086, SG\$5,527 and Rp13,373,045,970 in 2012)
	1.389.558	
<b>Total</b>	<b>6.371.459</b>	<b>Total</b>

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**8. PIUTANG LAIN-LAIN (lanjutan)**

	2013
Cadangan kerugian penurunan nilai (Rp14.197.800 dan US\$1.301.663 pada tahun 2013 dan Rp14.197.800 dan US\$1.301.663 pada tahun 2012)	(1.302.828)
<b>Neto</b>	<b>35.862.770</b>

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

	2013
Saldo awal	1.303.131
Penurunan nilai selama tahun berjalan	-
Perubahan kurs	(303)
<b>Saldo akhir</b>	<b>1.302.828</b>

Piutang Pajak Pertambahan Nilai (PPN) yang dapat ditagihkan merupakan PPN yang dibayarkan oleh entitas anak yang bergerak di bidang eksplorasi dan produksi minyak dan gas bumi di Indonesia, yang dapat ditagih kembali dari Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (SKKMIGAS).

Piutang dari aktivitas minyak dan gas merupakan piutang yang berkaitan dengan aktivitas eksplorasi dan produksi minyak dan gas termasuk pembayaran *cash call* yang berkaitan dengan kontrak kerjasama pada blok Ketapang dan Bangkanai (Catatan 37.20 dan 37.21).

Piutang *underlifting* dari SKK MIGAS pada tanggal 31 Desember 2013 berasal dari blok Ujung Pangkah.

Piutang dari Kuwait Foreign Petroleum Exploration Company K.S.C (Closed) (KUFPEC) merupakan piutang sehubungan dengan pembangunan *jetty* di Gresik yang ditanggung oleh KUFPEC sesuai dengan Perjanjian Jual Beli Kufpec Indonesia (Pangkah) B.V. antara SEI dengan KUFPEC.

Uang muka proyek merupakan pembayaran uang muka atas pembayaran kepada kontraktor atas pekerjaan pemeliharaan.

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.

**8. OTHER RECEIVABLES (continued)**

	2012
Allowance for impairment losses (Rp14,197,800 and US\$1,301,663 in 2013 and Rp14,197,800 and US\$1,301,663 in 2012)	(1.303.131)
<b>Net</b>	<b>5.068.328</b>

The changes in the allowance for impairment losses are as follows:

	2012
Beginning balance	1.303.228
Impairment during the year	-
Foreign exchange rate changes	(97)
<b>Ending balance</b>	<b>1.303.131</b>

Reimbursable Value Added Tax (VAT) represents VAT paid by subsidiary involved in oil and gas exploration and production in Indonesia which is reimbursable from Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (SKKMIGAS).

Receivables from oil and gas activities represent receivables relating to oil and gas exploration and production activities including cash call payment relating to the Ketapang and Bangkanai PSC (Notes 37.20 and 37.21).

The underlifting receivable from SKKMIGAS as of December 31, 2013 relates to Ujung Pangkah block.

Receivables from Kuwait Foreign Petroleum Exploration Company K.S.C (Closed) (KUFPEC) represent construction of jetty in Gresik which will be borne by KUFPEC based on Sales Purchase Agreement of Kufpec Indonesia Pangkah B.V. between SEI with KUFPEC.

Advances for project represent payments to contractor relating to maintenance activities.

Other receivables from the Government of the Republic of Indonesia represent receivables in relation to 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.

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**8. PIUTANG LAIN-LAIN (lanjutan)**

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.

Manajemen Kelompok Usaha berpendapat bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan kerugian atas tidak tertagihnya piutang lain-lain.

**9. PERSEDIAAN**

Akun ini terdiri:

	2013
Suku cadang	7.855.836
Suku cadang minyak dan gas, perlengkapan sumur dan lainnya	8.616.671
Penyisihan persediaan usang	(1.857.239)
<b>Total</b>	<b>14.615.268</b>

Perubahan penyisihan persediaan usang adalah sebagai berikut:

	2013
Saldo awal	1.303.679
Persediaan dari akuisisi entitas anak	553.646
Penyisihan untuk tahun berjalan	-
Pemulihan penyisihan	(86)
<b>Saldo akhir</b>	<b>1.857.239</b>

Persediaan tidak dijadikan jaminan dan diasuransikan terhadap risiko kebakaran dan risiko lainnya berdasarkan suatu paket polis tertentu dengan jumlah pertanggungan sebesar Rp185.580.224.952 dan US\$24.084.418.

Manajemen Kelompok Usaha berpendapat bahwa jumlah pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas persediaan yang dipertanggungkan tersebut.

**8. OTHER RECEIVABLES (continued)**

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.

The management of the Group believes that the allowance for impairment losses is adequate to cover any loss from uncollectible of other receivables.

**9. INVENTORIES**

This account consists of:

	2012	
	3.748.744	Spare parts
	-	Oil and gas sparepart, well supplies and others
	(1.303.679)	Allowance for inventory obsolescence
<b>Total</b>	<b>2.445.065</b>	<b>Total</b>

The changes in the allowance for inventory obsolescence are as follows:

	2012	
	1.335.662	Beginning balance
	-	Inventories from the acquisition of subsidiary
	24.326	Provisions during the year
	(56.309)	Recovery of allowance
<b>Saldo akhir</b>	<b>1.303.679</b>	<b>Ending balance</b>

Inventories are not pledged and are insured against losses from fire and other risks under blanket policies for Rp185,580,224,952 and US\$24,084,418.

The management of the Group believes that the insurance coverage is adequate to cover possible losses from such risks.

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**9. PERSEDIAAN (lanjutan)**

Berdasarkan hasil penelaahan terhadap kondisi fisik dari persediaan pada tanggal pelaporan, manajemen berkeyakinan cadangan penyisihan persediaan tersebut di atas cukup untuk menutup kemungkinan keusangan dari persediaan.

**10. UANG MUKA**

Akun ini terdiri dari uang muka untuk:

	2013	2012
Pembelian gas bumi ("Take-or-Pay") <u>Entitas berelasi dengan Pemerintah</u> (Catatan 35)		
PT Pertamina EP	76.696.271	76.696.271
PT Pertamina Hulu Energi	-	102.598
<u>Pihak ketiga</u>		
ConocoPhillips (Grissik) Ltd.	26.535.158	54.109.588
PT Sadikun Niagamas Raya	6.667.198	-
PT Walinusa Energi	4.260.944	-
PT Niaga Gema Teknologi	2.190.177	-
PT Nugas Trans Energy	864.655	-
PT Gresik Migas	32.698	-
Pembelian barang dan jasa	6.426.488	7.447.902
Uang muka KNOC	2.300.000	-
Uang muka <i>ship or pay</i> <u>Entitas berelasi dengan Pemerintah</u> (Catatan 35)		
PT Pertamina Gas	1.461.057	-
Dikurangi bagian jangka panjang:		
Pembelian gas bumi ("Take-or-Pay")	(79.783.801)	(103.751.065)
Pembelian barang dan jasa	(5.103.557)	(7.171.077)
Sub-total	(84.887.358)	(110.922.142)
Bagian jangka pendek:		
Pembelian gas bumi ("Take-or-Pay")	37.463.300	27.157.392
Uang muka KNOC	2.300.000	-
Uang muka <i>ship or pay</i>	1.461.057	-
Pembelian barang dan jasa (Rp16.125.202.083 pada tahun 2013 dan Rp2.676.897.750 pada tahun 2012)	1.322.931	276.825
Lain-lain (Rp1.763.011.963 pada tahun 2013 dan Rp5.257.051.796 pada tahun 2012)	144.640	543.645
<b>Total</b>	<b>42.691.928</b>	<b>27.977.862</b>

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 37). Uang muka tersebut akan dikreditkan dengan kelebihan kuantitas gas yang dialirkan dengan jumlah kuantitas pembelian gas bumi minimum yang terjadi setelahnya.

Uang muka pembelian barang merupakan pembayaran atas pengadaan *Metering Regulating System* (MRS), pipa baja, *pilot* dan *ball valve* kepada pihak ketiga.

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**9. INVENTORIES (continued)**

Based on a review of physical conditions of the inventories at the reporting dates, management believes that the above allowance is adequate to cover any possible losses from obsolescence of inventories.

**10. ADVANCES**

This account consists of advances for:

Purchase of natural gas ("Take-or-Pay") <u>Government-related entities</u> (Note 35)	
PT Pertamina EP	
PT Pertamina Hulu Energi	
<u>Third parties</u>	
ConocoPhillips (Grissik) Ltd.	
PT Sadikun Niagamas Raya	
PT Walinusa Energi	
PT Niaga Gema Teknologi	
PT Nugas Trans Energy	
PT Gresik Migas	
Purchase of goods and service Advance to KNOC	
Ship or pay advance	
<u>Government-related entities (Note 35)</u>	
PT Pertamina Gas	
Less non-current portion:	
Purchase of natural gas ("Take-or-Pay")	
Purchase of goods and services	
Sub-total	
Current maturities of:	
Purchase of natural gas ("Take-or-Pay")	
Advance to KNOC	
Ship or pay advance	
Purchase of goods and services (Rp16,125,202,083 in 2013 and Rp2,676,897,750 in 2012)	
Others (Rp1,763,011,963 in 2013 and Rp5,257,051,796 in 2012)	
<b>Total</b>	

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 Sales and Purchase Agreements (Note 37). Such advances will be applied against future deliveries of quantities over the minimum specified purchase quantities of natural gas.

Advance for purchase of goods represents payment for Metering Regulating System (MRS) procurement, steel pipe, pilot and ball valve to the third parties.



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**10. UANG MUKA (lanjutan)**

Uang muka KNOC sebesar US\$2.300.000 pada tanggal 31 Desember 2013 merupakan uang muka sehubungan dengan perjanjian jual beli *participating interest* sebesar 8,91% di South East Sumatra PSC (Catatan 38.17 dan 45.4).

Uang muka *ship or pay* merupakan pembayaran atas jasa pengangkutan gas bumi melalui pipa untuk selisih jumlah gas yang dialirkan dengan jumlah kuantitas gas bumi minimum yang dialirkan melalui pipa seperti yang tertera dalam Perjanjian Penyaluran Gas melalui EJGP (Catatan 37.2). Uang muka tersebut akan dikreditkan dengan kelebihan kuantitas gas yang dialirkan dengan jumlah kuantitas gas minimum yang disalurkan melalui pipa yang terjadi setelahnya.

Manajemen berpendapat bahwa seluruh uang muka tersebut dapat dipulihkan.

**11. BEBAN DIBAYAR DI MUKA**

Akun ini terdiri dari:

	2013
Asuransi	1.095.832
Sewa	433.018
Lain-lain	156.025
<b>Total</b>	<b>1.684.875</b>

**12. PIUTANG LAIN-LAIN JANGKA PANJANG**

Akun ini terdiri dari:

	2013
Saldo awal	-
Penambahan:	
Piutang carry	35.600.000
Piutang dari KUFPEC	7.771.788
Sub-total	43.371.788
Penyesuaian nilai wajar	(3.106.226)
<b>Saldo akhir</b>	<b>40.265.562</b>

Berdasarkan perjanjian Farm Out Bangkanai PSC, SBK akan melakukan pembayaran *carry* atas biaya pengembangan sebesar US\$30.000.000, biaya pengeboran di sumur West Kerendan-1 sebesar US\$5.600.000 dan biaya pengeboran sumur eksplorasi berikutnya sebesar US\$1.500.000 di blok tersebut. Pada tanggal 31 Desember 2013, jumlah yang telah dibayarkan oleh SBK sebesar US\$35.600.000. SBK dapat memulihkan biaya pengembangan dan pengeboran tersebut pada saat aktivitas produksi, dengan nilai maksimum sebesar jumlah tersebut di atas.

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**10. ADVANCES (continued)**

Advance to KNOC amounting to US\$2,300,000 as of December 31, 2013 represents advances accordance with sales and purchase agreement of 8.91% participating interest in the South East Sumatra PSC (Notes 38.17 and 45.4).

The ship or pay advance is payment of gas transmission fee using pipeline for the difference between the delivered quantity and the minimum delivery quantity of natural gas as stated in Transportation Gas Agreement through EJGP (Note 37.2). Such advance will be applied against future deliveries of quantities over the minimum specified delivery quantities of natural gas.

The management believes that all of such advances can be recovered.

**11. PREPAID EXPENSES**

This account consists of:

	2012	
	4.818.770	Insurance
	375.681	Rent
	257.255	Others
<b>Total</b>	<b>5.451.706</b>	<b>Total</b>

**12. OTHER LONG-TERM RECEIVABLES**

This account consists of:

	2013	
	-	Beginning balance
		Additions during the year:
		Carry receivables
		Receivable from KUFPEC
		Sub-total
		Fair value adjustment
		<b>Ending Balance</b>

Based on Farm Out Agreement of Bangkanai PSC, SBK will carry US\$30,000,000 of Salamander Energy (Bangkanai) Limited's carried development costs, pay a promote US\$5,600,000 on the drilling cost in West Kerendan-1 Well and pay a promote US\$1,500,000 on the forthcoming exploration drilling in such block. On December 31, 2013, the amount paid by SBK was US\$35,600,000. SBK can recover the development and drilling cost in production activities, to a maximum of the above amounts.



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**12. PIUTANG LAIN-LAIN JANGKA PANJANG  
(lanjutan)**

SBK mencatat penyesuaian nilai wajar atas piutang dari Salamander Energy (Bangkanai) Limited terkait dengan pembayaran *carry* tanpa bunga dengan mengestimasi nilai kini atas penerimaan arus kas masuk masa depan yang didiskonto dengan menggunakan tingkat suku bunga pinjaman SBK. Setelah pengakuan awal, SBK akan mencatat pendapatan bunga *unwinding* atas piutang tersebut yang disajikan dalam akun "Pendapatan Keuangan" di dalam laporan laba rugi komprehensif konsolidasian untuk tahun yang berakhir 31 Desember 2013, sampai dengan periode estimasi pembayaran terakhir dengan menyesuaikan jumlah tercatat piutang menjadi nilai nominal.

Piutang dari Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC) merupakan piutang sehubungan dengan beban pajak yang terhutang di KIP yang ditanggung oleh KUFPEC sesuai dengan Perjanjian Jual Beli Kufpec Indonesia Pangkah B.V. antara SEI dengan KUFPEC.

Manajemen Kelompok Usaha berpendapat bahwa saldo seluruh piutang tersebut dapat ditagih sehingga tidak diperlukan cadangan kerugian penurunan nilai.

**12. OTHER LONG-TERM RECEIVABLES  
(continued)**

SBK recorded fair value adjustment to the receivables from Salamander Energy (Bangkanai) Limited that carries no interest by estimating present value of all future cash receipts discounted using the borrowing rate of SBK. Subsequent to recognition, SBK will record the unwinding interest income for such receivables which is presented under "Finance Income" in the consolidated statement of comprehensive income for the year ended December 31, 2013, over the period up to the estimated final payment to adjust the carrying amount of the receivables to its face value.

Receivables from Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) (KUFPEC) represent tax expense incurred in KIP which will be borne by KUFPEC based on Sales Purchase Agreement of Kufpec Indonesia Pangkah B.V. between SEI with KUFPEC.

The management of the Group believes that all of the receivables are collectible. Hence, no allowance for impairment losses has been provided.

**13. PENYERTAAN SAHAM**

Akun ini terdiri dari:

**13. INVESTMENT IN SHARES OF STOCK**

This account consists of:

	2013				
	Persentase kepemilikan/ Percentage of ownership	Nilai tercatat 1 Jan. 2013/ Carrying amount Jan. 1, 2013	Penambahan/ Additions (Pengurangan)/ (Deductions)	Bagian laba (rugi)/ Share of profit (loss)	Nilai tercatat 31 Des. 2013/ Carrying amount Dec. 31, 2013
<b>Perusahaan/The Company</b>					
<u>Metode ekuitas/Equity method</u>					
PT Nusantara Regas (Catatan 35/Note 35)	40,00%	65.555.082	(2.498.684)	32.272.194	95.328.592
PT Gas Energi Jambi (Catatan 35/Note 35)	40,00%	-	-	-	-
<u>Metode biaya perolehan/Cost method</u>					
PT Banten Gas Synergy	0,14%	2.718	-	-	2.718
Sub-total/Sub-total		65.557.800	(2.498.684)	32.272.194	95.331.310
<b>Entitas Anak-PGASSOL/The Subsidiary-PGASSOL</b>					
<u>Metode ekuitas/Equity method</u>					
PT Promatcon Tepatguna - KSO Muara Bekasi	40,00%	394.671	(394.671)	-	-
<b>Total/Total</b>		<b>65.952.471</b>	<b>(2.893.355)</b>	<b>32.272.194</b>	<b>95.331.310</b>

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**13. PENYERTAAN SAHAM (lanjutan)**

**13. INVESTMENT IN SHARES OF STOCK  
(continued)**

	2012				
	Persentase kepemilikan/ Percentage of ownership	Nilai tercatat 1 Jan. 2012/ Carrying amount Jan. 1, 2012	Penambahan/ Additions	Bagian laba (rugi)/ Share of profit (loss)	Nilai tercatat 31 Des. 2012/ Carrying amount Dec. 31, 2012
Perusahaan/The Company					
Metode ekuitas/Equity method					
PT Nusantara Regas (Catatan 35/Note 35)	40,00%	44.997.736	12.228.398	8.328.948	65.555.082
PT Gas Energi Jambi (Catatan 35/Note 35)	40,00%	-	-	-	-
Metode biaya perolehan/Cost method					
PT Banten Gas Synergy	0,14%	2.718	-	-	2.718
Sub-total/Sub-total		45.000.454	12.228.398	8.328.948	65.557.800
Entitas Anak-PGASSOL/The Subsidiary-PGASSOL					
Metode ekuitas/Equity method					
PT Promatcon Tepatguna - KSO Muara Bekasi	40,00%	-	5.023	389.648	394.671
Total/Total		45.000.454	12.233.421	8.718.596	65.952.471

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:

	2013					2012	
	Laporan posisi keuangan Entitas Asosiasi/ The Associates' statement of financial position					Pendapatan neto dan laba (rugi) Entitas Asosiasi/ Share of the Associates' net 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	207.218.056	95.528.335	54.617.360	8.046.162	240.082.869	1.086.702.592	80.680.485
PT Gas Energi Jambi	2.275	38.338	653.135	-	(612.522)	-	(82.975)
<b>Total/Total</b>	<b>207.220.331</b>	<b>95.566.673</b>	<b>55.270.495</b>	<b>8.046.162</b>	<b>239.470.347</b>	<b>1.086.702.592</b>	<b>80.597.510</b>
	2012					2012	
	Laporan posisi keuangan Entitas Asosiasi/ The Associates' statement of financial position					Pendapatan neto dan laba (rugi) Entitas Asosiasi/ Share of the Associates' net 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	194.393.120	81.236.608	98.431.715	11.548.919	165.649.094	616.054.812	8.328.948
PT Gas Energi Jambi	2.866	48.325	733.554	-	(682.363)	-	(92.454)
PT Promatcon Tepatguna	2.086.530	9.806	1.138.703	-	957.633	1.633.244	389.648
<b>Total/Total</b>	<b>196.482.516</b>	<b>81.294.739</b>	<b>100.303.972</b>	<b>11.548.919</b>	<b>165.924.364</b>	<b>617.688.056</b>	<b>8.626.142</b>

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**13. 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 37.8). Berdasarkan Akta Pendirian Perseroan Terbatas PT Nusantara Regas, maka pada tanggal 6 Mei 2010, Perusahaan melakukan penyeteroran investasi sebesar Rp200.000.000.000 (setara dengan US\$21.727.322) 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.

Perusahaan melakukan penyeteroran investasi tambahan pada tanggal 27 Desember 2011 dan 10 Mei 2012 masing-masing sebesar Rp220.000.000.000 (setara dengan US\$24.202.420) dan Rp113.076.000.000 (setara dengan US\$12.228.398), di mana setelah penyeteroran tersebut, persentase kepemilikan Perusahaan tetap sebesar 40%. Pada tanggal 30 Mei 2013, Perusahaan menerima pendapatan dividen dari PT Nusantara Regas untuk laba bersih tahun 2012 sebesar US\$2.498.684.

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 (setara dengan US\$111.452) yang merupakan persentase kepemilikan sebesar 40%. Pada tanggal 31 Desember 2013 dan 2012, 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 (setara dengan US\$2.718) yang merupakan persentase kepemilikan sebesar 1%. Pada tanggal 14 November 2012, kepemilikan Perusahaan berubah menjadi 0,14% dikarenakan adanya penambahan setoran modal di PT Banten Gas Synergi.

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**13. INVESTMENTS IN SHARES OF STOCK  
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On April 14, 2010, the Company and PT Pertamina (Persero) signed the Deed of Establishment of PT Nusantara Regas, a Joint Venture of Liquefied 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 37.8). 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 (equivalent to US\$21,727,322) 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.

The Company made additional investments on December 27, 2011 and May 10, 2012 amounting to Rp220,000,000,000 (equivalent to US\$24,202,420) and Rp113,076,000,000 (equivalent to US\$12,228,398), respectively, after such contribution, the Company maintains ownership interest of 40%. On May 30, 2013, the Company has received dividend income from PT Nusantara Regas for 2012 net income amounting to US\$2,498,684.

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 (equivalent to US\$111,452) which represents 40% ownership interest. As of December 31, 2013 and 2012, 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 (equivalent to US\$2,718) which represents 1% ownership interest. On November 14, 2012, the Company's ownership interest was changed to 0.14% due to there was an additional of shares issuance in PT Banten Gas Synergi.

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**14. ASET TETAP**

Akun ini terdiri dari:

**14. FIXED ASSETS**

This account consists of:

2013									
	Saldo Awal/ Beginning Balances	Penambahan/ Reklasifikasi/ Additions / Reclassifications	Penyesuaian/ Pengurangan/ Reklasifikasi/ Adjustments/ Deductions/ Reclassifications	Saldo Akhir/ Ending Balances					
<b>Harga perolehan</b>					<b>At cost</b>				
<u>Kepemilikan langsung</u>					<u>Direct ownership</u>				
Tanah	58.609.544	1.308.314	6.778.061	66.695.919	Land				
Bangunan dan prasarana	122.921.794	4.451.907	(112.986)	127.260.715	Buildings and improvements				
Mesin dan peralatan	2.512.772.051	15.140.705	70.534.977	2.598.447.733	Machineries and equipment				
Kendaraan bermotor	3.624.353	85.959	(15.688)	3.694.624	Vehicles				
Peralatan kantor	10.549.090	2.051.268	224.932	12.825.290	Office equipment				
Peralatan dan perabot	10.618.980	2.943.058	(65.692)	13.496.346	Furnitures and fixtures				
<u>Aset dalam penyelesaian</u>	235.329.249	300.183.236	(88.192.517)	447.319.968	<u>Construction in progress</u>				
<u>Aset belum terpasang</u>	22.952.240	18.706.543	(22.354.295)	19.304.488	<u>Uninstalled assets</u>				
<u>Aset kerjasama operasi</u>					<u>Joint venture assets</u>				
Tanah	1.745.636	-	-	1.745.636	Land				
<b>Total</b>	<b>2.979.122.937</b>	<b>344.870.990</b>	<b>(33.203.208)</b>	<b>3.290.790.719</b>	<b>Total</b>				
<b>Akumulasi penyusutan</b>					<b>Accumulated depreciation</b>				
<u>Kepemilikan langsung</u>					<u>Direct ownership</u>				
Bangunan dan prasarana	37.083.206	6.949.799	(469.931)	43.563.074	Buildings and improvements				
Mesin dan peralatan	1.226.501.438	168.599.931	(11.503.939)	1.383.597.430	Machineries and equipment				
Kendaraan bermotor	2.744.660	246.804	(15.688)	2.975.776	Vehicles				
Peralatan kantor	8.644.660	1.430.010	(1.498)	10.073.172	Office equipment				
Peralatan dan perabot	5.904.842	2.858.681	(70.872)	8.692.651	Furnitures and fixtures				
<u>Aset belum terpasang</u>	4.537.374	5.551.096	(5.431.222)	4.657.248	<u>Uninstalled assets</u>				
<b>Total akumulasi penyusutan</b>	<b>1.285.416.180</b>	<b>185.636.321</b>	<b>(17.493.150)</b>	<b>1.453.559.351</b>	<b>Total accumulated depreciation</b>				
<b>Total nilai tercatat</b>	<b>1.693.706.757</b>			<b>1.837.231.368</b>	<b>Total carrying amount</b>				
2012									
	Saldo Awal/ Beginning Balances	Penambahan/ Reklasifikasi/ Additions / Reclassifications	Penyesuaian/ Pengurangan/ Reklasifikasi/ Adjustments/ Deductions/ Reclassifications	Saldo Akhir/ Ending Balances					
<b>Harga perolehan</b>					<b>At cost</b>				
<u>Kepemilikan langsung</u>					<u>Direct ownership</u>				
Tanah	57.734.779	771.577	103.188	58.609.544	Land				
Bangunan dan prasarana	114.765.535	7.478.155	678.104	122.921.794	Buildings and improvements				
Mesin dan peralatan	2.439.313.774	68.446.662	5.011.615	2.512.772.051	Machineries and equipment				
Kendaraan bermotor	3.038.312	587.117	(1.076)	3.624.353	Vehicles				
Peralatan kantor	9.837.149	818.334	(106.393)	10.549.090	Office equipment				
Peralatan dan perabot	6.356.822	4.254.300	7.858	10.618.980	Furnitures and fixtures				
<u>Aset dalam penyelesaian</u>	183.281.971	58.479.372	(6.432.094)	235.329.249	<u>Construction in progress</u>				
<u>Aset belum terpasang</u>	15.458.332	21.943.157	(14.449.249)	22.952.240	<u>Uninstalled assets</u>				
<u>Aset kerjasama operasi</u>					<u>Joint venture assets</u>				
Tanah	1.745.636	-	-	1.745.636	Land				
<b>Total</b>	<b>2.831.532.310</b>	<b>162.778.674</b>	<b>(15.188.047)</b>	<b>2.979.122.937</b>	<b>Total</b>				

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**14. ASET TETAP (lanjutan)**

Akun ini terdiri dari: (lanjutan)

	2012				
	Saldo Awal/ Beginning Balances	Penambahan/ Reklasifikasi/ Additions / Reclassifications	Penyesuaian/ Pengurangan/ Reklasifikasi/ Adjustments/ Deductions/ Reclassifications	Saldo Akhir/ Ending Balances	
<b>Akumulasi penyusutan</b>					<b>Accumulated depreciation</b>
<u>Kepemilikan langsung</u>					<u>Direct ownership</u>
Bangunan dan prasarana	30.521.603	6.548.466	13.137	37.083.206	Buildings and improvements
Mesin dan peralatan	1.050.720.948	176.072.204	(291.714)	1.226.501.438	Machineries and equipment
Kendaraan bermotor	2.387.477	356.299	884	2.744.660	Vehicles
Peralatan kantor	7.183.138	1.591.327	(129.805)	8.644.660	Office equipment
Peralatan dan perabot	3.263.901	2.829.715	(188.774)	5.904.842	Furnitures and fixtures
<u>Aset belum terpasang</u>	3.965.488	2.006.744	(1.434.858)	4.537.374	<u>Uninstalled assets</u>
Total akumulasi penyusutan	1.098.042.555	189.404.755	(2.031.130)	1.285.416.180	Total accumulated depreciation
<b>Total nilai tercatat</b>	<b>1.733.489.755</b>			<b>1.693.706.757</b>	<b>Total carrying amount</b>

Penambahan aset dalam penyelesaian termasuk kapitalisasi biaya pinjaman untuk tahun yang berakhir pada tanggal 31 Desember 2013 sebesar US\$35.181 (31 Desember 2012 sebesar US\$1.235.636).

Penyusutan yang dibebankan pada usaha masing-masing sebesar US\$185.636.321 dan US\$189.404.755 untuk tahun yang berakhir pada tanggal 31 Desember 2013 dan 2012 (Catatan 27 dan 28).

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 parkir dan fasilitas pendukung lainnya (Catatan 37.6).

Jangka waktu hak atas tanah (Hak Guna Bangunan) yang dimiliki oleh Perusahaan akan berakhir pada berbagai tanggal mulai dari Maret 2014 sampai tahun 2042 dan dapat diperpanjang.

**Proyek 1**

Aset dalam penyelesaian dari proyek 1 terdiri dari:

- Proyek Pembangunan LNG *Floating Storage And Regasification Facilities (FSRF)*

Proyek ini mencakup:

- Pembangunan pipa *offshore* sepanjang kurang lebih 21 km dari fasilitas penambat FSRU (*mooring system*) ke *landfall* dan pipa *onshore* dengan panjang kurang lebih 1 km dari *landfall* ke Fasilitas Penerima *Onshore (ORF)* di Labuhan Maringgai;

**14. FIXED ASSETS (continued)**

This account consists of: (continued)

The additions to construction in progress include capitalized borrowing costs for the year ended December 31, 2013 amounting to US\$35,181 (December 31, 2012 amounting to US\$1,235,636).

Depreciation charged to operations amounted to US\$185,636,321 and US\$189,404,755 for the years ended December 31, 2013 and 2012, respectively (Notes 27 and 28).

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 37.6).

The terms of the landrights ("Hak Guna Bangunan") owned by the Company will be expired in various dates from March 2014 to 2042 and can be extended.

**Project 1**

Construction in progress of project consist of:

- LNG *Floating Storage And Regasification Facilities Project (FSRF)*

This project consists of:

- Construction of offshore pipeline in which the approximate length is 21 km from mooring system to landfall area and onshore pipeline with approximate length is 1 km from landfall area to Onshore Receiving Facilities (ORF) in Labuhan Maringgai;

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**14. ASET TETAP (lanjutan)**

**Proyek 1 (lanjutan)**

- Proyek Pembangunan LNG *Floating Storage And Regasification Facilities (FSRF)* (lanjutan)
  - Pembangunan Fasilitas Penerima Onshore (ORF) di Labuhan Maringgai dengan kapasitas 240 mmscfd;
  - Pembangunan Off-Take Station (OTS) di Labuhan Maringgai dengan kapasitas 80 mmscfd.

LNG FSRF ini merupakan fasilitas untuk menunjang *Floating Storage and Regasification Unit (FSRU)*. FSRU adalah sebuah vessel dengan kapasitas penyimpanan 170.000 m<sup>3</sup>. FSRU tersebut memiliki kapasitas *send out rate* LNG sampai dengan 240 mmscfd dengan *send out pressure* sebesar 1140 Psig. Proses transfer LNG dari LNG carrier ke FSRU menggunakan metode *ship to ship transfer* dengan kapasitas tingkat muatan 5.000 m<sup>3</sup> per jam. Pembangunan FSRU ini dilengkapi dengan fasilitas penambat FSRU (*mooring system*).

- Proyek Distribusi Lampung  
Proyek ini terdiri dari:
  - Jalur Labuhan Maringgai - Tanjung Karang sepanjang ±88 km;
  - Proyek Konsultan Manajemen (PMC) terkait pemasangan pipa baja.

Proyek Pembangunan LNG *Floating Storage And Regasification Facilities (FSRF)* dan Proyek Distribusi Lampung diperkirakan akan diselesaikan pada bulan Juni 2014.

Pada tanggal 31 Desember 2013 dan 2012, manajemen Perusahaan memperkirakan persentase penyelesaian Proyek 1 dalam aspek keuangan adalah sebesar 32,48% (tidak diaudit) dan 14,40% (tidak diaudit) (Catatan 45).

**Proyek 2**

Aset dalam penyelesaian dari Proyek 2 terdiri dari tiga paket:

- Paket *Invitation For Bid (IFB)* 4 terkait dengan pengadaan *Engineering, Supply & Installation for SCADA and Telecommunication System*;
- Paket *Construction Project (CP)* 8 terkait dengan pekerjaan konstruksi jalur pipa Panaran - Tanjung Uncang;
- Proyek Konsultan Manajemen (PMC).

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**14. FIXED ASSETS (continued)**

**Project 1 (continued)**

- *LNG Floating Storage And Regasification Facilities Project (FSRF)* (continued)
  - *Construction of Onshore Receiving Facilities (ORF) in Labuhan Maringgai with capacity of 240 mmscfd;*
  - *Construction of Off-Take Station (OTS) in Labuhan Maringgai with capacity of 80 mmscfd.*

LNG FSRF is a facility to support *Floating Storage and Regasification Unit (FSRU)*. FSRU is a vessel with storage capacity 170,000 m<sup>3</sup>. The FSRU will have *send out rate* LNG up to 240 mmscfd with *send out pressure* up to 1140 Psig. LNG transfer system from LNG carrier to FSRU by ship to ship transfer method with capacity of loading rate 5,000 m<sup>3</sup> per hour. The construction of FSRU is supported with *mooring system* facility.

- *Lampung Distribution Project*  
This project consist of:
  - *Labuhan Maringgai - Tanjung Karang project ±88 km;*
  - *Project Management Consultancy (PMC).*

The LNG *Floating Storage And Regasification Facilities Project (FSRF)* and *Lampung Distribution project* is expected to be completed in June 2014.

As of December 31, 2013 and 2012, the Company's management estimated the percentage of completion in financial terms of Project 1 is 32.48% (unaudited) and 14.40% (unaudited) (Note 45).

**Project 2**

Construction in progress of Project 2 consists of three packages as follows:

- *Package Invitation For Bid (IFB)* 4 related to *Engineering, Supply & Installation for SCADA and Telecommunication System*;
- *Package Construction Project (CP)* 8 related to *Panaran - Tanjung Uncang pipeline construction project*;
- *Project Management Consultancy (PMC).*



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**14. ASET TETAP (lanjutan)**

**Proyek 2 (lanjutan)**

Pada tanggal 31 Desember 2013 dan 2012, manajemen Perusahaan memperkirakan persentase penyelesaian Proyek 2 dalam aspek keuangan adalah sebesar 77,14% (tidak diaudit) dan 74,00% (tidak diaudit) (Catatan 45).

Paket IFB 4 dan paket CP8 diperkirakan akan selesai pada bulan Maret 2014.

**Proyek 3**

Aset dalam penyelesaian dari Proyek 3 terdiri dari:

- Jalur Cikande - Bitung (CP3B) sepanjang ±30,5 km;
- Proyek Konsultan Manajemen (PMC) terkait proyek jalur Bojonegara - Cikande;
- Pemasangan pipa baja Muara Bekasi - Muara Karang sepanjang ±45 km (CP9);
- Proyek Konsultan Manajemen (PMC) terkait proyek jalur Muara Bekasi - Muara Karang.

Pada tanggal 31 Desember 2013 dan 2012, manajemen Perusahaan memperkirakan persentase penyelesaian proyek yang dalam aspek keuangan adalah sebesar 73,14% (tidak diaudit) dan 75,00% (tidak diaudit) (Catatan 45).

Proyek Jalur Cikande - Bitung (CP3B) diperkirakan akan diselesaikan pada akhir tahun 2014 dan pemasangan pipa baja Muara Bekasi - Muara Karang diperkirakan akan selesai pada tahun 2015.

Pada tanggal 31 Desember 2013, aset tetap Perusahaan diasuransikan terhadap kerugian akibat kebakaran dan risiko lain berdasarkan suatu paket polis tertentu dengan total nilai pertanggungan untuk pipa *onshore* sebesar US\$50.000.000 untuk setiap kejadian kerugian atas nilai pertanggungan sebesar US\$886.976.259 dan pipa *offshore* sebesar US\$336.463.804 untuk setiap kejadian kerugian dan US\$35.169.518 dan Rp14.357.458.909.905 untuk aset lainnya.

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**14. FIXED ASSETS (continued)**

**Project 2 (continued)**

*As of December 31, 2013 and 2012, the Company's management estimated the percentage of completion in financial terms of Project 2 were 77.14% (unaudited) and 74.00% (unaudited), respectively (Note 45).*

*Package IFB 4 and package CP8 is expected to be completed in March 2014.*

**Project 3**

*Construction in progress of Project 3 consists of:*

- *Cikande - Bitung pipeline (CP3B) length ±30.5 km;*
- *Project Management Consultancy (PMC) related to Bojonegara - Cikande pipeline project;*
- *Muara Bekasi - Muara Karang pipeline project ±45 km (CP9);*
- *Project Management Consultancy (PMC) related to Muara Bekasi - Muara Karang pipeline project.*

*As of December 31, 2013 and 2012, the Company's management estimated the percentage of completion in financial terms is 73.14% (unaudited) and 75.00% (unaudited) (Note 45).*

*Cikande - Bitung pipeline project (CP3B) is expected to be completed at the end of 2014 and fitting of steel pipe on Muara Bekasi - Muara Karang is expected to be completed in 2015.*

*As of December 31, 2013, 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 US\$50,000,000 for any one accident or occurrence of sum insured totaling US\$886,976,259 and offshore pipeline of US\$336,463,804 for anyone accident or occurrence and US\$35,169,518 and Rp14,357,458,909,905 for other assets.*

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**14. ASET TETAP (lanjutan)**

Aset tetap Entitas Anak diasuransikan terhadap kerugian akibat kebakaran dan risiko lain berdasarkan suatu paket polis tertentu dengan total nilai pertanggungan untuk pipa *onshore* sebesar US\$10.000.000 dan pipa *offshore* sebesar US\$20.000.000 untuk setiap kejadian kerugian, sebesar US\$11.163.897 dan Rp12.702.673.867 untuk aset lainnya.

Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

Pada tanggal 31 Desember 2013 dan 2012, jumlah harga perolehan aset tetap Kelompok Usaha yang telah disusutkan penuh dan masih digunakan dalam kegiatan operasional adalah masing-masing sebesar US\$91.879.491 dan US\$89.423.517.

Pada tanggal 31 Desember 2013 dan 2012, nilai wajar aset tetap Perusahaan masing-masing adalah sekitar sebesar US\$7.005.143.594 dan US\$7.263.449.002.

Berdasarkan penilaian manajemen Kelompok Usaha, tidak ada kejadian-kejadian atau perubahan-perubahan keadaan yang mengindikasikan penurunan nilai aset tetap pada tanggal 31 Desember 2013 dan 2012.

**15. ASET MINYAK DAN GAS**

Akun ini terdiri dari:

**a. Aset Eksplorasi dan Evaluasi**

	Jumlah/ Amount
Saldo 31 Desember 2011	42.660
Penambahan	10.397
<b>Saldo 31 Desember 2012</b>	<b>53.057</b>
Penambahan	-
<b>Saldo 31 Desember 2013</b>	<b>53.057</b>

**b. Properti Minyak dan Gas - Neto**

	2013
Sumur dan perlengkapan terkait dan fasilitasnya	554.612.631
Akumulasi penyusutan, deplesi, amortisasi dan cadangan penurunan nilai	(121.994.665)
<b>Nilai Buku Neto</b>	<b>432.617.966</b>

Aset minyak dan gas terdiri dari aset eksplorasi dan evaluasi untuk GMB Lematang PSC, sedangkan properti minyak dan gas untuk Ketapang, Bangkanai dan Ujung Pangkah PSC (Catatan 37).

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**14. FIXED ASSETS (continued)**

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 US\$10,000,000 and offshore pipeline of US\$20,000,000 for any one accident or occurrence, US\$11,163,897 and Rp12,702,673,867 for other assets.

The management believes that the sum insured are adequate to cover possible losses from such risks.

As of December 31, 2013 and 2012, the cost of the Group's fixed assets which have been fully depreciated and still used in the operational activities amounted to US\$91,879,491 and US\$89,423,517, respectively.

As of December 31, 2013 and 2012, the fair values of the Company's fixed assets approximately amounted to US\$7,005,143,594 and US\$7,263,449,002, respectively.

Based on the assessment of the management of the Group, there are no events or changes in circumstances which may indicate impairment in value of fixed assets as of December 31, 2013 and 2012.

**15. OIL AND GAS ASSETS**

This account consists of:

**a. Exploration and Evaluation Assets**

Balance December 31, 2011
Additions
<b>Balance December 31, 2012</b>
Additions
<b>Balance December 31, 2013</b>

**b. Oil and Gas Properties - Net**

Wells and related equipment and facilities
Accumulated depreciation, depletion, amortization and impairment reserves
<b>Net Book Value</b>

Oil and gas assets consist of exploration and evaluation assets at the CBM Lematang PSC and oil and gas properties at the Ketapang, Bangkanai and Ujung Pangkah PSC (Note 37).

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**15. ASET MINYAK DAN GAS (lanjutan)**

**b. Properti Minyak dan Gas - Neto (lanjutan)**

Pada bulan Maret 2013, SEI memperoleh *participating interest* sebesar 20% pada Blok Ketapang di Jawa Timur melalui PT Saka Ketapang Perdana (SKP), Entitas Anak dari SEI (Catatan 37.20).

Pada bulan Mei 2013, SEI memperoleh *participating interest* sebesar 30% pada Blok Bangkanai di Kalimantan melalui PT Saka Bangkanai Klemantan (SBK), Entitas Anak dari SEI (Catatan 37.21).

Pada bulan Juni 2013, SEI memperoleh *participating interest* sebesar 25% di Blok Ujung Pangkah di Jawa Timur melalui pengambilalihan saham KIP dari Kuwait Foreign Petroleum Company K.S.C. (Closed) dengan kepemilikan saham sebesar 100%.

Pada tanggal 31 Desember 2013, seluruh sumur, perlengkapan dan fasilitas terkait yang dimiliki Entitas Anak yang bergerak di bidang eksplorasi dan produksi minyak dan gas bumi diasuransikan dengan nilai pertanggungan sebesar US\$814.809.312.

Berdasarkan penelaahan atas aset minyak dan gas secara individu pada akhir tahun, manajemen berkeyakinan bahwa tidak diperlukan cadangan penurunan nilai lebih lanjut atas aset minyak dan gas.

**16. GOODWILL DAN ASET TAK BERWUJUD LAINNYA**

Seperti diungkapkan pada Catatan 1, Kelompok Usaha melalui SEI melakukan akuisisi atas 100% kepemilikan saham pada KIP. KIP adalah entitas non-publik yang didirikan di Belanda dan memiliki sebesar 25% *participating interest* atas Ujung Pangkah PSC.

Nilai wajar sementara dari aset dan liabilitas teridentifikasi KIP pada tanggal akuisisi (26 Juni 2013) adalah:

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**15. OIL AND GAS ASSETS (continued)**

**b. Oil and Gas Properties - Net (continued)**

*In March 2013, SEI acquired participating interest of 20% in Ketapang Block in East Java through of PT Saka Ketapang Perdana (SKP), a SEI's Subsidiary (Note 37.20).*

*In May 2013, SEI acquired participating interest of 30% in Bangkanai Block in Kalimantan through PT Saka Bangkanai Klemantan (SBK), SEI's Subsidiary (Notes 37.21).*

*In June 2013, SEI acquired participating interest of 25% in Ujung Pangkah Block in East Java, through shares takeover of KIP from Kuwait Foreign Petroleum Company K.S.C. (Closed) with percentage shares ownership of 100%.*

*As of December 31, 2013, all wells and related equipment and facilities of Subsidiaries involved in oil and gas exploration and production activities were insured with sum insured of US\$814,809,312.*

*Based on the review of the individual oil and gas properties at the end of the year, the management believes that no further impairment in value of oil and gas properties is necessary.*

**16. GOODWILL AND OTHER INTANGIBLE ASSETS**

*As discussed in Note 1, the Group, through SEI, acquired 100% equity interests in KIP. KIP is an unlisted company incorporated in Netherland and ownership 25% of participating interest in Ujung Pangkah PSC.*

*The provisional fair values of the identifiable assets and liabilities of KIP as at the date of acquisition (June 26, 2013) were:*

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**16. GOODWILL DAN ASET TAK BERWUJUD  
LAINNYA (lanjutan)**

**16. GOODWILL AND OTHER INTANGIBLE ASSETS  
(continued)**

	Nilai Wajar Sementara/ Provisional Fair Value	
<b>Aset</b>		<b>Assets</b>
Kas dan setara kas	23.587	Cash and cash equivalents
Piutang lain-lain	25.318.546	Other receivables
Persediaan	7.577.980	Inventories
Beban dibayar dimuka	4.810.491	Prepaid expenses
Pajak dibayar dimuka	11.921.146	Prepaid taxes
Properti minyak dan gas	243.256.222	Oil and gas properties
Sub-total	292.907.972	Sub-total
<b>Liabilitas</b>		<b>Liabilities</b>
Utang lain-lain	29.034.949	Other payables
Utang kepada pihak berelasi	8.459.834	Loan to related party
Liabilitas pembongkaran aset dan restorasi area dan provisi lain-lain	17.250.083	Asset abandonment and restoration obligations and other provisions
Sub-total	54.744.866	Sub-total
<b>Nilai wajar aset bersih teridentifikasi</b>	<b>238.163.106</b>	<b>Total identifiable net assets at fair values</b>
Goodwill atas akuisisi	21.688.712	Goodwill arising on acquisition
<b>Imbalan pembelian yang dialihkan</b>	<b>259.851.818</b>	<b>Purchase consideration transferred</b>
Dikurangi kas yang diperoleh dari Entitas Anak yang diakuisisi	23.587	Net cash of the acquired Subsidiary
<b>Akuisisi Entitas Anak, setelah dikurangi kas yang diperoleh</b>	<b>259.828.231</b>	<b>Acquisition of a Subsidiary, net of cash acquired</b>

Nilai wajar yang disajikan pada tanggal 31 Desember 2013 adalah jumlah sementara mengingat kompleksitas dari akuisisi dan sifat ketidakpastian yang inheren dari sektor minyak dan gas, terutama dalam menentukan penilaian properti minyak dan gas. Reviu atas nilai wajar aset dan liabilitas yang diakuisisi akan diselesaikan paling lambat dalam 12 bulan sejak tanggal akuisisi.

Saldo goodwill sebesar US\$21 juta timbul terutama dari faktor-faktor berikut:

- 1) Nilai kesinambungan usaha yang terkandung dalam kemampuan untuk mempertahankan dan mengembangkan usaha Kelompok Usaha dengan meningkatkan cadangan dan sumber melalui penemuan baru.
- 2) Entry strategis untuk memperoleh tambahan participating interest pada blok Ujung Pangkah.
- 3) Persyaratan pengakuan aset dan liabilitas pajak tangguhan atas perbedaan nilai wajar yang dialokasikan dengan dasar pengenaan pajak dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih dalam kombinasi bisnis yang tidak mencerminkan nilai wajar.

The fair values disclosed are provisional as of December 31, 2013 due to the complexity of the acquisition and the inherently uncertain nature of the oil and gas sector, particularly in valuing oil and gas property. The review of the fair value of the assets and liabilities acquired will be completed within 12 months of the acquisition at the latest.

The goodwill of US\$21 million arises principally because of the following factors:

- 1) The going concern value implicit in our ability to sustain and/or grow the Group business by increasing reserves and resources through new discoveries.
- 2) The strategic entry point to obtain additional participating interest in Ujung Pangkah block.
- 3) The requirement to recognize deferred tax assets and liabilities for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value.

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**16. GOODWILL DAN ASET TAK BERWUJUD  
LAINNYA (lanjutan)**

*Goodwill* tersebut tidak diharapkan dapat dikurangkan untuk tujuan pelaporan pajak.

Imbalan pembelian KIP tersebut termasuk akuisisi atas utang KIP kepada Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) sebesar US\$185.574.992.

Perubahan dalam akun *goodwill* dan aset tak berwujud lainnya untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

	2013	2012
<u>Harga perolehan:</u>		
<i>Goodwill</i>	21.744.090	-
Piranti lunak komputer	2.696.335	1.592.007
Biaya perpanjangan hak atas tanah	1.972.554	1.612.407
Sub-total	26.412.979	3.204.414
<u>Akumulasi amortisasi:</u>		
Piranti lunak komputer	(392.494)	(66.333)
Biaya perpanjangan hak atas tanah	(310.456)	(250.293)
Sub-total	(702.950)	(316.626)
<b>Total</b>	<b>25.710.029</b>	<b>2.887.788</b>

Saldo *goodwill* di atas, termasuk saldo *goodwill* dari akuisisi TDS oleh PGASKOM sebesar US\$55.378 (Catatan 1.d).

Pengujian penurunan nilai atas *goodwill* dilakukan secara tahunan dan ketika terdapat suatu indikasi bahwa nilai tercatatnya mengalami penurunan.

*Goodwill* sebesar US\$21 juta dialokasikan sepenuhnya kepada properti minyak dan gas dari KIP. Unit Penghasil Kas (UPK) KIP merupakan bagian dari segmen minyak dan gas yang dilaporkan. Nilai yang dapat dipulihkan atas UPK KIP sebesar US\$280 juta pada tanggal 31 Desember 2013 ditentukan berdasarkan nilai pakai yang dihitung berdasarkan proyeksi arus kas yang didasarkan pada anggaran/prakiraan keuangan yang disetujui oleh manajemen senior mencakup periode 5 tahun. Tingkat diskonto sebelum pajak yang digunakan dalam proyeksi arus kas adalah 8,3% dan arus kas melebihi periode 5 tahun diekstrapolasi dengan menggunakan tingkat pertumbuhan 2% yang merupakan tingkat pertumbuhan rata-rata jangka panjang dari industri minyak dan gas. Sebagai hasil dari analisa tersebut, manajemen tidak mengidentifikasi adanya penurunan nilai dari UPK ini.

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**16. GOODWILL AND OTHER INTANGIBLE ASSETS  
(continued)**

The *goodwill* is not expected to be deductible for tax purposes.

The purchase consideration including acquired of KIP'S loan to Kuwait Foreign Petroleum Exploration Company K.S.C. (Closed) amounting to US\$185,574,992.

The changes in the *goodwill* and other intangible assets accounts for the years ended December 31, 2013 and 2012 are as follows:

<u>Cost:</u>
<i>Goodwill</i>
Computer software
Land rights
Sub-total
<u>Accumulated amortization:</u>
Computer software
Land rights
Sub-total
<b>Total</b>

The above balance of *goodwill*, including *goodwill* from acquisition of TDS by PGASKOM amounted to US\$55,378 (Note 1.d).

*Goodwill* is tested for impairment annually and when circumstances indicate the carrying value may be impaired.

The *goodwill* of US\$21 million is allocated entirely to oil and gas properties of KIP. The KIP CGU forms part of the oil and gas reportable segment. The recoverable amount of the KIP oil and gas CGU of US\$280 million as of December 31, 2013 has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to the cash flow projections is 8.3%, and cash flows beyond the five-year period are extrapolated using a 2% growth rate that is the same as the long-term average growth rate for the oil and gas sector. As a result of the analysis, management did not identify an impairment for this CGU.



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**16. GOODWILL DAN ASET TAK BERWUJUD  
LAINNYA (lanjutan)**

Asumsi utama yang digunakan untuk perhitungan nilai pakai sebagai dasar pengujian penurunan nilai goodwill tahun 2013 adalah sebagai berikut:

- 1) Tingkat diskonto  
Tingkat diskonto mencerminkan penilaian pasar kini dari risiko yang spesifik atas unit penghasil kas, dengan mempertimbangkan nilai waktu uang dan risiko spesifik atas aset yang mana estimasi arus kas masa depan belum disesuaikan. Peningkatan tingkat diskonto menjadi 9,2% mungkin dapat mengakibatkan penurunan nilai.
- 2) Harga minyak dan gas  
Manajemen menentukan harga minyak berdasarkan kepada ekspektasi perkembangan pasar dan harga gas berdasarkan kepada kontrak penjualan gas bumi. Penurunan harga minyak di bawah US\$100 per barel mungkin dapat mengakibatkan penurunan nilai.

**17. UTANG USAHA**

Akun ini terdiri dari:

	2013	2012
<u>Entitas berelasi dengan Pemerintah</u> (Catatan 35)		
PT Pertamina EP	72.661.777	51.590.101
PT Nusantara Regas	15.690.534	2.672.099
PT Pertamina Hulu Energi	4.141.879	2.764.020
PT Pertamina Gas	1.649.524	969.305
<u>Pihak ketiga</u>		
PT Medco E&P Indonesia	20.032.059	10.545.215
ConocoPhillips (Grissik) Ltd.	15.841.538	92.360.676
Santos (Madura Offshore) Pty. Ltd.	11.744.484	3.700.468
PT Indogas Kriya Dwiguna	2.606.582	8.042.686
PT Sarana Indo Energi	2.210.446	801.467
PT Sadikun Niagamas Raya	1.969.420	3.427.722
PT Walinusa Energi	1.895.866	2.270.537
Kangean Energy Indonesia Ltd.	1.760.695	1.760.695
PT Taruko Energy	1.731.660	1.504.204
PT Bayu Buana Gemilang	1.284.623	4.727.637
PT Nugas Trans Energy	1.024.811	273.157
PT Niaga Gema Teknologi	1.013.524	36.092
Lapindo Brantas, Inc.	499.360	470.882
PT Inti Daya Latu Prima	237.305	574.281
PT Gresik Migas	162.990	11.237
PT Granary Global Energy (US\$126.903 dan Rp258.804.330 pada tahun 2013 dan US\$30.862 dan Rp64.704.101 pada tahun 2012)	148.135	37.553
PT Petross Gas (US\$9.091 dan Rp50.871.099)	13.264	-
PT Pertiwi Nusantara Resources	-	590.928
<b>Total</b>	<b>158.320.476</b>	<b>189.130.962</b>

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**16. GOODWILL AND OTHER INTANGIBLE ASSETS  
(continued)**

Key assumptions used for the value-in-use calculation as the basis of the impairment test for goodwill in 2013 are as follows:

- 1) Discount rates  
Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. A rise in discount rate to 9.2% would result in impairment.
- 2) Oil and gas prices  
Management determined the oil price based on its expectations of market development, and the gas price based on the gas sales contract. A decrease in oil price below US\$100 per barrel would result in impairment.

**17. TRADE PAYABLES**

This account consists of:

	2013	2012
<u>Government-related entities</u> (Note 35)		
PT Pertamina EP	72.661.777	51.590.101
PT Nusantara Regas	15.690.534	2.672.099
PT Pertamina Hulu Energi	4.141.879	2.764.020
PT Pertamina Gas	1.649.524	969.305
<u>Third parties</u>		
PT Medco E&P Indonesia	20.032.059	10.545.215
ConocoPhillips (Grissik) Ltd.	15.841.538	92.360.676
Santos (Madura Offshore) Pty. Ltd.	11.744.484	3.700.468
PT Indogas Kriya Dwiguna	2.606.582	8.042.686
PT Sarana Indo Energi	2.210.446	801.467
PT Sadikun Niagamas Raya	1.969.420	3.427.722
PT Walinusa Energi	1.895.866	2.270.537
Kangean Energy Indonesia Ltd.	1.760.695	1.760.695
PT Taruko Energy	1.731.660	1.504.204
PT Bayu Buana Gemilang	1.284.623	4.727.637
PT Nugas Trans Energy	1.024.811	273.157
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Lapindo Brantas, Inc.	499.360	470.882
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PT Gresik Migas	162.990	11.237
PT Granary Global Energy (US\$126,903 and Rp258,804,330 in 2013 and US\$30,862 and Rp64,704,101 in 2012)	148.135	37.553
PT Petross Gas (US\$9,091 and Rp50,871,099)	13.264	-
PT Pertiwi Nusantara Resources	-	590.928
<b>Total</b>	<b>158.320.476</b>	<b>189.130.962</b>



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**17. UTANG USAHA (lanjutan)**

Analisa umur utang usaha dihitung sejak tanggal faktur adalah sebagai berikut:

	2013
Sampai dengan 1 bulan	94.288.907
> 1 bulan - 3 bulan	9.910.994
> 3 bulan - 6 bulan	-
> 6 bulan - 1 tahun	26.010.919
> 1 tahun	28.109.656
<b>Total</b>	<b>158.320.476</b>

Utang usaha tidak dikenakan bunga dan umumnya dibayar antara 10 sampai 30 hari sejak tanggal faktur diterima.

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 US\$15.439, dan US\$11.727 pada tanggal 31 Desember 2013 dan 2012 (Catatan 37.1).

**18. PINJAMAN BANK JANGKA PENDEK**

Akun ini terdiri dari:

	2013
Bank of Tokyo Mitsubishi - UFJ, Cabang Jakarta	200.000.000
PT Bank Sumitomo Mitsui Indonesia	100.000.000
<b>Total</b>	<b>300.000.000</b>

**Bank of Tokyo Mitsubishi - UFJ (BTMU)**

Berdasarkan perjanjian No. 13-0931LN pada tanggal 27 Desember 2013, BTMU menyetujui untuk memberikan pinjaman jangka pendek kepada Perusahaan senilai US\$200.000.000 untuk mendukung modal kerja. Jangka waktu fasilitas kredit adalah 12 bulan sejak tanggal 27 Desember 2013 dan dikenakan tingkat suku bunga BBA LIBOR plus margin 1,25% per tahun dan biaya upfront fee 0,20%.

**PT Bank Sumitomo Mitsui Indonesia (BSMI)**

Berdasarkan perjanjian No. BSMI/NS/0298 pada tanggal 24 Desember 2013, BSMI menyetujui untuk memberikan pinjaman jangka pendek kepada Perusahaan senilai US\$100.000.000 untuk mendukung modal kerja. Jangka waktu fasilitas kredit adalah 12 bulan sejak tanggal 24 Desember 2013 dan dikenakan tingkat suku bunga BBA LIBOR plus margin 1,25% per tahun dan biaya upfront fee dan komitmen sebesar 0,20%.

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**17. TRADE PAYABLES (continued)**

The aging analysis of trade payables based on invoice dates are as follows:

	2013	2012	
Sampai dengan 1 bulan	94.288.907	80.065.821	Up to 1 month
> 1 bulan - 3 bulan	9.910.994	107.301.449	> 1 month - 3 months
> 3 bulan - 6 bulan	-	-	> 3 months - 6 months
> 6 bulan - 1 tahun	26.010.919	-	> 6 months - 1 year
> 1 tahun	28.109.656	1.763.692	> 1 year
<b>Total</b>	<b>158.320.476</b>	<b>189.130.962</b>	<b>Total</b>

Trade payables are non-interest bearing and are normally settled within 10 to 30 days since invoice were received.

The outstanding payable to Pertamina for the gas purchases has been reduced by the trade receivables totaling US\$15,439 and US\$11,727 as of December 31, 2013 and 2012, 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 37.1).

**18. SHORT-TERM BANK LOANS**

This account consists of:

	2013	2012	
Bank of Tokyo Mitsubishi - UFJ, Jakarta branch	200.000.000	-	Bank of Tokyo Mitsubishi - UFJ, Jakarta branch
PT Bank Sumitomo Mitsui Indonesia	100.000.000	-	PT Bank Sumitomo Mitsui Indonesia
<b>Total</b>	<b>300.000.000</b>	<b>-</b>	<b>Total</b>

**Bank of Tokyo Mitsubishi - UFJ (BTMU)**

Based on the Loan Agreement No. 13-0931LN dated December 27, 2013, BTMU agreed to provide short-term loan to the Company amounting to US\$200,000,000 to support general corporate purposes. The term of the credit facility is valid for 12 months since December 27, 2013 and subject to the three months BBA LIBOR interest rate plus margin 1.25% per annum and upfront fee 0.20%.

**PT Bank Sumitomo Mitsui Indonesia (BSMI)**

Based on The Loan Agreement No. BSMI/NS/0298 dated December 24, 2013, BSMI agreed to provide short-term loan to the Company amounting to US\$100,000,000 to support general corporate purposes. The term of the credit facility is valid for 12 months since December 24, 2013 and subject to the three months BBA LIBOR interest rate plus margin 1.25% per annum and upfront fee and commitment fee 0,20%.

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**18. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

PT Bank Sumitomo Mitsui Indonesia (BSMI)  
(lanjutan)

Perjanjian-perjanjian pinjaman mencakup pembatasan-pembatasan yaitu selama pinjaman atau jumlah lain yang wajib dibayar masih belum dilunasi, Perusahaan tidak boleh tanpa persetujuan tertulis dari Bank, melakukan transaksi dengan pihak lain kecuali untuk yang dilakukan secara wajar (*on an arm's length basis*), melakukan konsolidasi atau merger dengan perusahaan lain, menyewakan, memindahtangankan, mengalihkan atau melepaskan aset-asetnya, kecuali untuk tujuan kegiatan bisnisnya sehari-hari, mengadakan pengikatan hak tanggungan atas harta tak bergerak, atau menjaminkan asetnya atau menjual, menyewakan atau melepaskan asetnya dalam satu atau lebih transaksi atau serangkaian transaksi yang bersifat independen atau yang saling berkaitan selain daripada transaksi-transaksi yang dilakukan secara wajar (*on an arm's length basis*) dengan imbalan penuh dalam kegiatan usaha sehari-hari.

Selama pinjaman masih terutang, Perusahaan diwajibkan oleh kedua bank tersebut untuk mematuhi rasio keuangan sebagai berikut:

- Perbandingan antara utang kotor dan ekuitas tidak lebih dari 70:30;
- *Debt service coverage ratio* tidak kurang dari 1.3x.

Pada tanggal 31 Desember 2013, Perusahaan telah memenuhi seluruh rasio keuangan yang dipersyaratkan dalam perjanjian-perjanjian pinjaman.

**19. UTANG LAIN-LAIN**

Akun ini terdiri dari:

	2013
<u>Bagian utang yang jatuh tempo dalam waktu satu tahun:</u>	
Liabilitas kepada kontraktor dan pemasok (US\$10.237.448 dan Rp163.833.383.639 pada tahun 2013 dan US\$2.128.386 dan Rp42.271.302.332 pada tahun 2012)	23.678.534
Cash call	16.077.556
Jaminan gas (US\$8.873.261 dan Rp41.305.241.917 pada tahun 2013 dan US\$7.668.793 dan Rp37.044.950.263 pada tahun 2012)	12.261.992

**18. SHORT-TERM BANK LOANS (continued)**

PT Bank Sumitomo Mitsui Indonesia (BSMI)  
(continued)

The loan agreements include general covenants which are so long as the loan or any other amount payable hereunder is outstanding, the Company shall not without prior written approval of the Banks, enter into any transaction with any party other than on an arm's length basis, recognize or consolidate with or merge into any other company which lease, assign, transfer or otherwise dispose of all assets, except for the ordinary course of its business, create, any security right on its immovables, or encumber its assets or sell, lease or otherwise dispose of its assets by one or more transactions or a series of independent or interrelated transactions other than arm's length basis or full consideration in the ordinary course of business.

During the outstanding loans, the Company is required by both of banks to comply with the financial covenants ratio such as:

- Maximum gross debt to equity ratio of 70:30;
- Minimum debt service coverage ratio of 1.3x.

As of December 31, 2013, the Company has complied with all financial ratios required to be maintained under the loan agreements.

**19. OTHER PAYABLES**

This account consists of:

	2012
<u>Current maturities of payables:</u>	
Liabilities to contractors and suppliers (US\$10,237,448 and Rp163,833,383,639 in 2013 and US\$2,128,386 and Rp42,271,302,332 in 2012)	6,499,772
Cash call	-
Gas guarantee deposits (US\$8,873,261 and Rp41,305,241,917 in 2013 and US\$7,668,793 and Rp37,044,950,263 in 2012)	11,499,709

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**19. UTANG LAIN-LAIN (lanjutan)**

	2013	2012
<u>Bagian utang yang jatuh tempo dalam waktu satu tahun (lanjutan):</u>		
PT Riau Andalan Pulp and Paper	1.902.108	1.893.280
Pembelian barang dan jasa (US\$227.290 dan Rp14.087.711.604 pada tahun 2013 dan Rp29.535.588.316 pada tahun 2012)	1.383.063	3.054.352
Jaminan masa konstruksi proyek ConocoPhillips (Grissik) Ltd.	591.852	751.420
Lain-lain (Rp18.947.412.384 pada tahun 2013 dan Rp9.065.962.591 pada tahun 2012)	159.662	123.775
	1.554.467	978.596
Sub-total	57.609.234	24.800.904
<u>Bagian jangka panjang:</u>		
Liabilitas pajak atas First Tranche Petroleum (FTP)	13.994.894	-
<b>Total</b>	<b>71.604.128</b>	<b>24.800.904</b>

Liabilitas kepada kontraktor dan pemasok merupakan liabilitas sehubungan dengan pembangunan gedung Proyek 2 dan Proyek 3 (Catatan 14 dan 20).

Utang *cash call* merupakan utang kepada operator yang berkaitan dengan kegiatan operasional di blok Ujung Pangkah dan Ketapang.

Utang jaminan gas merupakan uang jaminan gas yang diterima oleh Perusahaan dari pelanggan dalam rangka transaksi penjualan gas.

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.

Utang lain-lain pembelian barang dan jasa terkait utang kepada pemasok terkait dengan pembelian barang dan jasa.

Liabilitas kepada ConocoPhillips (Grissik) Ltd. merupakan utang atas pemakaian gas untuk pengoperasian kompresor Transgasindo.

Liabilitas pajak atas *First Tranche Petroleum* (FTP) merupakan bagian kurang bayar pajak penghasilan badan dan pajak dividen untuk FTP atas bagian SIP untuk tahun pajak 2007 sampai 2013. SIP akan membayar pajak tersebut jika terdapat "*Equity to Be Split*" dari penjualan minyak dan gas.

**19. OTHER PAYABLES (continued)**

<u>Current maturities of payables (continued):</u>	
PT Riau Andalan Pulp and Paper	
Purchase of goods and services (US\$227,290 and Rp14,087,711,604 in 2013 and Rp29,535,588,316 in 2012)	
Project performance bonds ConocoPhillips (Grissik) Ltd.	
Others (Rp18,947,412,384 in 2013 and Rp9,065,962,591 in 2012)	
Sub-total	
<u>Long-term portion:</u>	
Tax payable on First Tranche Petroleum (FTP)	
<b>Total</b>	

Liabilities to contractors and suppliers represents mainly liabilities related to the construction of building for Project 2 and Project 3 (Notes 14 and 20).

Cash call payables represent payables to operator related with operational activities in Ujung Pangkah and Ketapang blocks.

Gas guarantee deposits payable represents gas deposits received by the Company from the customers in relation to the gas sales transactions.

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.

Other payables purchase of goods and services related to payables to suppliers for purchase of goods and services.

Liability to ConocoPhillips (Grissik) Ltd. represents liability for the usage of gas in order to operate the Transgasindo's compressors.

Tax payable on First Tranche Petroleum (FTP) is part of underpayment of income tax and dividend tax on FTP from SIP for fiscal years 2007 until 2013. SIP will pay the tax if there is "*Equity to Be Split*" from the sale of oil and gas.

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**20. LIABILITAS YANG MASIH HARUS DIBAYAR**

Akun ini terdiri dari:

	2013
Liabilitas kepada kontraktor dan pemasok (US\$136.985.504, SG\$86.000 dan Rp241.560.468.423 pada tahun 2013 dan US\$2.817.300, JPY447.153.935 dan Rp98.520.381.827 pada tahun 2012)	156.871.426
Pembelian aset tetap	9.712.549
Bunga (US\$1.521.017 dan JPY191.071.659 pada tahun 2013 dan US\$1.786.611 dan JPY139.479.962 pada tahun 2012)	3.342.068
Jasa konsultan (Rp17.344.851.824 pada tahun 2013 dan Rp22.387.848.921 pada tahun 2012)	1.422.992
Beban pemeliharaan iuran ke BPH Migas (Rp9.896.559.209 pada tahun 2013 dan Rp1.664.973.618 pada tahun 2012)	1.400.581
Asuransi (Rp153.544.993 pada tahun 2013 dan Rp34.181.641.042 pada tahun 2012)	811.925
Lain-lain (Rp79.855.664.026 pada tahun 2013 dan US\$13.821 dan Rp45.571.370.533 pada tahun 2012)	12.597
	6.551.453
<b>Total</b>	<b>180.125.591</b>

**a. Bunga**

Pada tanggal 31 Desember 2013 dan 2012, biaya bunga yang masih harus dibayar terdiri dari biaya bunga seluruh pinjaman jangka panjang Perusahaan sebesar US\$3.193.641, dan US\$3.161.234 (Catatan 21).

Bunga yang masih harus dibayar juga mencakup biaya bunga pinjaman bank yang diperoleh Transgasindo masing-masing sebesar US\$148.427 dan US\$240.476 pada tanggal 31 Desember 2013 dan 2012.

**b. Beban pemeliharaan**

Liabilitas beban pemeliharaan merupakan kewajiban yang muncul terkait dengan adanya kegiatan pemeliharaan aset tetap Perusahaan.

**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.

**20. ACCRUED LIABILITIES**

This account consists of:

	2012
Liabilities to contractors and suppliers (US\$136.985.504, SG\$86.000 and Rp241.560.468.423 in 2013 and US\$2.817.300, JPY447.153.935 and Rp98.520.381.827 in 2012)	18.183.340
Purchase of fixed assets	7.585.900
Interests (US\$1,521,017 and JPY191,071,659 in 2013 and US\$1,786,611 and JPY139,479,962 in 2012)	3.401.710
Consultant fees (Rp17,344,851,824 in 2013 and Rp22,387,848,921 in 2012)	2.315.186
Maintenance expense BPH Migas levy (Rp9,896,559,209 in 2013 and Rp1,664,973,618 in 2012)	2.338.376
Insurance (Rp153,544,993 in 2013 and Rp34,181,641,042 in 2012)	172.179
Others (Rp79,855,664,026 in 2013 and US\$13,821 and Rp45,571,370,533 in 2012)	3.534.813
	4.726.476
<b>Total</b>	<b>42.257.980</b>

**a. Interests**

As of December 31, 2013 and 2012, accrued interest consists of interest from the Company's long-term loans amounting to US\$3,193,641 and US\$3,161,234, respectively (Note 21).

The accrued interest also includes the interest from Transgasindo's bank loan amounting to US\$148,427 and US\$240,476, respectively, as of December 31, 2013 and 2012.

**b. Maintenance expense**

Liabilities for maintenance expense represent liabilities incurred from the Company's maintenance of fixed assets activities.

**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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**20. LIABILITAS YANG MASIH HARUS DIBAYAR  
(lanjutan)**

**c. Iuran ke BPH Migas (lanjutan)**

Pada tanggal 8 Januari 2013 dan 1 Maret 2012, BPH Migas menetapkan perkiraan besaran iuran Transgasindo tahun 2013 dan 2012 masing-masing sebesar Rp40 miliar (setara dengan US\$4,03 juta) dan Rp35,3 miliar (setara dengan US\$3,92 juta).

Saldo iuran ke BPH Migas terdiri dari iuran Perusahaan dan Entitas Anaknya (Transgasindo) masing-masing sebesar nihil dan US\$811.925 pada tanggal 31 Desember 2013 dan nihil dan US\$172.179 pada tanggal 31 Desember 2012.

**20. ACCRUED LIABILITIES (continued)**

**c. BPH Migas levy (continued)**

On January 8, 2013 and March 1, 2012, BPH Migas issued the decree which stated that the Transgasindo's levy estimation for years 2013, and 2012 amounting to Rp40 billion (equivalent to US\$4.03 million) and Rp35.3 billion (equivalent to US\$3.92 million).

Balance of BPH Migas levy consists of the Company's and the Subsidiary's (Transgasindo) contributions amounting to nil and US\$811,925 as of December 31, 2013 and nil and US\$172,179 as of December 31, 2012.

**21. PINJAMAN JANGKA PANJANG**

Akun ini terdiri dari:

	2013	2012
<u>Entitas berelasi dengan Pemerintah</u> <u>(Catatan 35)</u> <u>Perusahaan</u> Pinjaman yang diperoleh Pemerintah dari pemberi pinjaman (Penerusan Pinjaman)	559.304.881	701.228.635
PT Bank Negara Indonesia (Persero) Tbk	75.000.000	93.750.000
<u>Pihak ketiga</u> <u>Entitas Anak</u> The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	91.651.870	143.655.120
<b>Total</b>	<b>725.956.751</b>	<b>938.633.755</b>
Dikurangi pinjaman jangka panjang yang jatuh tempo dalam waktu satu tahun: <u>Entitas berelasi dengan Pemerintah</u> <u>(Catatan 35)</u> <u>Perusahaan</u> Pinjaman yang diperoleh Pemerintah dari pemberi pinjaman (Penerusan Pinjaman)	42.599.023	27.245.649
PT Bank Negara Indonesia (Persero) Tbk	18.750.000	18.750.000
<u>Pihak ketiga</u> <u>Entitas Anak</u> The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	52.631.579	52.631.579
<b>Total</b>	<b>113.980.602</b>	<b>98.627.228</b>
<b>Bagian jangka panjang, Neto</b>	<b>611.976.149</b>	<b>840.006.527</b>

**21. LONG-TERM LOANS**

This account consists of:

<u>Government-related entities (Note 35)</u> <u>The Company</u> Loans obtained by the Government from the lenders (Two-step Loans)	
PT Bank Negara Indonesia (Persero) Tbk	
<u>Third Party</u> <u>Subsidiary</u> The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	
<b>Total</b>	
Less current maturities of long-term loans: <u>Government-related entities (Note 35)</u> <u>The Company</u> Loans obtained by the Government from the lenders (Two-step Loans)	
PT Bank Negara Indonesia (Persero) Tbk	
<u>Third Party</u> <u>Subsidiary</u> The Hongkong and Shanghai Banking Corporation Ltd., Jakarta	
<b>Total</b>	
<b>Long-term portion, Net</b>	



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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

Penerusan Pinjaman merupakan pinjaman jangka panjang yang diperoleh dari Pemerintah Republik Indonesia yang dibiayai oleh:

	2013
Japan Bank for International Cooperation (SLA-1156/DP3/2003) (JPY46.937.981.000 pada tahun 2013 dan JPY48.538.362.136 pada tahun 2012)	447.352.962
International Bank for Reconstruction and Development (SLA-1201/DP3/2006)	54.348.966
European Investment Bank (SLA-877/DP3/1996 dan SLA-1139/DP3/2000)	35.124.962
Japan Bank for International Cooperation (SLA-879/DP3/1996)	11.421.517
Asian Development Bank (SLA-832/DP3/1995)	10.607.488
International Bank for Reconstruction and Development (SLA-1166/DP3/2004)	448.986
<b>Total</b>	<b>559.304.881</b>

Japan Bank for International Cooperation (JBIC) (SLA-1156/DP3/2003) - JPY46.937.981.000

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 masing-masing adalah berkisar antara 0,75% sampai dengan 0,95% untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

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.

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**21. LONG-TERM LOANS (continued)**

Two-step Loans represent long-term loans from the Government of the Republic of Indonesia, which are funded by:

	2012
Japan Bank for International Cooperation (SLA-1156/DP3/2003) (JPY46.937.981.000 in 2013 and JPY48.538.362.136 in 2012)	562.031.066
International Bank for Reconstruction and Development (SLA-1201/DP3/2006)	57.526.796
European Investment Bank (SLA-877/DP3/1996 and SLA-1139/DP3/2000)	44.121.219
Japan Bank for International Cooperation (SLA-879/DP3/1996)	19.035.862
Asian Development Bank (SLA-832/DP3/1995)	17.679.148
International Bank for Reconstruction and Development (SLA-1166/DP3/2004)	834.544
<b>Total</b>	<b>701.228.635</b>

Japan Bank for International Cooperation (JBIC) (SLA-1156/DP3/2003) - JPY46.937.981.000

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, 2013 and 2012, 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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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - US\$54.348.966

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 US\$69.381.312 untuk membantu Pemerintah dalam membiayai Proyek Pengembangan Pasar Gas Domestik ("Proyek") (Catatan 37.5).

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 US\$69.381.312 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 adalah berkisar antara 1,88% sampai dengan 5,48% untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

Pada tanggal 11 Juli 2011, Perusahaan mendapatkan Surat Persetujuan No. S-686/PU.2/2011 dari Direktorat Jenderal Pinjaman dan Hibah, Kementerian Keuangan Republik Indonesia, mengenai persetujuan pembatalan sisa pinjaman IBRD SLA 1201 sebesar US\$10.618.688, terhitung mulai pada tanggal 21 Desember 2010.

Pada tanggal 30 Desember 2011, Perusahaan mendapatkan surat dari Kementerian 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 US\$80.000.000 menjadi US\$69.381.312 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.

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**21. LONG-TERM LOANS (continued)**

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - US\$54,348,966

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 US\$69,381,312 to assist the Government in financing the Domestic Gas Market Development Project ("the Project") (Note 37.5).

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 US\$69,381,312 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 1.88% to 5.48% for the years ended December 31, 2013 and 2012, 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 IBRD SLA 1201 loan amounting to US\$10,618,688, 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 US\$80,000,000 to become US\$69,381,312, 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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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - US\$54.348.966 (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.

Pada tanggal 14 November 2013, Perusahaan mendapatkan Surat No. 5-786/PU/2013 dari Direktorat Jenderal Pengelolaan Utang, Kementerian Keuangan Republik Indonesia, mengenai persetujuan pembatalan sisa pinjaman IBRD SLA 1201 sebesar US\$7.616.230 terhitung mulai pada tanggal 1 Februari 2013.

European Investment Bank (EIB) (SLA-877/DP3/1996) - US\$4.245.583

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 37.5).

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 masing-masing adalah berkisar antara 4,35% sampai dengan 7,41% untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012. 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.

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**21. LONG-TERM LOANS (continued)**

International Bank for Reconstruction and Development (IBRD) (SLA-1201/DP3/2006) - US\$54,348,966 (continued)

The Company has to pay commitment fee of 0.75% per annum from the total subsidiary loan which not yet drawndown by the Company to the Government. 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.

On November 14, 2013, the Company obtained Letter No.5-786/PU/2013 from Directorate General of Debt Management, Ministry of Finance of the Republic of Indonesia, regarding the approval for the cancellation of the remaining IBRD SLA 1201 loan amounting to US\$7,616,230 starting on February 1, 2013.

European Investment Bank (EIB) (SLA-877/DP3/1996) - US\$4,245,583

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 37.5).

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 is ranging from 4.35% to 7.41% for the years ended December 31, 2013 and 2012, 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.

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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

European Investment Bank (EIB)  
(SLA-877/DP3/1996) - US\$4.245.583 (lanjutan)

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.

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) - US\$30.879.379

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 EURO\$70.000.000 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 2013 dan 2012.

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) - US\$11.421.517

Berdasarkan Perjanjian Pinjaman tanggal 23 Oktober 1995, JBIC menyetujui untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) dengan jumlah keseluruhan setara dengan US\$195.000.000 untuk membantu Pemerintah dalam membiayai Proyek Transmisi dan Distribusi Gas ("Proyek") di Sumatera Tengah dan Pulau Batam (Catatan 37.5).

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**21. LONG-TERM LOANS (continued)**

European Investment Bank (EIB)  
(SLA-877/DP3/1996) - US\$4,245,583 (continued)

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.

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) - US\$30,879,379

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 EURO\$70,000,000 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 is ranging from 4.95% to 5.30% for the years ended December 31, 2013 and 2012.

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) - US\$11,421,517

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 US\$195,000,000 to assist the Government in financing the Gas Transmission and Distribution Project ("the Project") in Central Sumatera and Batam Island (Note 37.5).

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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

Japan Bank for International Cooperation (JBIC)  
(SLA-879/DP3/1996) - US\$11.421.517 (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 US\$195.000.000 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 masing-masing adalah sebesar 0,67% per tahun untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012. 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) - US\$10.607.488

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 US\$218.000.000 untuk membantu Pemerintah dalam membiayai Proyek Transmisi dan Distribusi Gas ("Proyek") di Sumatera Tengah dan Pulau Batam (Catatan 37.5).

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 US\$218.000.000. Perusahaan akan melaksanakan Proyek ini sesuai dengan Perjanjian Proyek dengan ADB tanggal 26 Juni 1995.

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 masing-masing adalah berkisar antara 1,02 sampai dengan 1,33% dan sebesar 1,02% untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

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**21. LONG-TERM LOANS (continued)**

Japan Bank for International Cooperation (JBIC)  
(SLA-879/DP3/1996) - US\$11,421,517 (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 US\$195,000,000 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 0.67% for the years ended on December 31, 2013 and 2012, 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) - US\$10,607,488

*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 US\$218,000,000 to assist the Government in financing the Gas Transmission and Distribution Project ("the Project") in Central Sumatera and Batam Island (Note 37.5).*

*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 US\$218,000,000 to the Company. The Company will undertake the Project in accordance with the Project Agreement with ADB dated June 26, 1995.*

*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 is ranging from 1.02% to 1.33% and 1.02% for the years ended December 31, 2013 and 2012, respectively.*



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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

Asian Development Bank (ADB)  
(SLA-832/DP3/1995) - US\$10.607.488 (lanjutan)

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 US\$34.071.363.

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - US\$448.986

Berdasarkan Perjanjian Pinjaman No. 7758-ID (Ex 4712-IND) tanggal 1 Oktober 2003, IBRD setuju untuk memberikan pinjaman kepada Pemerintah Republik Indonesia (Pemerintah) sebesar US\$141.000.000 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.

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 US\$2.487.672 kepada Perusahaan, yang akan melaksanakan proyek.

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**21. LONG-TERM LOANS (continued)**

Asian Development Bank (ADB)  
(SLA-832/DP3/1995) - US\$10,607,488 (continued)

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 US\$34,071,363.

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - US\$448,986

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 US\$141,000,000 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.

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 US\$2,487,672 to the Company, which shall undertake the project.

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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - US\$448.986 (lanjutan)

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 US\$3.572.934 tidak dapat ditarik lagi oleh Perusahaan, sehingga total fasilitas yang diperoleh Perusahaan sebesar US\$2.487.672.

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 US\$2.487.672. 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.

Pada tanggal 30 September 2011, Perusahaan mendapatkan surat dari Kementerian Keuangan Republik Indonesia No. S-1607/PB-4/2011 terkait dengan penyampaian Perjanjian Perubahan (Amandemen) No. AMA-428/SLA-1166/DSMI/2011 tanggal 29 September 2011 yang mengatur perubahan jatuh tempo pembayaran terakhir menjadi pada tanggal 15 Juni 2015.

Tingkat bunga tahunan adalah sebesar 5,04% untuk tahun yang berakhir pada tanggal 31 Desember 2013 dan 2012.

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**21. LONG-TERM LOANS (continued)**

International Bank for Reconstruction and Development (IBRD) (SLA-1166/DP3/2004) - US\$448.986 (continued)

*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 US\$3,572,934 could not be drawdown anymore by the Company, therefore, the total loan facility obtained by the Company amounting to US\$2,487,672.*

*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 US\$2,487,672. The Company has to pay commitment fee of 0.75% per annum from the total loan which not yet drawdown 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.*

*On September 30, 2011, the Company obtained a letter from the Ministry of Finance of the Republic of Indonesia No. S-1607/PB-4/2011 related to amendment of loan agreement No. AMA-428/SLA-1166/DSMI/2011, dated September 29, 2011, regarding the changes of last payment due on June 15, 2015.*

*Annual interest rates are 5.04% for the years ended December 31, 2013 and 2012.*



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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

PT Bank Negara Indonesia (Persero) Tbk (BNI) -  
US\$75.000.000

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 US\$150.000.000 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 kreditor 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 - US\$91.651.870

Pada tanggal 30 Agustus 2010, Transgasindo menandatangani *term loan facility agreement* dengan sindikasi dari The Hongkong dan Shanghai Banking Corporation Limited, Jakarta (HSBC) US\$250.000.000. Fasilitas ini digunakan oleh Transgasindo untuk membayar kembali pinjaman pemegang saham dan untuk keperluan umum. Fasilitas ini memiliki jangka waktu 5 tahun dengan 19 kali cicilan triwulanan dimulai 6 bulan setelah tanggal penarikan pertama (*grace year*). Pinjaman ini dikenakan bunga pada tingkat bunga tiga bulan BBA LIBOR + *margin* sebesar 1,99% per tahun.

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**21. LONG-TERM LOANS (continued)**

PT Bank Negara Indonesia (Persero) Tbk (BNI) -  
US\$75,000,000

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 US\$150,000,000 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 year. 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 25<sup>th</sup> 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 - US\$91,651,870

On August 30, 2010, Transgasindo signed a term loan facility agreement with syndication of The Hongkong and Shanghai Banking Corporation Limited, Jakarta (HSBC) for US\$250,000,000. This facility was utilized by Transgasindo to refinance existing shareholder loans 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 year*). The loan bears interest at the rate of three months BBA LIBOR + *margin* of 1.99% per annum.

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**21. PINJAMAN JANGKA PANJANG (lanjutan)**

The Hongkong and Shanghai Banking Corporation Ltd., Jakarta - US\$91.651.870 (lanjutan)

Pada tanggal 3 September 2010, fasilitas tersebut telah ditarik seluruhnya dan dikenakan tingkat bunga per tahun berkisar antara 2,26% sampai dengan 2,27%.

Selama tahun 2013, Transgasindo telah membayar angsuran secara triwulan dengan jumlah sebesar US\$52.631.579 pada tanggal 5 Maret, 5 Juni, 5 September dan 5 Desember 2013.

Perjanjian pinjaman mencakup pembatasan-pembatasan umum antara lain, Transgasindo tidak diperkenankan untuk menjaminkan aset atau pendapatan Transgasindo kepada pihak ketiga dalam jumlah yang melebihi US\$10.000.000, 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 US\$250.000.000;
- (ii) rasio utang neto terhadap ekuitas tidak lebih besar dari 2,33x;
- (iii) rasio utang neto terhadap EBITDA tidak lebih besar dari 3,5x.

Pada tanggal 31 Desember 2013, Kelompok Usaha telah memenuhi semua rasio keuangan yang dipersyaratkan dalam perjanjian pinjaman.

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**21. LONG-TERM LOANS (continued)**

The Hongkong and Shanghai Banking Corporation Ltd., Jakarta - US\$91,651,870 (continued)

*On September 3, 2010, the facility had been fully drawn down and bears interest rate ranged from 2.26% up to 2.27% per annum.*

*During 2013, Transgasindo has already paid in quarterly installments amounting to US\$52,631,579 on March 5, June 5, September 5 and December 5, 2013.*

*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 US\$10,000,000, 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 year 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 US\$250,000,000;*
- (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.*

*As of December 31, 2013, the Group has complied with all financial ratios required to be maintained under the loan agreements.*

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**22. PERPAJAKAN**

**a. Estimasi Tagihan Pajak**

	2013	2012	
Pajak Penghasilan:			Income Taxes:
Pasal 21	228	1.987	Article 21
Pasal 23	1.057	142.065	Article 23
Pasal 29			Article 29
- Tahun 2013	30.713.108	-	Year 2013 -
- Tahun 2012	59.504	139.603	Year 2012 -
- Tahun 2011	-	9.014.899	Year 2011 -
Pajak Pertambahan Nilai	2.783.848	1.043.541	Value-Added Tax
<b>Total</b>	<b>33.557.745</b>	<b>10.342.095</b>	<b>Total</b>

**b. Utang Pajak**

	2013	2012	
Pajak Penghasilan:			Income Taxes:
Pasal 21			Article 21
(Rp6.236.318.524 pada tahun 2013 dan Rp11.122.478.276 pada tahun 2012)	511.635	1.150.205	(Rp6,236,318,524 in 2013 and Rp11,122,478,276 in 2012)
Pasal 22			Article 22
(Rp9.656.222.945)	792.196	-	(Rp9,656,222,945)
Pasal 23			Article 23
(Rp21.363.099.606 pada tahun 2013 dan Rp5.757.439.716 pada tahun 2012)	1.752.654	595.392	(Rp21,363,099,606 in 2013 and Rp5,757,439,716 in 2012)
Pasal 25			Article 25
(Rp91.212.570.902 pada tahun 2012)	18.382.882	9.432.531	(Rp91,212,570,902 in 2012)
Pasal 29			Article 29
(US\$8.153.404 dan Rp76.401.395.529 pada tahun 2013 dan US\$65.544.115 dan Rp5.642.010.475 pada tahun 2012)	14.421.465	66.127.570	(US\$8,153,404 and Rp76,401,395,529 in 2013 and US\$65,544,115 and Rp5,642,010,475 in 2012)
Pajak Pertambahan Nilai, neto			Value-Added Taxes, net
(Rp52.170.565.515 pada tahun 2013 dan Rp32.140.133.076 pada tahun 2012)	4.280.135	3.323.695	(Rp52,170,565,515 in 2013 and Rp32,140,133,076 in 2012)
<b>Total</b>	<b>40.140.967</b>	<b>80.629.393</b>	<b>Total</b>

**c. Beban Pajak**

Beban (manfaat) pajak Perusahaan dan Entitas Anak terdiri dari:

**c. Tax Expense**

Tax expense (benefit) of the Company and Subsidiaries are as follows:

	2013	2012	
Kini			Current
Perusahaan			The Company
Tahun berjalan	188.047.888	215.494.000	Current year
Tahun 2011			Year 2011
Bunga dan denda pajak	969.556	-	Tax interest and penalty
Sub-total	189.017.444	215.494.000	Sub-total
Entitas Anak	37.625.112	22.873.358	Subsidiaries
Sub-total	226.642.556	238.367.358	Sub-total
Tangguhan			Deferred
Perusahaan	4.579.849	(2.703.067)	The Company
Entitas Anak	(25.256)	(2.612.514)	Subsidiaries
Sub-total	4.554.593	(5.315.581)	Sub-total
<b>Beban pajak - neto</b>	<b>231.197.149</b>	<b>233.051.777</b>	<b>Tax expense - net</b>

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**22. PERPAJAKAN (lanjutan)**

**d. Pajak Kini**

Rekonsiliasi antara laba sebelum manfaat (beban) pajak, seperti yang tercantum dalam laporan laba rugi komprehensif konsolidasian dan estimasi laba kena pajak adalah sebagai berikut:

	2013	2012
Laba sebelum manfaat (beban) pajak menurut laporan laba rugi komprehensif konsolidasian	1.125.081.669	1.148.308.027
Laba sebelum manfaat (beban) pajak Entitas Anak	(144.649.519)	(74.904.394)
Penyesuaian konsolidasian	(10.595.655)	10.578.636
Laba sebelum pajak - Perusahaan	969.836.495	1.083.982.269
<b>Beda temporer</b>		
Penyisihan kerugian		
penurunan nilai piutang	1.048.880	1.302.636
Gaji dan bonus	(986.117)	3.071.193
Kesejahteraan karyawan - neto	(17.333.389)	7.741.077
Penyisihan persediaan usang - setelah dikurangi pemulihan	-	930.144
Beda temporer - neto	(17.270.626)	13.045.050
<b>Beda tetap</b>		
Gaji dan kesejahteraan karyawan	13.235.567	16.582.824
Beban lain-lain yang tidak dapat dikurangkan	6.737.733	2.759.375
Representasi dan jamuan	3.743.209	4.748.602
Pajak dan perizinan - neto	39.413	141.139
Penghasilan bunga yang telah dikenakan pajak penghasilan final	(19.251.849)	(22.814.612)
Pendapatan dividen yang tidak dikenakan pajak	(16.811.767)	(20.954.500)
Penghasilan sewa yang telah dikenakan pajak final	(18.736)	(19.984)
Beda tetap - neto	(12.326.430)	(19.557.156)
<b>Estimasi laba kena pajak</b>	<b>940.239.439</b>	<b>1.077.470.163</b>
Beban pajak kini - Perusahaan	188.047.888	215.494.000
Pembayaran pajak penghasilan di muka		
Pajak Penghasilan Pasal 23	579.874	784.053
Pajak Penghasilan Pasal 25	218.181.122	151.918.758
Sub-total	218.760.996	152.702.811
Estimasi Utang Pajak Penghasilan Badan Perusahaan	-	62.791.189
Entitas Anak	14.421.465	3.336.381
<b>Total</b>	<b>14.421.465</b>	<b>66.127.570</b>
Estimasi tagihan pajak untuk tahun 2013		
Perusahaan	30.713.108	9.014.899
Entitas Anak	-	-
<b>Total</b>	<b>30.713.108</b>	<b>9.014.899</b>

**22. TAXATION (continued)**

**d. Current Tax**

The reconciliation between profit before tax benefit (expense), as shown in the consolidated statements of comprehensive income and estimated taxable income is as follows:

Profit before tax benefit (expense) per consolidated statements of comprehensive income
Profit before tax benefit (expense) of the Subsidiaries
Consolidation adjustments
Profit before tax expense of the Company
<b>Temporary differences</b>
Provision for receivables impairment losses
Salary and bonus
Employees' benefits - net
Provision for inventory obsolescence - net of reversal
Temporary differences - net
<b>Permanent differences</b>
Salaries and other employees' benefits
Other non-deductible expenses
Representation and entertainment
Taxes and licenses - net
Interest income already subject to final income tax
Non-taxable dividend income
Rental income already subject to final income tax
Permanent differences - net
<b>Estimated taxable income</b>
Current tax expense - the Company
Prepayments of income taxes
Income Tax Article 23
Income Tax Article 25
Sub-total
Estimated Corporate Income Tax Payables
The Company
Subsidiaries
<b>Total</b>
Estimated claims for tax refund for 2013
The Company
Subsidiaries
<b>Total</b>

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**22. PERPAJAKAN (lanjutan)**

**d. Pajak Kini (lanjutan)**

	2013	2012	
<b>Estimasi Tagihan Pajak Penghasilan Pasal 29</b>			<b>Estimated Claims for Income Tax Refund Article 29</b>
Tahun berjalan			Current year
Perusahaan	(30.713.108)	-	The Company
Entitas Anak	-	(139.603)	Subsidiary
Tahun sebelumnya			Prior year
Perusahaan	-	(9.014.899)	The Company
Entitas Anak	(59.504)	-	Subsidiary
<b>Total</b>	<b>(30.772.612)</b>	<b>(9.154.502)</b>	<b>Total</b>

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.

Based on Government Regulation No. 81/2007 ("Gov. Reg. 81/2007"), dated December 28, 2007, regarding Reduction of the Rate of Income Tax on Resident Corporate Tax Payers 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.

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**22. PERPAJAKAN (lanjutan)**

**d. Pajak Kini (lanjutan)**

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 2 Agustus 2013 dan 4 Januari 2013, Perusahaan telah mendapatkan surat keterangan dari Biro Administrasi Efek atas pemenuhan kriteria-kriteria di atas untuk tahun 2013 dan 2012. Dampak dari penurunan tarif pajak tersebut masing-masing sebesar US\$47.927.993 dan US\$54.199.112 untuk tahun 2013 dan 2012.

Pada tanggal 31 Desember 2013 dan 2012, akumulasi "Selisih Transaksi Restrukturisasi Entitas Sepengendali", yang disajikan sebagai bagian dari "Modal Disetor Lainnya" pada laporan posisi keuangan konsolidasian sebesar Rp314.889.945.926 (setara dengan US\$35.301.648), terdiri dari pajak atas laba penjualan aset tetap tahun 2004 sebesar Rp325.519.727.021 (setara dengan US\$36.493.243) dan pajak atas rugi penjualan aset tetap tahun 2006 sebesar Rp10.629.781.095 (setara dengan US\$1.191.679).

**22. TAXATION (continued)**

**d. Current Tax (continued)**

*These requirements should be fulfilled by the public companies for a year 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 August 2, 2013 and January 4, 2013, the Company has obtained the notification letter from Securities Administration Agency (Biro Administrasi Efek) regarding the fulfillment of such criterias for 2013 and 2012. The impact of the changes in such tax rate reduction amounted to US\$47,927,993 and US\$54,199,112 for the years of 2013 and 2012, respectively.*

*As of December 31, 2013 and 2012, the accumulated "Difference Arising from Restructuring Transactions among Entities under Common Control" which is presented as part of "Other Paid-in Capital" account in the consolidated statements of financial position amounted to Rp314,889,945,926 (equivalent to US\$35,301,648) and consists of tax on the gain on sale of fixed assets in 2004 amounting to Rp325,519,727,021 (equivalent to US\$36,493,243) and tax on the loss on sale of fixed assets in 2006 amounting to Rp10,629,781,095 (equivalent to US\$1,191,679).*



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**22. PERPAJAKAN (lanjutan)**

**e. Pajak Tangguhan**

Pengaruh pajak atas beda temporer yang signifikan antara pelaporan komersial dan pajak adalah sebagai berikut:

**22. TAXATION (continued)**

**e. Deferred Tax**

The tax effects of significant temporary differences between commercial and tax reporting are as follows:

	Saldo Awal per 31 Des. 2012/ Beginning Balance Dec. 31, 2012	Dibebankan ke Laporan Laba Rugi Komprehensif/ Charged to Statements of Comprehensive Income	Selisih Kurs karena Penjabaran (Catatan 2b)/ Difference in Foreign Currency Translation (Note 2b)	Saldo Akhir per 31 Des. 2013/ Ending Balance Dec. 31, 2013	
<b>Perusahaan</b>					<b>The Company</b>
Aset pajak tangguhan					Deferred tax assets
Kesejahteraan karyawan	29.008.779	(9.524.357)	-	19.484.422	Employees' benefits
Gaji dan bonus	8.091.804	(246.529)	-	7.845.275	Salaries and bonus
Cadangan kerugian penurunan nilai	3.099.895	262.220	-	3.362.115	Allowance for impairment losses
Penyisihan persediaan usang	325.920	-	-	325.920	Allowance for inventory obsolescence
Penyisihan aset pajak tangguhan	(3.425.815)	(262.220)	-	(3.688.035)	Allowance for deferred tax assets
Aset pajak tangguhan - neto	37.100.583	(9.770.886)	-	27.329.697	Deferred tax assets - net
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
<b>PGASKOM</b>					<b>PGASKOM</b>
Aset pajak tangguhan					Deferred tax assets
Aset tetap	314.430	(290.794)	(23.636)	-	Fixed assets
Rugi fiskal	157.370	(145.540)	(11.830)	-	Fiscal loss
Gaji dan bonus	-	64.139	(9.119)	55.020	Salaries and bonus
Kesejahteraan karyawan	-	20.420	2.463	22.883	Employees' benefits
Cadangan kerugian penurunan nilai	-	4.902	(697)	4.205	Allowance for impairment losses
Aset pajak tangguhan - neto	471.800	(346.873)	(42.819)	82.108	Deferred tax assets - net
<b>PGASSOL</b>					<b>PGASSOL</b>
Aset pajak tangguhan					Deferred tax assets
Rugi fiskal	232.191	(214.737)	(17.454)	-	Fiscal loss
Aset tetap	231.808	143.747	(70.558)	304.997	Fixed assets
Gaji dan bonus	-	96.072	(13.659)	82.413	Salaries and bonus
Kesejahteraan karyawan	-	24.553	5.596	30.149	Employees' benefits
Aset pajak tangguhan - neto	463.999	49.635	(96.075)	417.559	Deferred tax assets - net
<b>GAGAS</b>					<b>GAGAS</b>
Aset pajak tangguhan					Deferred tax assets
Kesejahteraan karyawan	225	1.788	-	2.013	Employees' benefits
Bonus	91.890	60.561	-	152.451	Bonus
Aset pajak tangguhan - neto	92.115	62.349	-	154.464	Deferred tax assets - net
<b>PLI</b>					<b>PLI</b>
Aset pajak tangguhan					Deferred tax asset
Rugi fiskal	135.849	816.601	(144.177)	808.273	Fiscal loss
Aset pajak tangguhan - neto	135.849	816.601	(144.177)	808.273	Deferred tax asset - net
<b>SAKA</b>					<b>SAKA</b>
Aset pajak tangguhan					Deferred tax asset
Bonus	-	87.609	(12.441)	75.168	Bonus
Aset pajak tangguhan - neto	-	87.609	(12.441)	75.168	Deferred tax asset - net
<b>Aset pajak tangguhan konsolidasian - neto</b>	<b>38.264.346</b>			<b>28.867.269</b>	<b>Consolidated deferred tax assets - net</b>

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**22. PERPAJAKAN (lanjutan)**

**e. Pajak Tangguhan (lanjutan)**

	Saldo Awal per 31 Des. 2012/ Beginning Balance Dec. 31, 2012	Selisih Dibebankan ke Laporan Laba Rugi Komprehensif/ Charged to Statements of Comprehensive Income	Kurs karena Penjabaran (Catatan 2b)/ Difference in Foreign Currency Translation (Note 2b)	Saldo Akhir per 31 Des. 2013/ Ending Balance Dec. 31, 2013
<b>Entitas Anak (lanjutan)</b>				
<u>Transgasindo</u>				
Aset pajak tangguhan				
Kesejahteraan karyawan	1.429.880	(562.330)	-	867.550
Cadangan kerugian penurunan nilai	1.001.368	(1.001.368)	-	-
Bonus	528.040	(193.802)	-	334.238
Liabilitas pajak tangguhan				
Aset tetap	(3.610.143)	1.837.124	-	(1.773.019)
Liabilitas pajak tangguhan - neto	(650.855)	79.624	-	(571.231)
<b>Liabilitas pajak tangguhan konsolidasian - neto</b>	<b>(650.855)</b>			<b>(571.231)</b>

**The Subsidiaries (continued)**

<u>Transgasindo</u>
Deferred tax assets
Employees' benefits
Allowance
for impairment losses
Bonus
Deferred tax liability
Fixed assets
Deferred tax liability - net
<b>Consolidated deferred tax liability - net</b>

	Saldo Awal per 31 Des. 2011/ Beginning Balance Dec. 31, 2011	Dibebankan ke Laporan Laba Rugi Komprehensif/ Charged to Statements of Comprehensive Income	Selisih Kurs karena Penjabaran (Catatan 2b)/ Difference in Foreign Currency Translation (Note 2b)	Saldo Akhir per 31 Des. 2012/ Ending Balance Dec. 31, 2012
<b>Perusahaan</b>				
Aset pajak tangguhan				
Kesejahteraan karyawan	13.104.309	4.199.896	-	17.304.205
Penyesuaian sehubungan dengan penerapan PSAK No. 24 (Revisi 2010)	-	-	11.704.574	11.704.574
Sub-total	13.104.309	4.199.896	11.704.574	29.008.779
Gaji dan bonus	7.324.006	767.798	-	8.091.804
Cadangan kerugian penurunan nilai	2.774.236	325.659	-	3.099.895
Penyisihan persediaan usang	93.384	232.536	-	325.920
Penyisihan aset pajak tangguhan	(2.867.620)	(558.195)	-	(3.425.815)
Aset pajak tangguhan - neto	20.428.315	4.967.694	11.704.574	37.100.583

<b>The Company</b>
Deferred tax assets
Employees' benefits
Adjustment arising from
adoption of PSAK No. 24
(Revised 2010)
Sub-total
Salaries and bonus
Allowance
for impairment losses
Allowance for inventory
obsolescence
Allowance
for deferred tax assets
Deferred tax assets - net

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**22. PERPAJAKAN (lanjutan)**

**e. Pajak Tangguhan (lanjutan)**

	Saldo Awal per 31 Des. 2011/ Beginning Balance Dec. 31, 2011	Selisih Dibebankan ke Laporan Laba Rugi Komprehensif/ Charged to Statements of Comprehensive Income	Kurs karena Penjabaran (Catatan 2b)/ Difference in Foreign Currency Translation (Note 2b)	Saldo Akhir per 31 Des. 2012/ Ending Balance Dec. 31, 2012
<b>Entitas Anak</b>				
<b><u>PGASKOM</u></b>				
Aset pajak tangguhan	-	324.014	(9.584)	314.430
Aset tetap	252.870	(82.189)	(13.311)	157.370
Rugi fiskal				
Aset pajak tangguhan - neto	252.870	241.825	(22.895)	471.800
<b><u>PGASSOL</u></b>				
Aset pajak tangguhan	-	238.873	(7.065)	231.808
Aset tetap	91.921	150.442	(10.172)	232.191
Rugi fiskal				
Aset pajak tangguhan - neto	91.921	389.315	(17.237)	463.999
<b><u>GAGAS</u></b>				
Aset pajak tangguhan	15.607	(16.127)	520	-
Rugi fiskal	-	225	-	225
Kesejahteraan karyawan	-	91.890	-	91.890
Bonus				
Aset pajak tangguhan - neto	15.607	75.988	520	92.115
<b><u>PLI</u></b>				
Aset pajak tangguhan	-	139.989	(4.140)	135.849
Rugi fiskal				
Aset pajak tangguhan - neto	-	139.989	(4.140)	135.849
<b>Aset pajak tangguhan konsolidasian - neto</b>	<b>20.788.713</b>			<b>38.264.346</b>
<b><u>Transgasindo</u></b>				
Aset pajak tangguhan	1.007.838	(105.816)	-	902.022
Kesejahteraan karyawan				
Penyesuaian sehubungan dengan penerapan PSAK No. 24 (Revisi 2010)	-	527.858	-	527.858
Sub-total	1.007.838	422.042	-	1.429.880
Cadangan kerugian penurunan nilai	1.001.368	-	-	1.001.368
Bonus	549.070	(21.030)	-	528.040
Liabilitas pajak tangguhan	(5.144.152)	1.534.009	-	(3.610.143)
Aset tetap				
Liabilitas pajak tangguhan - neto	(2.585.876)	1.935.021	-	(650.855)
<b>Liabilitas pajak tangguhan konsolidasian - neto</b>	<b>(2.585.876)</b>			<b>(650.855)</b>

**The Subsidiaries**

**PGASKOM**

Deferred tax assets  
Fixed assets  
Fiscal loss

Deferred tax assets - net

**PGASSOL**

Deferred tax assets  
Fixed assets  
Fiscal loss

Deferred tax assets - net

**GAGAS**

Deferred tax assets  
Fiscal loss  
Employees' benefits  
Bonus

Deferred tax assets - net

**PLI**

Deferred tax asset  
Fiscal loss

Deferred tax asset - net

**Consolidated deferred tax assets - net**

**Transgasindo**

Deferred tax assets  
Employees' benefits  
Adjustment arising from adoption of PSAK No. 24 (Revised 2010)

Sub-total

Allowance for impairment losses  
Bonus

Deferred tax liability  
Fixed assets

Deferred tax liability - net

**Consolidated deferred tax liability - net**

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**22. PERPAJAKAN (lanjutan)**

**e. Pajak Tangguhan (lanjutan)**

Rincian manfaat (beban) pajak tangguhan adalah sebagai berikut:

	2013	2012
Pengaruh pajak atas beda temporer pada tarif pajak maksimum:		
<u>Perusahaan</u>		
Kesejahteraan karyawan	(4.333.320)	1.935.269
Penyisihan aset pajak tangguhan	262.220	(558.195)
Gaji dan bonus	(246.529)	767.798
Penyisihan persediaan usang	-	232.536
Cadangan kerugian penurunan nilai	(262.220)	325.659
<u>Entitas Anak</u>		
Penyusutan	1.690.077	2.096.896
Kesejahteraan karyawan	11.360	252.643
Rugi fiskal	456.324	192.115
Bonus	114.579	70.860
Cadangan kerugian penurunan nilai	(996.466)	-
Pajak atas FTP (Catatan 19)	(1.250.618)	-
<b>Manfaat pajak tangguhan, neto</b>	<b>(4.554.593)</b>	<b>5.315.581</b>

Rincian manfaat pajak tangguhan atas kesejahteraan karyawan yang disajikan dalam Pendapatan Komprehensif Lainnya sebagai berikut:

	2013	2012
<u>Perusahaan</u>		
Manfaat (beban) pajak tangguhan atas kesejahteraan karyawan:		
Kerugian (keuntungan) aktuarial		
Awal tahun	13.969.201	11.704.574
Tahun berjalan	(5.191.037)	2.264.627
<u>Entitas Anak</u>		
Manfaat (beban) pajak tangguhan atas kesejahteraan karyawan:		
Kerugian (keuntungan) aktuarial		
Awal tahun	169.624	527.858
Tahun berjalan	(526.929)	(358.234)
<b>Manfaat pajak tangguhan, neto</b>	<b>8.420.859</b>	<b>14.138.825</b>

**22. TAXATION (continued)**

**e. Deferred Tax (continued)**

The details of deferred tax benefit (expense) are as follows:

The effects of temporary differences at maximum tax rate:
<u>The Company</u>
Employees' benefits
Valuation allowance
Salaries and bonus
Provision for inventory obsolescence
Provision for impairment losses
<u>Subsidiaries</u>
Depreciation
Employees' benefits
Fiscal loss
Bonus
Provision for impairment losses
Tax of FTP (Note 19)

Deferred tax benefit, net

The details of deferred tax benefit for employees' benefits presented in the Other Comprehensive Income are as follows:

<u>The Company</u>
Deferred tax benefit (expense) for employees' benefits:
Actuarial loss (gain)
Beginning of year
Current year
<u>Subsidiaries</u>
Deferred tax benefit (expense) for employees' benefits:
Actuarial loss (gain)
Beginning of year
Current year

Deferred tax benefit, net

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**22. PERPAJAKAN (lanjutan)**

**e. 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 dan provisi untuk kesejahteraan karyawan

Perbedaan dasar pencatatan aset tetap adalah karena perbedaan estimasi masa manfaat aset untuk tujuan pelaporan akuntansi dan pajak.

Perbedaan dasar cadangan kerugian penurunan nilai, penyisihan persediaan usang, provisi untuk gaji dan bonus karyawan dan penyisihan manfaat karyawan karena perbedaan waktu pengakuan beban untuk tujuan pelaporan akuntansi dan pajak.

Manajemen berpendapat bahwa penyisihan aset pajak tangguhan adalah cukup untuk menutup manfaat yang mungkin tidak dapat direalisasi.

Tidak terdapat konsekuensi pajak penghasilan atas pembayaran dividen oleh Entitas-entitas Anak domestik dan Entitas Asosiasi kepada Perusahaan dan Perusahaan bermaksud memegang investasi tersebut dalam jangka panjang.

Rekonsiliasi antara estimasi pajak penghasilan yang dihitung dengan menggunakan tarif pajak yang berlaku pada tahun 2013 dan 2012 dari laba akuntansi sebelum manfaat (beban) pajak penghasilan seperti yang tercantum dalam laporan laba rugi komprehensif konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

**22. TAXATION (continued)**

**e. 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 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 and allowance for employees' benefits are due to the difference in timing of recognition of expenses for accounting and tax reporting purposes.*

*The management believes that the valuation allowance for deferred tax assets is adequate to cover the possible that such tax benefits will not be realized.*

*There are no income tax consequences attached to the payment of dividends by the local Subsidiaries and Associates to the Company and the Company intends to hold the investment for long-term.*

*The reconciliation between tax expense computed using the prevailing tax rate in 2013 and 2012 on the accounting income before tax benefit (expense) reported in the consolidated statements of comprehensive income for the years ended as of December 31, 2013 and 2012 is as follows:*

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**22. PERPAJAKAN (lanjutan)**

**e. Pajak Tangguhan (lanjutan)**

	2013
Laba sebelum manfaat (beban) pajak konsolidasian	1.125.081.669
Eliminasi laba rugi	(10.595.653)
Laba sebelum manfaat (beban) pajak konsolidasian sebelum eliminasi	1.114.486.016
Beban pajak dengan tarif pajak 25%	278.621.504
Pengaruh pajak atas beda tetap Perusahaan dan Entitas Anaknya	(1.591.630)
Pengaruh perbedaan penggunaan tarif dalam perhitungan pajak tangguhan	1.125.712
Pengaruh penurunan tarif pajak penghasilan dalam perhitungan pajak kini Perusahaan	(47.927.993)
Koreksi hasil pemeriksaan pajak penghasilan tahun sebelumnya	969.556
Estimasi rugi fiskal yang tidak diakui pada Entitas Anak	-
Estimasi beban pajak - neto menurut laporan laba rugi komprehensif konsolidasian	231.197.149

**f. 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 2012 sesuai dengan perhitungan di atas, sedangkan untuk tahun 2013, Perusahaan akan menyampaikan SPTnya sesuai dengan angka di atas.

**22. TAXATION (continued)**

**e. Deferred Tax (continued)**

	2012	
Laba sebelum manfaat (beban) pajak konsolidasian	1.148.308.027	Consolidated profit before tax benefit (expense)
Eliminasi laba rugi	10.578.636	Elimination of revenues and expenses
Laba sebelum manfaat (beban) pajak konsolidasian sebelum eliminasi	1.158.886.663	Consolidated profit before tax benefit (expense) before elimination
Beban pajak dengan tarif pajak 25%	289.721.666	Tax expense computed using rate 25%
Pengaruh pajak atas beda tetap Perusahaan dan Subsidiaries' permanent differences	(3.149.012)	Tax effect of the Company and Subsidiaries' permanent differences
Pengaruh perbedaan penggunaan tarif dalam perhitungan pajak tangguhan	(94.092)	Effect from different rate used in deferred tax calculation
Pengaruh penurunan tarif pajak penghasilan dalam perhitungan pajak kini Perusahaan	(54.199.112)	Effect of income tax rate reduction used in current tax computation in the Company
Koreksi hasil pemeriksaan pajak penghasilan tahun sebelumnya	-	Correction for prior year income tax assessment
Estimasi rugi fiskal yang tidak diakui pada Entitas Anak	772.327	Unrecognized estimated tax loss in Subsidiaries
Estimasi beban pajak - neto menurut laporan laba rugi komprehensif konsolidasian	233.051.777	Estimated tax expense - net per consolidated statements of comprehensive income

**f. 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 assessment 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 2012 Annual Tax Return (SPT) in accordance with the above computation, while for 2013, the Company will file the SPT in accordance with above figures.



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**22. PERPAJAKAN (lanjutan)**

g. Surat Ketetapan Pajak

**Perusahaan**

Pada tanggal 26 April 2013, Perusahaan menerima SKPLB untuk Pajak Penghasilan Badan tahun 2011 sebesar Rp77.208.977.387, Surat Ketetapan Pajak Kurang Bayar (SKPKB) untuk Pajak Pertambahan Nilai Barang dan Jasa atas Pemanfaatan Jasa Kena Pajak dari Luar Daerah Pabean untuk masa pajak Januari sampai Desember 2011 sebesar Rp348.663.206, dan menerima Surat Tagihan Pajak (STP) atas Pajak Pertambahan Nilai diatas untuk masa pajak Januari sampai Desember 2011 sebesar Rp52.827.758. Pada tanggal 2 Juli 2013, Perusahaan telah menerima kelebihan pembayaran pajak tersebut sebesar Rp76.807.486.423 setelah dikurangi dengan kekurangan bayar pajak dan tagihan pajak. Selisih antara jumlah yang ditagih oleh Perusahaan dengan jumlah yang dikembalikan oleh Kantor Pajak disajikan sebagai akun "Beban Pajak Kini" untuk pajak penghasilan dan "Beban Lain-Lain" untuk pajak lainnya dalam laporan laba rugi komprehensif konsolidasian pada tahun berjalan.

**PT Transportasi Gas Indonesia  
(Transgasindo), Entitas Anak**

Sehubungan dengan proses restitusi Pajak Pertambahan Nilai (PPN):

Selama tahun 2013 dan 2012, Transgasindo menerima beberapa Surat Ketetapan Pajak Lebih Bayar (SKPLB) PPN dengan jumlah keseluruhan masing-masing sebesar Rp19,6 miliar dan Rp22,3 miliar. Transgasindo telah menyetujui seluruh ketetapan pajak tersebut kecuali untuk Surat Ketetapan Pajak masa April 2012 sampai dengan September 2012, dengan jumlah keberatan pajak sebesar Rp0,5 miliar yang mencerminkan selisih antara jumlah yang ditetapkan Kantor Pajak dengan yang ditagih oleh Transgasindo.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, Transgasindo masih menunggu keputusan dari Kantor Pajak atas keberatan yang diajukan.

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**22. TAXATION (continued)**

g. Tax Assessment Letters

**The Company**

On April 26, 2013, the Company has received SKPLB of Corporate Income Tax for the year 2011 amounting to Rp77,208,977,387, Tax Assessment Letter for Underpayment (SKPKB) of Value-Added Tax for the utilization of taxable services from the Outside of the Pabean Area for the periods of January until December 2011 amounting to Rp348,663,206 and the Company also received Tax Claim Letter (STP) for the above Value-Added Tax for the periods of January until December 2011 amounting to Rp52,827,758. On July 2, 2013, the Company received the refund of such tax overpayment amounting to Rp76,807,486,423, net of the tax underpayments and tax claim. The difference between the amount claimed by the Company and the amount refunded by the Tax Office is presented in the "Current Tax Expense" account for income tax and "Other Expense" account for other tax in the consolidated statements of comprehensive income.

**PT Transportasi Gas Indonesia  
(Transgasindo), the Subsidiary**

In relation to Value-added Tax (VAT) refund process:

During the years of 2013 and 2012, Transgasindo received several Overpayment Tax Assessment Letters (SKPLB) with tax refund totaling to Rp19.6 billion and Rp22.3 billion, respectively. Transgasindo has agreed to the above tax assessments, except for Tax Assessment Letters for the months of April 2012 to September 2012, with tax objection amounting to Rp0.5 billion, which represents the difference between the amount determined by the Tax Office with the amount claimed by Transgasindo.

Up to the completion date of this consolidated financial statements, the Transgasindo is still waiting for the decision from the Tax Office regarding the tax objection which was submitted.

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**22. PERPAJAKAN (lanjutan)**

g. Surat Ketetapan Pajak (lanjutan)

**PT Transportasi Gas Indonesia  
(Transgasindo), Entitas Anak (lanjutan)**

Selama tahun 2013 dan 2012, Transgasindo menerima hasil restitusi PPN masing-masing sejumlah Rp20,0 miliar (setara dengan US\$2,0 juta) dan Rp19,6 miliar (setara dengan US\$2,1 juta). Untuk setiap SKPLB yang telah disetujui Transgasindo, selisih antara jumlah yang ditagihkan Perusahaan dengan jumlah yang ditentukan oleh Kantor Pajak disajikan pada akun "Beban Lain-lain" pada laporan laba rugi komprehensif konsolidasian.

**23. MODAL SAHAM**

Susunan kepemilikan saham Perusahaan pada tanggal 31 Desember 2013 dan 2012 berdasarkan catatan yang dibuat oleh PT Datindo Entrycom, Biro Administrasi Efek, adalah sebagai berikut:

	Lembar Saham/ Number of Shares	US\$	%
Saham Seri A Dwiwarna	1	-	0,00
1. Pemerintah Republik Indonesia			
Saham Seri B	13.809.038.755	195.968.391	56,97
1. Pemerintah Republik Indonesia			
2. Masyarakat umum dan karyawan (masing-masing dibawah 5%)	10.430.448.940	148.021.765	43,03
3. Manajemen			
- Djoko Saputro (Direksi)	30.000	426	0,00
- Hendi Kusnadi (Direksi)	140.500	1.994	0,00
Ditempatkan dan disetor penuh	24.239.658.196	343.992.576	100,00
Modal saham diperoleh kembali*)	1.850.000	26.255	
<b>Saham beredar</b>	<b>24.241.508.196</b>	<b>344.018.831</b>	

\*) Nilai harga perolehan pembelian kembali saham adalah sebesar US\$251.054.

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.

Pada tanggal 31 Desember 2013, Perusahaan telah mencatatkan seluruh sahamnya yang beredar pada Bursa Efek Indonesia sebanyak 24.241.508.196 lembar saham.

**22. TAXATION (continued)**

g. Tax Assessment Letters (continued)

**PT Transportasi Gas Indonesia  
(Transgasindo), the Subsidiary (continued)**

During the years 2013 and 2012, the Company received VAT refund totaling Rp20.0 billion (equivalent to US\$2 million) and Rp19.6 billion (equivalent to US\$2.1 million), respectively. For each SKPLB which has been agreed by Transgasindo, the difference between the amount claimed by Transgasindo with the amount determined by the Tax Office were presented under "Other Expenses" account in the consolidated statements of comprehensive income.

**23. CAPITAL STOCK**

The details of the shareholders as of December 31, 2013 and 2012 based on the report prepared by PT Datindo Entrycom, the Securities Administration Agency (Biro Administrasi Efek), are as follows:

	US\$	%	
Saham Seri A Dwiwarna	-	0,00	Series A Dwiwarna Share
1. Pemerintah Republik Indonesia			1. The Government of the Republic of Indonesia
Saham Seri B	195.968.391	56,97	Series B Shares
1. Pemerintah Republik Indonesia			1. The Government of the Republic of Indonesia
2. Masyarakat umum dan karyawan (masing-masing dibawah 5%)	148.021.765	43,03	2. Public and employees (each below 5%)
3. Manajemen			3. Management
- Djoko Saputro (Direksi)	426	0,00	Djoko Saputro (Director) -
- Hendi Kusnadi (Direksi)	1.994	0,00	Hendi Kusnadi (Director) -
Ditempatkan dan disetor penuh	343.992.576	100,00	Issued and fully paid
Modal saham diperoleh kembali*)	26.255		Treasury stock*)
<b>Saham beredar</b>	<b>344.018.831</b>		<b>Outstanding shares</b>

\*) The acquisition cost of the treasury stock amounted to US\$251,054.

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.

As of December 31, 2013, the Company has listed all its outstanding shares on the Indonesia Stock Exchange totaling to 24,241,508,196 shares.

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**24. PENCADANGAN SALDO LABA DAN  
PEMBAGIAN LABA**

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 17 April 2013 yang diaktakan dengan Akta Notaris No. 56 dari Notaris Fathiah Helmi S.H., tanggal 17 April 2013, para pemegang saham menyetujui keputusan-keputusan, sebagai berikut:

1. Menetapkan penggunaan laba tahun berjalan yang dapat diatribusikan kepada pemilik Entitas Induk Perusahaan untuk tahun buku 2012 berjumlah sebesar US\$890.885.456 diperuntukkan sebagai berikut:
  - a. Pembagian dividen tunai sebesar Rp4.915.075.492.403 (setara dengan US\$506.186.971) atau Rp202,77 per saham kepada pemegang saham;
  - b. Sisanya akan dicatat sebagai saldo laba untuk mendukung kegiatan operasional dan pengembangan Perusahaan.
2. Menetapkan untuk tidak mengalokasikan laba tahun berjalan yang dapat diatribusikan kepada pemilik Entitas Induk untuk tahun buku 2012 untuk sumber dana Program Kemitraan dan Bina Lingkungan. Perusahaan akan membiayai kegiatan Tanggung Jawab Sosial dan Lingkungan tahun buku 2013 sesuai dengan kebutuhan dan kemampuan Perusahaan.
3. Kepada Direksi diberikan wewenang untuk mengatur lebih lanjut tata cara pembagian dividen tersebut dan mengumumkannya dengan memperhatikan peraturan dan perundangan yang berlaku.

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 22 Mei 2012 yang diaktakan dengan Akta Notaris No. 106 dari Notaris Aryanti Artisari S.H., M.Kn., tanggal 22 Mei 2012, para pemegang saham menyetujui keputusan-keputusan, sebagai berikut:

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**24. APPROPRIATIONS OF RETAINED EARNINGS  
AND DISTRIBUTIONS OF INCOME**

*Based on the Minutes of the Company's Annual General Shareholders' Meeting held on April 17, 2013 which were notarized with Notarial Deed No. 56 of Notary Fathiah Helmi, S.H., dated April 17, 2013, the shareholders ratified the following decisions, as follows:*

1. *Approved the use of profit for the year that is attributable to Owner of the Parent Entity for the financial year of 2012 in the amount of US\$890,885,456 to be utilized as follows:*
  - a. *Distribution of cash dividends of Rp4,915,075,492,403 (equivalent to US\$506,186,971) or Rp202.77 per share to shareholders;*
  - b. *The remaining amount will be appropriated as retained earnings to support the operational activities and the Company's expansion.*
2. *Determined not to allocate the profit for the year that is attributable to owner of the Parent Entity for the financial year of 2012 to fund the Partnership and Community Development Program. The Company will expense the activity of Social and Environment Responsibility (CSR) for the financial year of 2013 according to the needs and ability of the Company.*
3. *To give authority to the Board of Directors to further prepare for the cash dividends distribution procedures and published it taking into consideration the prevailing laws and regulations.*

*Based on the Minutes of the Company's Annual General Shareholders' Meeting held on May 22, 2012 which were notarized with Notarial Deed No. 106 of Notary Aryanti Artisari S.H., M.Kn., dated May 22, 2012, the shareholders ratified the following decisions, as follows:*

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**24. PENCADANGAN SALDO LABA DAN  
PEMBAGIAN LABA (lanjutan)**

1. Pembagian dividen tunai sebesar Rp3.263.184.778.516 atau 55% dari laba neto tahun buku 2011 (setara dengan US\$352.205.589). Atas dividen final tersebut telah dibagikan dalam bentuk dividen interim sebesar Rp263.485.084.590 pada tanggal 8 November 2011. Dengan demikian sisa sebesar Rp2.999.699.693.926 atau Rp123,75 per saham akan dibagikan secara tunai.
2. Sebesar Rp118.661.264.673 atau 2% dari laba neto tahun buku 2011 dialokasikan untuk Program Kemitraan (setara dengan US\$12.807.476).
3. Sebesar Rp118.661.264.673 atau 2% dari laba neto tahun buku 2011 dialokasikan untuk Program Bina Lingkungan (setara dengan US\$12.807.476).
4. Sisanya akan dicatat sebagai saldo laba untuk mendukung kegiatan operasional dan pengembangan Perusahaan.
5. Kepada Direksi diberikan wewenang untuk mengatur lebih lanjut tata cara pembagian dividen tersebut dan mengumumkannya dengan memperhatikan peraturan dan perundangan yang berlaku.

**25. PENDAPATAN NETO**

Akun ini terdiri dari:

	2013
Distribusi gas - setelah penyesuaian pendapatan	2.769.733.302
Transmisi gas	180.240.606
Penjualan minyak dan gas - neto	34.844.573
Sewa fiber optik	10.341.994
Lain-lain	6.356.155
<b>Total, Neto</b>	<b>3.001.516.630</b>

Penyesuaian pendapatan merupakan koreksi faktur pelanggan melalui rekonsiliasi atas penggunaan gas antara Kelompok Usaha dan pelanggan.

Penjualan minyak dan gas merupakan pendapatan atas penjualan minyak dan gas Kelompok Usaha dari aktivitas eksplorasi dan produksi yang berkaitan dengan kontrak kerjasama dimana Kelompok Usaha bukan merupakan operator.

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**24. APPROPRIATIONS OF RETAINED EARNINGS  
AND DISTRIBUTIONS OF INCOME (continued)**

1. Distribution of cash dividends of Rp3,263,184,778,516 or 55% of net income in 2011 (equivalent to US\$352,205,589). Such final dividends have been partially distributed in the form of interim dividends for the amount of Rp263,485,084,590 on November 8, 2011. Therefore, the remaining cash dividends amounting to Rp2,999,699,693,926 or Rp123.75 per share will be distributed as cash dividends.
2. Amount of Rp118,661,264,673 or 2% of 2011 net income to be allocated for Partnership Program (equivalent to US\$12,807,476).
3. Amount of Rp118,661,264,673 or 2% of 2011 net income to be allocated for Community Development Program (equivalent to US\$12,807,476).
4. The remaining amount will be appropriated as retained earnings to support the operational activities and the Company's expansion.
5. To give authority to the Board of Directors to further prepare for the cash dividends distribution procedures and published it taking into consideration the prevailing laws and regulations.

**25. NET REVENUES**

This account consists of:

2012	
2.369.946.263	Gas distribution - net of sales adjustments
199.999.400	Gas transmission
-	Oil and gas sales - net
9.803.747	Fiber optic rental
484.730	Others
2.580.234.140	Total, Net

The revenue adjustments pertain to corrections made to customers' invoices upon reconciliation of the gas consumption between the Group and the customers.

Net oil and gas represents Group's sales of oil and gas from exploration and production activities related to certain non-group operated joint venture.

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**25. PENDAPATAN NETO (lanjutan)**

Sewa fiber optik merupakan pendapatan PGASKOM atas penyediaan jaringan kepada para pelanggan.

Pendapatan lain-lain merupakan pendapatan PGASSOL atas penyediaan jasa konstruksi dan pemeliharaan jaringan pipa kepada pelanggannya.

Pendapatan gas bumi terdiri dari distribusi gas kepada:

	2013
Industri	2.687.567.392
Komersial	75.103.555
Rumah tangga	5.419.102
Stasiun Pengisian Bahan Bakar Gas (SPBG)	1.643.253
<b>Total</b>	<b>2.769.733.302</b>

Pendapatan neto dari pelanggan yang melebihi 10% dari total pendapatan neto konsolidasian adalah pendapatan dari PT PLN (Persero), entitas berelasi dengan Pemerintah, masing-masing sebesar US\$575.213.360 atau 19,16% dan US\$400.063.990 atau 15,50% dari total pendapatan neto konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

Kelompok Usaha melakukan transaksi penjualan dengan entitas berelasi dengan Pemerintah, dengan total masing-masing sebesar 26,52% dan 23,75% dari total pendapatan neto konsolidasian di atas untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

**26. BEBAN POKOK PENDAPATAN**

Akun ini terdiri dari:

	2013
Distribusi Gas	
Pihak ketiga	1.151.868.993
Entitas berelasi dengan Pemerintah (Catatan 35)	413.252.605
Sub-total	1.565.121.598
Beban pengoperasian minyak dan gas bumi	
Beban produksi dan <i>lifting</i>	11.033.173
Beban penyusutan, deplesi dan amortisasi	7.367.374
Sub-total	18.400.547
<b>Total</b>	<b>1.583.522.145</b>

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**25. NET REVENUES (continued)**

Fiber optic rental represents PGASKOM's revenues of network services to the customers.

Other revenues represents PGASSOL's revenues of pipeline construction and maintenance services to the customers.

Natural gas revenues consist of gas distribution to:

2012	
2.310.217.752	Industrial
50.496.129	Commercial
5.491.279	Households
3.741.103	Fuel Gas Filling Stations (SPBG)
2.369.946.263	Total

Net revenues from customer in excess of 10% of the total consolidated net revenues are revenue from PT PLN (Persero), Government-related entity, which amounted to US\$575,213,360 or 19.16% and US\$400,063,990 or 15.50% of the total consolidated net revenues for the years ended December 31, 2013 and 2012.

The Group enters into sales transactions with the Government-related entities, totaling 26.52% and 23.75% of its consolidated net revenues above for the years ended December 31, 2013 and 2012, respectively.

**26. COST OF REVENUES**

This account consists of:

2012	
776.057.899	Gas Distribution Third parties
331.784.937	Government-related entities (Note 35)
1.107.842.836	Sub-total
-	Oil and gas operating expenses Production and lifting cost
-	Depreciation, depletion and amortization
-	Sub-total
1.107.842.836	Total



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**26. BEBAN POKOK PENDAPATAN (lanjutan)**

Pembelian neto dari pemasok yang melebihi 10% dari total pendapatan neto konsolidasian adalah pembelian dari Pertamina, entitas berelasi dengan Pemerintah, dan ConocoPhillips masing-masing sebesar US\$413.252.605 atau 13,77% dan US\$722.017.816 atau 24,06% dari total pendapatan neto konsolidasian untuk tahun 2013 dan pembelian dari Pertamina dan ConocoPhillips masing-masing sebesar US\$331.784.937 atau 12,86% dan US\$392.151.565 atau 15,20% dari total pendapatan neto konsolidasian untuk tahun 2012.

Kelompok Usaha melakukan transaksi pembelian gas dengan entitas berelasi dengan Pemerintah, dengan total masing-masing sebesar US\$413.252.605 atau 26,10% dan US\$331.784.937 atau 29,95% dari total beban pokok pendapatan konsolidasian di atas untuk tahun 2013 dan 2012.

**26. COST OF REVENUES (continued)**

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 US\$413,252,605 or 13.77% and US\$722,017,816 or 24.06% of the total consolidated net revenues for 2013, respectively, and purchases from Pertamina and ConocoPhillips amounting to US\$331,784,937 or 12.86% and US\$392,151,565 or 15.20% of total consolidated net revenues for 2012, respectively.

The Group enters into purchase transactions with the Government-related entities, totaling US\$413,252,605 or 26.10% and US\$331,784,937 or 29.95% of its consolidated cost of revenues above for 2013 and 2012, respectively.

**27. BEBAN DISTRIBUSI DAN TRANSMISI**

Akun ini terdiri dari:

**27. DISTRIBUTION AND TRANSMISSION EXPENSES**

This account consists of:

	2013	2012	
Penyusutan (Catatan 14)	169.401.257	174.819.070	Depreciation (Note 14)
Gaji dan kesejahteraan karyawan	38.391.494	41.392.899	Salaries and employees' benefits
Honorarium profesional	23.021.310	5.946.072	Professional fees
Perbaikan dan pemeliharaan	20.502.621	16.523.793	Repairs and maintenance
Iuran BPH Migas	12.964.088	11.309.710	BPH Migas levy
Bahan bakar dan bahan kimia	6.865.643	5.441.520	Fuel and chemicals
Peralatan dan suku cadang	4.765.739	2.452.463	Tools and spare parts
Asuransi	3.443.735	2.936.311	Insurance
Perjalanan dinas dan transportasi	2.851.809	2.761.331	Traveling and transportation
Sewa	2.580.863	1.148.946	Rental
Representasi dan jamuan	1.739.484	738.196	Representation and entertainment
Peralatan kantor	1.130.293	747.943	Office supplies
Listrik dan air	575.417	308.022	Electricity and water
Komunikasi	416.215	300.937	Communications
Amortisasi	405.939	340.398	Amortization
Pendidikan dan pelatihan	366.832	547.333	Education and training
Material umum	363.254	272.800	General materials
Perayaan	357.592	225.981	Celebration
Pajak dan perizinan	141.622	48.552	Taxes and licenses
Lain-lain	2.273.768	1.632.492	Others
<b>Total</b>	<b>292.558.975</b>	<b>269.894.769</b>	<b>Total</b>



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**28. BEBAN UMUM DAN ADMINISTRASI**

Akun ini terdiri dari:

	2013	2012
Gaji dan kesejahteraan karyawan	83.715.450	83.087.327
Honorarium profesional	30.996.875	42.105.810
Penyusutan (Catatan 14)	16.235.064	14.585.685
Sewa	15.968.675	16.428.589
Promosi	12.348.490	4.842.334
Tanggung jawab sosial dan bina lingkungan (Catatan 36)	8.023.230	736.970
Perjalanan dinas dan transportasi	7.126.137	6.321.129
Perbaikan dan pemeliharaan	6.812.800	5.858.535
Pendidikan dan pelatihan	5.488.539	4.760.486
Representasi dan jamuan	4.597.591	3.724.313
Peralatan dan suku cadang	3.782.452	678.087
Pajak dan perizinan	3.477.143	3.166.702
Biaya bank	2.310.654	1.838.152
Komunikasi	2.168.376	2.392.427
Asuransi	2.103.238	2.045.332
Peralatan kantor	2.101.205	2.576.929
Bahan bakar dan bahan kimia	1.624.232	1.742.881
Listrik dan air	1.473.190	1.538.993
Perayaan	1.461.656	1.298.297
Amortisasi	1.014.016	859.508
Penyisihan kerugian penurunan nilai (Catatan 7 dan 8)	783.775	1.906.639
Material umum	414.491	634.710
Pakaian dinas	211.122	274.505
Lain-lain	2.378.952	985.594
<b>Total</b>	<b>216.617.353</b>	<b>204.389.934</b>

**28. GENERAL AND ADMINISTRATIVE EXPENSES**

This account consists of:

Salaries and employees' benefits
Professional fees
Depreciation (Note 14)
Rental
Promotion
Corporate Social Responsibility and Community Development (CSR) (Note 36)
Traveling and transportation
Repairs and maintenance
Education and training
Representation and entertainment
Tools and spare parts
Taxes and licenses
Bank charges
Communications
Insurance
Office supplies
Fuels and chemicals
Electricity and water
Celebration
Amortization
Provision for impairment losses (Notes 7 and 8)
General materials
Employees' uniform
Others
<b>Total</b>

**29. BEBAN KEUANGAN**

Akun ini terdiri dari:

	2013	2012
Penerusan pinjaman dari Pemerintah Republik Indonesia yang didanai oleh:		
- Japan Bank for International Cooperation	7.247.187	7.802.255
- International Bank for Reconstruction and Development	3.105.653	3.158.398
- European Investment Bank	2.207.075	2.741.723
- Asian Development Bank	275.041	340.605
Pembalikan dari efek diskonto atas provisi pembongkaran aset dan restorasi area The Hongkong and Shanghai Banking Corporation Ltd.	3.657.748	-
PT Bank Negara Indonesia (Persero) Tbk	3.431.861	5.219.765
PT Bank Sumitomo Mitsui Indonesia	1.722.399	2.313.926
	216.621	-
<b>Total</b>	<b>21.863.585</b>	<b>21.576.672</b>

**29. FINANCE COST**

This account consists of:

Republic of Indonesia funded by:
Japan Bank for International Cooperation -
International Bank for Reconstruction -
and Development
European Investment Bank -
Asian Development Bank -
The unwinding of the effect of discounting the provision of assets abandonment and area restoration
The Hongkong and Shanghai Banking Corporation Ltd.
PT Bank Negara Indonesia (Persero) Tbk
PT Bank Sumitomo Mitsui Indonesia
<b>Total</b>

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**30. PENDAPATAN KEUANGAN**

Akun ini terdiri dari:

	2013
Bunga deposito	19.774.363
Bunga investasi obligasi	5.027.413
Bunga jasa giro	2.108.463
Bunga pinjaman dari pemegang saham	-
<b>Total</b>	<b>26.910.239</b>

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**30. FINANCE INCOME**

This account consists of:

	2012	
	21.820.212	Interest of time deposits
	4.327.244	Interest from investments in bond
	1.628.733	Interest of current accounts
	47.947	Interest from shareholder loan
<b>Total</b>	<b>27.824.136</b>	<b>Total</b>

**31. INSTRUMEN KEUANGAN DERIVATIF**

Akun ini terdiri dari:

		Nilai Wajar dalam Dolar AS/ Fair Value in US Dollar	
	Jumlah Nosional/ Notional Amount	2013 Utang/ Payables	2012 Utang/ Payables
The Royal Bank of Scotland N.V., cross currency swap	JPY19.420.211.744	<b>11.927.017</b>	<b>87.115.630</b>

The Royal Bank of Scotland N.V.,  
cross currency swap

Pada tanggal 16 Februari 2007, Perusahaan mengadakan kontrak *cross currency swap* dengan ABN AMRO Bank N.V. (ABN), sekarang menjadi The Royal Bank of Scotland N.V. (RBS), Cabang London, dimana Perusahaan menyetujui untuk menerima bunga Yen Jepang (JPY) dikalikan 35% dan menyetujui untuk membayar bunga pada tingkat 0% untuk tahun tanggal 15 Oktober 2006 sampai 15 Oktober 2008 dan untuk tahun 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 (US\$/JPY) dibagi seratus atau 0%, mana yang lebih tinggi.

Pada tanggal 19 Agustus 2008, Perusahaan mengadakan perubahan atas kontrak *cross currency swap* dengan RBS, dimana Perusahaan menyetujui untuk menerima bunga sebesar bunga Yen Jepang (JPY) dikalikan 42% dan menyetujui untuk membayar bunga pada tingkat 0% untuk tahun tanggal 15 Oktober 2006 sampai 15 Oktober 2008 dan untuk tahun 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 (US\$/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 tahun tersebut.

**31. DERIVATIVE FINANCIAL INSTRUMENT**

This account consists of:

On February 16, 2007, the Company entered into a cross currency swap contract with ABN AMRO Bank N.V. (ABN), currently The Royal Bank of Scotland N.V. (RBS), London Branch, whereby the Company agreed to receive Japanese Yen (JPY) interest multiplied by 35% and agreed to pay interest at 0% for the year from October 15, 2006 to October 15, 2008, and for the year 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 (US\$/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 RBS 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 year from October 15, 2006 to October 15, 2008, and for the year 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 (US\$/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 year.

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**31. INSTRUMEN KEUANGAN DERIVATIF (lanjutan)**

Sebagai tambahan, Perusahaan juga menyetujui untuk menerima Yen Jepang dalam jumlah sebagaimana diatur dalam perjanjian selama nilai tukar US\$/JPY berada pada atau di bawah 121,50 pada setiap akhir tahun yang disepakati dan menyetujui untuk membayar sejumlah Dolar AS dengan nilai tukar US\$/JPY sebesar 121,50. Apabila nilai tukar US\$/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 US\$/JPY, sehubungan dengan pinjaman jangka panjang yang diperoleh dari JBIC.

Perusahaan menggunakan teknik penilaian penentuan harga opsi dan disesuaikan dengan risiko kredit sebesar US\$1.233.359 dan US\$4.518.734 masing-masing pada tanggal 31 Desember 2013 dan 2012.

Perubahan neto nilai wajar atas instrumen-instrumen derivatif di atas disajikan pada akun "Laba (Rugi) Perubahan Nilai Wajar Derivatif - Neto" pada laporan laba rugi komprehensif konsolidasian.

**32. LABA KURS - NETO**

Laba selisih kurs terutama berasal dari penyesuaian aset dan liabilitas dalam mata uang asing dan perbedaan nilai tukar transaksi dari kegiatan usaha Perusahaan dalam mata uang asing.

Selama tahun 2013 dan 2012, Perusahaan mengalami laba selisih kurs - neto yang disebabkan oleh menguatnya nilai tukar Dolar AS terhadap mata uang asing, khususnya Yen Jepang yang mengakibatkan penurunan posisi liabilitas neto dalam mata uang asing Perusahaan.

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**31. DERIVATIVE FINANCIAL INSTRUMENT  
(continued)**

*In addition, the Company also agreed to receive Japanese Yen in the amount stipulated in the agreement, as long as the US\$/JPY exchange rate is at or below 121.50 at the end of the agreed year and to pay US Dollar amount with exchange rate of US\$/JPY of 121.50. If US\$/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 US\$/JPY, in relation to the long-term loan obtained from JBIC.*

*The Company used option pricing valuation technique adjusted with credit risk of US\$1,233,359 and US\$4,518,734 as of December 31, 2013 and 2012, respectively.*

*The net changes in the fair values of the above derivative instruments were presented in account "Gain (Loss) on Change in Fair Value of Derivative - Net" in the consolidated statements of comprehensive income.*

**32. GAIN ON FOREIGN EXCHANGE - NET**

*Gain 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 2013 and 2012, the Company incurred gain on foreign exchange - net due to strengthening of US Dollar against foreign currency, especially Japanese Yen which decreased the net foreign currency denominated liabilities of the Company.*

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**33. IMBALAN KERJA**

Kelompok Usaha menyediakan imbalan kerja jangka pendek, pensiun dan kesejahteraan karyawan lainnya untuk seluruh karyawan tetap yang masih aktif dan yang sudah pensiun sebagai berikut:

**a. Liabilitas Imbalan Kerja Jangka Pendek**

Liabilitas imbalan kerja jangka pendek pada tanggal 31 Desember 2013 dan 2012 merupakan akrual bonus dan gaji untuk karyawan masing-masing sebesar Rp397.081.406.481 (setara dengan US\$32.577.029) dan Rp328.279.686.300 (setara dengan US\$33.948.261) untuk Perusahaan dan masing-masing sebesar Rp37.115.590.323 (setara dengan US\$3.045.007) dan Rp32.439.905.879 (setara dengan US\$3.354.696) untuk Entitas Anak.

**b. 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.

**c. Yayasan Kesejahteraan Pegawai dan Pensiunan Gas Negara (YKPP Gas Negara)**

Perusahaan menyediakan tambahan tunjangan kesehatan bagi para pensiun, yang ditetapkan oleh perjanjian bersama dengan YKPP Gas Negara. Pada tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012, tidak terdapat pembayaran kepada YKPP Gas Negara.

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**33. EMPLOYEE BENEFITS**

*The Group provides short-term employee benefits, retirement and other employees' benefits to its active and retired employees, as follows:*

**a. Short-term employees' benefits liabilities**

*Short-term employees' benefits liabilities as of December 31, 2013 and 2012 represent bonus and salary accruals for employees amounting to Rp397,081,406,481 (equivalent to US\$32,577,029) and Rp328,279,686,300 (equivalent to US\$33,948,261), respectively for the Company and Rp37,115,590,323 (equivalent to US\$3,045,007) and Rp32,439,905,879 (equivalent to US\$3,354,696) respectively, for the Subsidiaries.*

**b. 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.*

**c. Yayasan Kesejahteraan Pegawai dan Pensiunan Umum Gas Negara (YKPP Gas Negara)**

*The Company provides additional post-retirement health care benefits for its retired employees, as covered in a cooperative agreement with YKPP Gas Negara. For the years ended December 31, 2013 and 2012, there were no contributions to YKPP Gas Negara.*

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**33. IMBALAN KERJA (lanjutan)**

**c. Yayasan Kesejahteraan Pegawai dan Pensiunan Gas Negara (YKPP Gas Negara) (lanjutan)**

Iuran kepada YKPP Gas Negara 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 30 November 2012, Perusahaan juga menyediakan tambahan tunjangan kesehatan hari tua bagi seluruh karyawan tetap, para pensiunan dan mantan direksi yang ditetapkan oleh perjanjian bersama dengan YKPP Gas Negara. Sumber dana program pensiun berasal dari kontribusi karyawan/anggota direksi dan Perusahaan masing-masing sebesar 3% dan 5% dari penghasilan dasar. Pada tahun 2012, total pembayaran kepada YKPP Gas Negara sebesar Rp24.000.000.000 (setara dengan US\$2.478.058).

Pada tanggal 31 Desember 2013 dan 2012, aset neto YKPP Gas Negara adalah masing-masing sebesar Rp16.512.041.977 (setara dengan US\$1.354.667) dan Rp16.512.041.977 (setara dengan US\$1.707.553).

**d. 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.

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**33. EMPLOYEE BENEFITS (continued)**

**c. Yayasan Kesejahteraan Pegawai dan Pensiunan Umum Gas Negara (YKPP Gas Negara) (continued)**

*The accumulated contributions to YKPP Gas Negara 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 earnings 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.*

*On November 30, 2012, the Company also provides additional post-retirement health care benefits for its eligible permanent employees, retired employees and ex member of directors, as covered in a cooperative agreement with YKPP Gas Negara. The fund is contributed by both employees/member of directors and the Company with contribution of 3% and 5% from the basic income. In 2012, the total contributions to YKPP Gas Negara amounted to Rp24,000,000,000 (equivalent to US\$2,478,058).*

*As of December 31, 2013 and 2012, the net assets of YKPP Gas Negara amounted to Rp16,512,041,977 (equivalent to US\$1,354,667) and Rp16,512,041,977 (equivalent to US\$1,707,553), respectively.*

**d. 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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**33. IMBALAN KERJA (lanjutan)**

**d. 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 US\$2.755.305 dan US\$2.896.505 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012.

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 Keputusan 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 2013 dan 2012 masing-masing sebesar US\$148.195 dan US\$253.756.

**e. Imbalan Kerja Jangka Panjang**

Liabilitas imbalan kerja jangka panjang pada tanggal-tanggal 31 Desember 2013 dan 2012, adalah sebagai berikut:

	2013	2012
<u>Imbalan pasca kerja</u>		
Perusahaan	92.830.320	138.516.344
Entitas Anak	3.322.595	5.299.753
Sub-total	96.152.915	143.816.097
<u>Imbalan kerja jangka panjang lainnya</u>		
Perusahaan	3.597.099	5.293.068
Entitas Anak	374.137	386.640
Sub-total	3.971.236	5.679.708
<b>Total</b>	<b>100.124.151</b>	<b>149.495.805</b>

**33. EMPLOYEE BENEFITS (continued)**

**d. 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 amounted to US\$2,755,305 and US\$2,896,505 for the years ended December 31, 2013 and 2012, 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 the Transgasindo in 2013 and 2012 amounted to US\$148,195 and US\$253,756, respectively.

**e. Long-term Employees' Benefits**

Long-term employees' benefits liabilities as of December 31, 2013 and 2012, are as follows:

	2013	2012
<u>Post retirement benefits</u>		
The Company	92.830.320	138.516.344
Subsidiaries	3.322.595	5.299.753
Sub-total	96.152.915	143.816.097
<u>Other long-term benefits</u>		
The Company	3.597.099	5.293.068
Subsidiaries	374.137	386.640
Sub-total	3.971.236	5.679.708
<b>Total</b>	<b>100.124.151</b>	<b>149.495.805</b>



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**33. IMBALAN KERJA (lanjutan)**

**e. Imbalan Kerja Jangka Panjang (lanjutan)**

Kelompok Usaha 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 2013 dan 2012, berdasarkan laporannya masing-masing tanggal 6 Januari 2014 dan 2 Januari 2013. Perhitungan aktuaris menggunakan metode "Projected Unit Credit" dengan asumsi-asumsi sebagai berikut:

	2013	2012	
Tingkat Bunga Aktuarial	9,00% - 9,10% per Tahun/ per Annum	6,00% - 6,20% per Tahun/ per Annum	Actuarial Discount Rate
Tingkat Kematian	TMI 2011	TMI 2011	Mortality Rate
Kenaikan Gaji dan Upah	7,00% - 10,00% per Tahun/ per Annum	8,00% - 10,00% per Tahun/ per Annum	Wages and Salaries Increase
Umur Pensiun	56 Tahun/Years	56 Tahun/Years	Retirement Age
Tingkat Cacat	10% dari Tingkat Kematian/from Mortality Rate	5% dari Tingkat Kematian/from Mortality Rate	Disability Rate

Tabel berikut ini menyajikan komponen beban dan liabilitas imbalan kerja karyawan konsolidasian.

**a. Beban kesejahteraan karyawan**

Imbalan pasca kerja

	2013
Biaya jasa kini	7.587.741
Biaya bunga	8.586.016
Amortisasi biaya jasa lalu - <i>unvested</i>	1.085.466
Amortisasi biaya jasa lalu segera diakui	49.301
<b>Total</b>	<b>17.308.524</b>

**33. EMPLOYEE BENEFITS (continued)**

**e. Long-term Employees' Benefits (continued)**

The Group 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, 2013 and 2012, in its reports dated January 6, 2014 and January 2, 2013. The actuarial calculation used the "Projected Unit Credit" method which utilized the following assumptions:

The following tables summarize the consolidated components of employees' benefits expense and liabilities.

**a. Employees' benefits expense**

Post retirement benefits

	2013	2012	
Biaya jasa kini	7.587.741	11.149.791	Current service cost
Biaya bunga	8.586.016	9.051.791	Interest cost
Amortisasi biaya jasa lalu - <i>unvested</i>	1.085.466	827.747	Amortization of past service cost - <i>unvested</i>
Amortisasi biaya jasa lalu segera diakui	49.301	-	Amortization of past service cost
<b>Total</b>	<b>17.308.524</b>	<b>21.029.329</b>	<b>Total</b>

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**33. IMBALAN KERJA (lanjutan)**

**e. Imbalan Kerja Jangka Panjang (lanjutan)**

**a. Beban kesejahteraan karyawan (lanjutan)**

Imbalan kerja jangka panjang lainnya

	2013
Biaya jasa kini	1.777.614
Biaya bunga	232.050
Biaya jasa lalu seluruhnya segera diakui	(5.125)
<b>Total</b>	<b>2.004.539</b>

**b. Liabilitas kesejahteraan karyawan**

Imbalan pasca kerja

	2013
Nilai kini kewajiban imbalan pasti	105.269.107
Biaya jasa lalu yang belum diakui - <i>unvested</i>	(9.116.192)
<b>Total</b>	<b>96.152.915</b>

Imbalan kerja jangka panjang lainnya

	2013
Nilai kini kewajiban imbalan pasti	<b>3.971.236</b>

**c. Mutasi liabilitas diestimasi atas imbalan kerja karyawan**

Perubahan dalam liabilitas kesejahteraan karyawan untuk pada tanggal 31 Desember 2013 dan 2012, sebagai berikut:

Imbalan pasca kerja

	2013	2012
Saldo awal	143.746.097	62.150.511
Kerugian (keuntungan) aktuarial yang diakui pada pendapatan komprehensif lain	(29.980.451)	68.820.187
Beban kesejahteraan tahun berjalan	17.308.524	21.029.329
Pembayaran tahun berjalan	(3.270.470)	(3.806.673)
Laba selisih kurs	(31.650.785)	(4.377.257)
<b>Saldo akhir</b>	<b>96.152.915</b>	<b>143.816.097</b>

**33. EMPLOYEE BENEFITS (continued)**

**e. Long-term Employees' Benefits (continued)**

**a. Employees' benefits expense (continued)**

Other long-term benefits

2012	
2.014.525	Current service cost
353.721	Interest cost
-	Past service cost which shall all be recognized immediately
2.368.246	Total

**b. Employees' benefits liability**

Post retirement benefits

2012	
156.110.291	Present value of employee benefits obligation
(12.294.194)	Unrecognized past service cost - unvested
143.816.097	Total

Other long-term benefits

2012	
5.679.708	Present value of employee benefits obligation

**c. The movements in the estimated liabilities for employees' benefits**

The movements in the employee benefits liability as of December 31, 2013 and 2012, are as follows:

Post retirement benefits

2012	
62.150.511	<i>Beginning balance</i>
68.820.187	<i>Actuarial loss (gain) recognized in other comprehensive income</i>
21.029.329	<i>Current benefits expense</i>
(3.806.673)	<i>Payments during the year</i>
(4.377.257)	<i>Foreign exchange gain</i>
<b>143.816.097</b>	<b><i>Ending balance</i></b>

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**33. IMBALAN KERJA (lanjutan)**

**e. Imbalan Kerja Jangka Panjang (lanjutan)**

- c. Mutasi liabilitas diestimasi atas imbalan kerja karyawan

Imbalan kerja jangka panjang lainnya

	2013	2012
Saldo awal	5.679.708	6.434.611
Kerugian (keuntungan) aktuarial pada pendapatan komprehensif lain	155.120	(655.819)
Beban kesejahteraan tahun berjalan	2.004.539	2.368.246
Pembayaran tahun berjalan	(2.808.684)	(2.057.557)
Laba selisih kurs	(1.059.447)	(409.773)
<b>Saldo akhir</b>	<b>3.971.236</b>	<b>5.679.708</b>

Other long-term benefits

Beginning balance
Actuarial loss (gain) in other comprehensive income
Current benefits expense
Payments during the year
Foreign exchange gain
Ending balance

Analisa sensitivitas untuk risiko tingkat diskonto

Pada tanggal 31 Desember 2013, jika tingkat diskonto meningkat sebesar satu poin dengan semua variabel konstan, maka liabilitas kesejahteraan karyawan lebih rendah sebesar US\$8.755.932, sedangkan jika tingkat diskonto menurun satu poin, maka liabilitas lebih tinggi sebesar US\$10.130.544.

Sensitivity analysis for discount rate risk

As of December 31, 2013, if the discount rate is higher one point with all other variables held constant, the employee benefits liability would have been US\$8,755,932 lower, while, if the discount rate is lower one point, the liability would have been US\$10,130,544 higher.

Imbalan pasca kerja/Post retirement benefits

	2013	2012	2011	2010	2009
Perubahan asumsi aktuarial/ Changes in actuarial assumptions	30.116.785	(69.904.457)	(25.741.438)	(9.365.543)	7.943.446
Perbedaan antara asumsi aktuarial dengan kenyataan/ The difference between the actuarial assumptions with the actual	53.612 (189.946)	(531.851) 1.616.121	15.786.352 (2.725.063)	(34.348.647) 974.955	5.064.945 1.051.769
Lain-lain/Others					
<b>Neto/Net</b>	<b>29.980.451</b>	<b>(68.820.187)</b>	<b>(12.680.149)</b>	<b>(42.739.235)</b>	<b>14.060.160</b>

**Perusahaan**

Pada tahun 2012, Perusahaan melakukan pemutusan kerja terhadap dua orang karyawan sehubungan dengan pengangkatan mereka sebagai Direksi. Atas pemutusan hubungan kerja ini, Perusahaan telah melakukan perhitungan besaran pembayaran purna bakti sebesar Rp7.861.098.666 (setara dengan US\$838.517). Selama tahun 2012, Perusahaan telah melakukan pembayaran seluruh liabilitas tersebut.

**The Company**

In 2012, 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 Rp7,861,098,666 (equivalent to US\$838,517). During 2012, the Company has paid all the liabilities.

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**33. IMBALAN KERJA (lanjutan)**

**Entitas Anak**

**Transgasindo**

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 6 Januari 2014 dan 4 Januari 2013, yang dihitung dengan menggunakan metode "Projected Unit Credit".

PLI tidak membentuk cadangan imbalan pasca kerja pada tanggal 31 Desember 2013 dan 2012, karena jumlahnya tidak material.

Seluruh beban imbalan kerja karyawan jangka panjang Kelompok Usaha disajikan sebagai akun "Beban Operasi - Gaji dan Kesejahteraan Karyawan" pada laporan laba rugi komprehensif konsolidasian.

Manajemen Kelompok Usaha berpendapat bahwa program jaminan hari tua cukup untuk menutupi semua imbalan yang diatur dalam UU No. 13/2003.

**33. EMPLOYEE BENEFITS (continued)**

**The Subsidiaries**

**Transgasindo**

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 6, 2014 and January 4, 2013, using the "Projected Unit Credit" method.

PLI did not provide for employee benefit liability as of December 31, 2013 and 2012, since the amount is immaterial.

All the employees' benefits expenses of the Group are presented as "Operating Expenses - Salaries and Employees' Benefits" account in the consolidated statements of comprehensive income.

The management of the Group believes that the retirements benefits program adequately cover the benefits to be provided based on Law No. 13/2003.

**34. KEPENTINGAN NONPENGENDALI**

**34. NON-CONTROLLING INTERESTS**

2013

	Saldo/Balance 1 Jan. 2013/ Jan. 1, 2013	Bagian atas laba (rugi) neto/ Share in net profit (loss)	Perubahan ekuitas lainnya/ Other equity movement	Saldo/Balance 31 Des. 2013/ Dec. 31, 2013	
Transgasindo	157.450.375	33.338.663	(8.984.805)	181.804.233	Transgasindo
PGASKOM	(5.205)	965	4.565	325	PGASKOM
PGASSOL	2.452	11.658	3.583	17.693	PGASSOL
<b>Total</b>	<b>157.447.622</b>	<b>33.351.286</b>	<b>(8.976.657)</b>	<b>181.822.251</b>	<b>Total</b>

2012

	Saldo/Balance 1 Jan. 2012/ Jan. 1, 2012	Bagian atas laba (rugi) neto/ Share in net profit (loss)	Perubahan ekuitas lainnya/ Other equity movement	Saldo/Balance 31 Des. 2012/ Dec. 31, 2012	
Transgasindo	147.331.796	24.369.070	(14.250.491)	157.450.375	Transgasindo
PGASKOM	(6.170)	570	395	(5.205)	PGASKOM
PGASSOL	752	1.154	546	2.452	PGASSOL
<b>Total</b>	<b>147.326.378</b>	<b>24.370.794</b>	<b>(14.249.550)</b>	<b>157.447.622</b>	<b>Total</b>

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**35. SALDO DAN TRANSAKSI SIGNIFIKAN  
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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:

**35. 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:*

<b>Pihak-pihak berelasi/ Related parties</b>	<b>Sifat hubungan/ Nature of relationship</b>	<b>Jenis transaksi/ Nature of transactions</b>
PT Bank Mandiri (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ <i>Controlled by the Central Government of the Republic of Indonesia</i>	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya, kas yang dibatasi penggunaannya, fasilitas <i>Non Cash Loan</i> , fasilitas <i>Bill Purchasing Line</i> , fasilitas Kredit Modal Kerja dan fasilitas <i>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 facility and Treasury Line facility</i>
PT Bank Negara Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ <i>Controlled by the Central Government of the Republic of Indonesia</i>	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya dan fasilitas kredit investasi/ <i>Placement of current accounts, placement of unrestricted time deposits and investment credit facility</i>
PT Bank Rakyat Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ <i>Controlled by the Central Government of the Republic of Indonesia</i>	Penempatan giro, deposito berjangka yang tidak dibatasi penggunaannya, fasilitas <i>Standby Letter of Credit</i> , fasilitas bank garansi dan fasilitas penangguhan jaminan impor/ <i>Placement of current accounts, placement of unrestricted time deposits, Standby Letter of Credit Facility, bank guarantee facility and guarantee of suspension of import facility</i>
PT Bank Tabungan Negara (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ <i>Controlled by the Central Government of the Republic of Indonesia</i>	Penempatan giro dan deposito berjangka yang tidak dibatasi penggunaannya/ <i>Placement of current accounts and unrestricted time deposits</i>
PT Bank Mandiri Syariah	Dikendalikan oleh PT Bank Mandiri (Persero) Tbk/ <i>Controlled by the PT Bank Mandiri (Persero) Tbk</i>	Deposito berjangka yang tidak dibatasi penggunaannya/ <i>Placement of unrestricted time deposits</i>

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**35. SALDO DAN TRANSAKSI SIGNIFIKAN  
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**35. 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 Hulu Energi West Java Madura Offshore (WJMO), PT Pertamina EP, PT Pertamina Gas (Pertagas)	Dikendalikan oleh PT Pertamina (Persero)/Controlled by PT Pertamina (Persero)	Uang muka pembelian gas bumi, pemasok gas, pelanggan, uang muka ship or pay pemasok gas/Advance of take or pay, gas supplier, customer, advance of ship or pay gas supplier
PT Indonesia Power, PT PLN Batam PT PLN Salamander	Dikendalikan oleh PT Perusahaan Listrik Negara (Persero)/Controlled by PT Perusahaan Listrik Negara (Persero)	Pelanggan, transmisi gas/Customer, gas transmission
PT Perusahaan Listrik Negara (Persero) (PLN), PT Barata Indonesia (Persero) PT Iglas (Persero), PT Kertas Leces (Persero), PT Wijaya Karya Intrade, PT Wijaya Karya Beton, PT Krakatau Daya Listrik, PT Indofarma (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ Controlled by the Central Government of the Republic of Indonesia	Pelanggan/Customer
Lembaga Pembiayaan Ekspor Indonesia (LPEI), PT Aneka Tambang (Persero) Tbk, Perum Pegadaian, PT Pertamina (Persero)	Dikendalikan oleh Pemerintah Pusat Republik Indonesia/ Controlled by the Central Government of the Republic of Indonesia	Debitur obligasi/Bond debtor
Pemerintah Republik Indonesia	Pemegang saham mayoritas/ Majority Shareholder	Investasi jangka pendek/ Short-term investment
PT Nusantara Regas	Entitas asosiasi/ Associate	Pemasok gas, penyertaan saham/Gas supplier, investment in shares of stock
PT Gas Energi Jambi	Entitas asosiasi/ Associate	Penyertaan saham/Investment in shares of stock



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**35. SALDO DAN TRANSAKSI SIGNIFIKAN  
DENGAN PIHAK-PIHAK BERELASI (lanjutan)**

Transaksi-transaksi signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

	2013	2012
<b>Pendapatan neto (Catatan 25)</b>		
<u>Entitas berelasi dengan pemerintah</u>		
PT PLN (Persero)	575.213.360	400.063.990
PT Indonesia Power	105.826.937	92.755.189
PT Krakatau Daya Listrik	87.827.217	83.766.748
PT PLN Batam	13.626.744	20.145.964
PT Pertamina EP	9.243.352	9.196.037
PT Iglas (Persero)	3.164.826	5.705.032
PT Wijaya Karya Intrade	433.354	412.962
PT Indofarma (Persero) Tbk	268.368	123.961
PT Barata Indonesia (Persero)	264.409	445.899
PT Wijaya Karya Beton	166.187	191.898
<b>Total</b>	<b>796.034.754</b>	<b>612.807.680</b>
Persentase terhadap total pendapatan neto konsolidasian	<b>26,52%</b>	<b>23,75%</b>
<b>Pembelian (Catatan 26)</b>		
<u>Entitas berelasi dengan pemerintah</u>		
PT Pertamina EP	274.771.449	239.050.475
PT Nusantara Regas	74.081.425	28.298.534
PT Pertamina Hulu Energi (WJMO)	43.320.322	37.077.150
PT Pertamina Gas	21.079.409	27.358.778
<b>Total</b>	<b>413.252.605</b>	<b>331.784.937</b>
Persentase terhadap total beban pokok pendapatan konsolidasian	<b>26,10%</b>	<b>29,95%</b>

Saldo-saldo signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

**Kas dan setara kas dan kas yang dibatasi penggunaannya (Catatan 4 dan 5)**

Pada tanggal 31 Desember 2013 dan 2012 saldo kas dan setara kas dan kas yang dibatasi penggunaannya yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 28,25% dan 38,68% dari total aset konsolidasian.

**Investasi jangka pendek (Catatan 6)**

Pada tanggal 31 Desember 2013 dan 2012, saldo investasi jangka pendek yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 1,96% dan 2,77% dari total aset konsolidasian.

**35. SIGNIFICANT BALANCES AND TRANSACTIONS  
WITH RELATED PARTIES (continued)**

Significant transactions with related parties are as follows:

<b>Net revenues (Note 25)</b>
<u>Government-related entities</u>
PT PLN (Persero)
PT Indonesia Power
PT Krakatau Daya Listrik
PT PLN Batam
PT Pertamina EP
PT Iglas (Persero)
PT Wijaya Karya Intrade
PT Indofarma (Persero) Tbk
PT Barata Indonesia (Persero)
PT Wijaya Karya Beton
<b>Total</b>
Percentage to total consolidated net revenues
<b>Purchases (Note 26)</b>
<u>Government-related entities</u>
PT Pertamina EP
PT Nusantara Regas
PT Pertamina Hulu Energi (WJMO)
PT Pertamina Gas
<b>Total</b>
Percentage to total consolidated cost of revenues

Significant balances with related parties are as follows:

**Cash and cash equivalents and restricted cash (Notes 4 and 5)**

As of December 31, 2013 and 2012, the balances of cash and cash equivalents and restricted cash placed in Government-related entities amounted to 28.25% and 38.68%, respectively, from the total consolidated assets.

**Short-term investments (Note 6)**

As of December 31, 2013 and 2012, the balances of short-term investments placed in Government-related entities amounted to 1.96% and 2.77%, respectively, from the total consolidated assets.

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**35. SALDO DAN TRANSAKSI SIGNIFIKAN  
DENGAN PIHAK-PIHAK BERELASI (lanjutan)**

Saldo-saldo signifikan dengan pihak-pihak berelasi adalah sebagai berikut (lanjutan):

**Piutang usaha (Catatan 7)**

	2013	2012
<u>Entitas berelasi dengan pemerintah</u>		
PT PLN (Persero)	50.127.813	41.188.136
PT Indonesia Power	7.312.041	9.278.005
PT Iglas (Persero)	6.946.063	5.591.215
PT Krakatau Daya Listrik	5.799.649	6.505.338
PT Kertas Leces (Persero)	4.215.055	4.482.568
PT Pertamina EP	2.361.644	508.763
PT PLN Batam	1.582.221	1.841.627
Lain-lain (masing-masing di bawah Rp1.000.000.000)	80.839	95.552
<b>Total</b>	<b>78.425.325</b>	<b>69.491.204</b>
Persentase terhadap total aset konsolidasian	<b>1,80%</b>	<b>1,78%</b>

Dari total piutang usaha tersebut di atas, Kelompok Usaha mencadangkan kerugian penurunan nilai atas piutang disebabkan adanya indikasi penurunan nilai.

**Uang muka (Catatan 10)**

Pada tanggal 31 Desember 2013 dan 2012, saldo uang muka yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 1,79% dan 1,97% dari total aset konsolidasian.

**Penyertaan saham (Catatan 13)**

Pada tanggal 31 Desember, 2013 dan 2012, saldo penyertaan saham yang ditempatkan pada entitas berelasi dengan Pemerintah masing-masing sebesar 2,18% dan 1,68% dari total aset konsolidasian.

**Utang usaha (Catatan 17)**

	2013	2012
<u>Entitas berelasi dengan pemerintah</u>		
PT Pertamina EP	72.661.777	51.590.101
PT Pertamina Hulu Energi West Java Madura Offshore	4.141.879	2.764.020
PT Nusantara Regas	15.690.534	2.672.099
PT Pertamina Gas	1.649.524	969.305
<b>Total</b>	<b>94.143.714</b>	<b>57.995.525</b>
Persentase terhadap total liabilitas konsolidasian	<b>5,75%</b>	<b>3,73%</b>

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**35. SIGNIFICANT BALANCES AND TRANSACTIONS  
WITH RELATED PARTIES (continued)**

Significant balances with related parties are as follows (continued):

**Trade receivables (Note 7)**

	2013	2012
<u>Government-related entities</u>		
PT PLN (Persero)	50.127.813	41.188.136
PT Indonesia Power	7.312.041	9.278.005
PT Iglas (Persero)	6.946.063	5.591.215
PT Krakatau Daya Listrik	5.799.649	6.505.338
PT Kertas Leces (Persero)	4.215.055	4.482.568
PT Pertamina EP	2.361.644	508.763
PT PLN Batam	1.582.221	1.841.627
Others (each below Rp1,000,000,000)	80.839	95.552
<b>Total</b>	<b>78.425.325</b>	<b>69.491.204</b>
Percentage to total consolidated assets	<b>1,80%</b>	<b>1,78%</b>

From the above total trade receivables, the Group provides allowance for impairment losses on receivables due to indications of impairment.

**Advances (Note 10)**

As of December 31, 2013 and 2012, the balance of advances placed in Government-related entity amounted to 1.79% and 1.97%, respectively, from the total consolidated assets.

**Investment in shares of stock (Note 13)**

As of December 31, 2013 and 2012, the balances of investment in shares of stock placed in government-related entities amounted to 2.18% and 1.68%, respectively, from the total consolidated assets.

**Trade payables (Note 17)**

	2013	2012
<u>Government-related entities</u>		
PT Pertamina EP	72.661.777	51.590.101
PT Pertamina Hulu Energi West Java Madura Offshore	4.141.879	2.764.020
PT Nusantara Regas	15.690.534	2.672.099
PT Pertamina Gas	1.649.524	969.305
<b>Total</b>	<b>94.143.714</b>	<b>57.995.525</b>
Percentage to total consolidated liabilities	<b>5,75%</b>	<b>3,73%</b>

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**35. SALDO DAN TRANSAKSI SIGNIFIKAN DENGAN  
PIHAK-PIHAK BERELASI (lanjutan)**

Saldo-saldo signifikan dengan pihak-pihak berelasi adalah sebagai berikut (lanjutan):

**Pinjaman jangka panjang (Catatan 21)**

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman jangka panjang yang ditempatkan pada entitas yang berelasi dengan Pemerintah masing-masing sebesar 38,77% dan 51,18% dari total liabilitas konsolidasian.

**Kompensasi dan imbalan lain**

Kelompok Usaha memberikan kompensasi dan imbalan lain kepada Dewan Komisaris dan Direksi sebesar US\$12.266.286 dan US\$11.511.081 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012, yang terdiri dari:

	2013	2012
Komisaris		
Imbalan jangka pendek	3.020.936	2.448.613
Imbalan pasca kerja	190.465	227.609
Imbalan jangka panjang lainnya	18.316	17.764
Sub-total	3.229.717	2.693.986
Direksi		
Imbalan jangka pendek	8.380.979	8.179.636
Imbalan pasca kerja	610.935	593.295
Imbalan jangka panjang lainnya	44.655	44.164
Sub-total	9.036.569	8.817.095
<b>Total</b>	<b>12.266.286</b>	<b>11.511.081</b>

**36. 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.

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**35. SIGNIFICANT BALANCES AND TRANSACTIONS  
WITH RELATED PARTIES (continued)**

Significant balances with related parties are as follows (continued):

**Long-term loans (Note 21)**

As of December 31, 2013 and 2012, the balances of long-term loans placed in Government-related entities amounted to 38.77% and 51.18%, respectively, from the total consolidated liabilities.

**Compensation and other benefits**

The Group provided compensation and other benefits for the Boards of Commissioners and Directors amounting to US\$12,266,281 and US\$11,511,081 for the years ended December 31, 2013 and 2012, which consist of:

	2013	2012	
Commissioners			
Short-term benefits	3.020.936	2.448.613	Commissioners
Post retirement benefits	190.465	227.609	Short-term benefits
Other long-term benefits	18.316	17.764	Post retirement benefits
Sub-total	3.229.717	2.693.986	Other long-term benefits
Directors			Sub-total
Short-term employee benefits	8.380.979	8.179.636	Directors
Post retirement benefits	610.935	593.295	Short-term employee benefits
Other long-term benefits	44.655	44.164	Post retirement benefits
Sub-total	9.036.569	8.817.095	Other long-term benefits
<b>Total</b>	<b>12.266.286</b>	<b>11.511.081</b>	Sub-total
			<b>Total</b>

**36. 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.

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**36. PROGRAM KEMITRAAN DAN BINA LINGKUNGAN (lanjutan)**

Pada tahun yang berakhir pada tanggal 31 Desember 2013 dan 2012 Perusahaan telah mencatat beban atas Tanggung Jawab Sosial dan Lingkungan pada operasi berjalan yang disajikan pada akun "Beban Umum dan Administrasi - Tanggung Jawab Sosial dan Bina Lingkungan" pada laporan laba rugi komprehensif konsolidasian (Catatan 28).

Pada tahun yang berakhir pada tanggal 31 Desember 2012, Perusahaan telah mencatat pencadangan atas program Bina Lingkungan sebagai pengurang saldo laba tahun 2012 (Catatan 24).

Berdasarkan Risalah Rapat Umum Pemegang Saham Tahunan yang diadakan pada tanggal 17 April 2013, Pemegang Saham menetapkan untuk tidak akan mengalokasikan lagi laba tahun berjalan yang dapat diatribusikan kepada pemilik Entitas Induk untuk sumber dana Program Kemitraan dan Bina Lingkungan dan Perusahaan akan membiayai kegiatan tanggung jawab sosial dan lingkungan di tahun buku 2013 sesuai dengan kebutuhan dan kemampuan Perusahaan.

**37. PERJANJIAN-PERJANJIAN PENTING**

Perusahaan mengadakan perjanjian-perjanjian penting sebagai berikut:

**Perusahaan**

**1. Perjanjian Jual Beli Gas (PJBG)**

Perusahaan harus membeli dan membayar jumlah pembelian minimum per tahun/kwartal 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 pada tahun/kwartal tertentu selama jangka waktu perjanjian. Saldo "Make-Up Gas" disajikan sebagai bagian dari "Uang Muka" pada laporan posisi keuangan konsolidasian (Catatan 10).

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**36. PARTNERSHIP AND COMMUNITY DEVELOPMENT PROGRAM (continued)**

*For the years ended December 31, 2013 and 2012, the Company has recorded the Corporate Social and Environmental Responsibility expense in current operations which is presented as part of "General and Administrative Expenses - Corporate Social and Environmental Responsibility (CSR)" account in the consolidated statements of comprehensive income (Note 28).*

*For the year ended December 31, 2012, the Company has recorded appropriation for Community Development Program as a deduction of 2012 retained earnings (Note 24).*

*Based on Minutes of the Company Annual General Shareholders' Meeting held on April 17, 2013, the Shareholder ratified not to allocate the profit for the year attributable to owner of the Parent Entity to fund the Partnership and Community Development Program and the Company will record activities related to social and community responsibility as an expense in line with as needs and ability.*

**37. SIGNIFICANT AGREEMENTS**

*The Company has the following significant agreements:*

**The Company**

**1. Gas Sale and Purchase Agreements (GSPA)**

*The Company is required to buy and pay for the minimum purchase quantity per year/quarter 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 year/quarter during the period of the agreement. The outstanding balance of the "Make-Up Gas" is presented as part of "Advances" in the consolidated statements of financial position (Note 10).*

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)**

<u>Pemasok/ Suppliers</u>	<u>Perjanjian/ Agreements</u>	<u>Lapangan Gas/ Gas Field</u>	<u>Volume/ Volume</u>	<u>Jangka waktu/Terms Awal/Start Akhir/End</u>	
PT Pertamina EP	PJBG Palembang	DOH Sumatera Selatan	2,343 BSCF	17 Dec. 1999	7 Oct. 2012 <sup>12)</sup>
PT Pertamina EP	PJBG Medan	- Lapangan minyak dan gas bumi PT Pertamina EP area kerja Asset 1 - Lapangan Arbei, Blok Gebang	7 MMSCFD  2 MMSCFD	4 Apr. 2002	31 Mar. 2014 <sup>16)</sup>
PT Pertamina EP	PJBG Cirebon	Lapangan minyak dan gas bumi PT Pertamina EP Region Jawa, Jawa Bagian Barat	Titik serah Randegan: 2,5 MMSCFD  Titik Serah Sunyaragi: 1,5 MMSCFD	4 Apr. 2002	31 Mar. 2014 <sup>16)</sup>
PT Pertamina EP	PJBG Sumatera Selatan - Jawa Barat	DOH Sumatera Selatan	1,006 TSCF	26 Jun. 2003	31 Dec. 2025 <sup>1)</sup>
PT Pertamina EP	PJBG EEJW	Jatirarongan	40.150 BBTU	26 Jul. 2004	18 Oct. 2014 <sup>1)</sup>
ConocoPhillips (Grissik) Ltd.	PJBG Batam I	Corridor Block	225 TBTU	9 Jul. 2004	12 Oct. 2019 <sup>1)</sup>
ConocoPhillips (Grissik) Ltd.	PJBG Corridor Block - Jawa barat	Corridor Block	2.310 TBTU	9 Aug. 2004	30 Sep. 2023
ConocoPhillips (Grissik) Ltd.	PJBG Batam II	Corridor Block	65,8 TBTU	12 Dec. 2004	11 Dec. 2019 <sup>1)</sup>
ConocoPhillips (Grissik) Ltd.	<i>Amendment and Restatement to Replace IGSPA to GSPA</i>	Corridor Block	12,5 BBTUD	31 May 2010	31 May 2015
Lapindo Brantas, Inc.	<i>Amendment and Restatement of PJBG Lapindo</i>	Lapangan Wunut	112,580 BSCF (until Dec 31, 2011) As it is (since Jan 1, 2012 <sup>2)</sup>	29 Dec. 2003	31 Dec. 2015
PT Pertamina Hulu Energy West Madura Offshore, Kodeco Energy Co. Ltd. dan PT Mandiri Madura Barat	PJBG PHE WMO	West Madura Offshore	18 BBTUD	19 Dec. 2006	31 Dec. 2014
Santos (Madura Offshore) Pty. Ltd., PC Madura Ltd., dan PT Petrogas Pantai Madura	GSA Santos Maleo	Maleo field	351 BCF <sup>4)</sup>	14 Jul. 2007	13 Jul. 2019
Husky CNOOC Madura Ltd.	GSA Husky	Madura BD field	20 MMSCFD	30 Oct. 2007	20 tahun dari tanggal dimulai/20 years from start date

**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**1. Gas Sale and Purchase Agreements (GSPA) (continued)**

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**1. Perjanjian Jual Beli Gas (PJBG) (lanjutan)**

Pemasok/ <u>Suppliers</u>	Perjanjian/ <u>Agreements</u>	Lapangan Gas/ <u>Gas Field</u>	Volume/ <u>Volume</u>	Jangka waktu/ <u>Terms</u>	
				<u>Awal/Start</u>	<u>Akhir/End</u>
PT Medco E&P Indonesia (MEI)	PJBG SCS Medco	South and Central Sumatera PSC Block	41.900 BBTU	4 Dec. 2009	15 Oct. 2014 <sup>1]</sup>
PT Medco E&P Lematang (MEL)	PJBG Medco Lematang	Singa Field, Block Lematang	53.265,60 BBTU	4 Dec. 2009	Kuantitas yang diperjanjikan yang tercapai/ contracted quantity delivered
PT Pertiwi Nusantara Resources (PNR)	PJBG PNR	Glagah Kambuna	12,86 BSCF	14 Apr. 2010	16 Mar. 2014 <sup>7]</sup>
PT Bayu Buana Gemilang (BBG)	PJBG BBG	Lapangan Terang Sirasun Batur	22,735 TBTU	30 Nov. 2011	31 Dec. 2020
PT Walinusa Energi (WNE)	PJBG WNE	Lapangan Terang Sirasun Batur	32,429 TBTU	12 Jan. 2012	31 Dec. 2020
PT Inti Daya Latu Prima (IDL P)	PJBG IDLP	Blok Jambi Merang	2,5 BBTUD <sup>3]</sup>	7 Feb. 2012	9 Feb. 2019
PT Indogas Kriya Dwiguna (IKD)	PJBG IKD	Lapangan Terang Sirasun Batur	20 BBTUD	17 Feb. 2012	31 Dec. 2020
PT Sadikun Niagamas Raya (SNR)	PJBG SNR	Lapangan Terang Sirasun Batur	40,6 TBTU	11 Apr. 2012	31 Dec. 2020
PT PDPDE Gas	PJBG PDPDE	Blok Jambi Merang	10.700 BBTU	1 Jan. 2013	9 Feb. 2019 <sup>18]</sup>
PT Pertamina EP	Kesepakatan Bersama Sumur Benggala-1	Sumur Benggala-1 Sumatera Utara	2 MMSCFD	Sejak tanggal penyaluran gas Benggala/ Since Benggala gas supply date	6 bulan berikutnya/ months from start date

- 1] Atau berlaku sampai dengan kuantitas yang diperjanjikan telah tercapai, mana yang terjadi lebih dahulu/Or it is valid until the contracted quantity is delivered, whichever comes first
- 2] Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perjanjian masih dalam proses untuk dijadikan satu dengan PJBG PEP Sumatera Selatan - Jawa Barat/Up to the completion date of the consolidated financial statement, the agreement is in the process for combining to PJBG PEP South Sumatera - West Java
- 3] Jumlah penyerahan harian untuk tahun 2012-2013/Daily contract quantity for 2012-2013.
- 4] Jumlah cadangan Maleo Field (2P)/the amount of Maleo Field (2P) reserves.
- 5] As it is berarti kondisi dimana seluruh volume gas apa adanya yang keluar atau dihasilkan dari Lapangan Wunut, untuk diserahkan dan dijual oleh pemasok kepada Perusahaan/Condition which the entire gas volume as it is produced out of the Wunut Field to be submitted and sold by supplier to the Company
- 6] Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, masih dalam proses pembahasan amandemen PJBG/Up to the completion date of the consolidated financial statements, the amendment of GSA is in process
- 7] Penyaluran dihentikan oleh pemasok berdasarkan surat dari pemasok No. 025/PNR/DU/VI/2013, tanggal 5 Juli 2013/Gas supply has been terminated by the supplier based on the letter from supplier No. 025/PNR/DU/VI/2013, dated July 5, 2013
- 8] Penyaluran gas belum dimulai karena prasyarat keberlakuan PJBG terkait perizinan belum diperoleh PT PDPDE Gas/Gas not delivered yet due to PT PDPDE Gas did not meet GSA's terms & conditions permit process

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perjanjian-perjanjian tersebut belum jatuh tempo dan belum mencapai jumlah yang diperjanjikan.

Up to the completion date of the consolidated financial statements, those agreements have not been expired and the contracted quantity is not fully delivered yet.



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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**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 (*tie-in Maleo Spur*) 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. 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 (EJGP). Dimana kedua belah pihak setuju untuk menambah dan mengubah beberapa 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 (WJGP), di mana Pertagas setuju memberikan jasa transportasi gas dari stasiun kompresor di Tegal Gede sampai dengan di Serpong. Kapasitas yang disediakan untuk pengangkutan gas tersebut sebesar 40 mmscf. Perjanjian berlaku untuk 12 bulan sejak tanggal 1 Januari 2010 atau tanggal lain yang disepakati oleh para pihak.

Pada tanggal 21 Mei 2010, Perusahaan dan Pertagas menandatangani Amandemen Kesepakatan Bersama yang menambahkan ruas Citarik-Tegal Gede.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**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 the linking point between Maleo fork (*tie-in Maleo Spur*) pipe to the delivery point. This agreement will be terminated in 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 comes first. 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 both parties agreed to add and change certain definitions, change all attachments of previous agreement, the terms of measuring instrument and the gas rate which are 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 mmscf. This agreement is valid for 12 months since January 1, 2010 or such other date as agreed by the parties of the agreements.

On May 21, 2010, the Company and Pertagas signed an amendment agreement which added Citarik-Tegal Gede sections.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**3. Perjanjian Pemanfaatan Pipa Transmisi  
Pertagas Area Jawa Bagian Barat (lanjutan)**

Pada tanggal 11 Maret 2011, Perusahaan dan Pertagas menandatangani Amandemen Kedua Kesepakatan Bersama yang menambahkan titik serah pada ruas Nagrak-Bitung dan Bitung-Cilegon serta memperpanjang jangka waktu Kesepakatan Bersama sampai dengan tanggal 30 Juni 2011.

Pada tanggal 29 Desember 2011, Perusahaan dan Pertagas menandatangani Amandemen Kesepakatan Bersama yang memperpanjang jangka waktu sampai dengan 31 Desember 2012.

Pada tanggal 20 Februari 2013, Perusahaan dan Pertagas menandatangani Surat Perpanjangan Kesepakatan Bersama yang memperpanjang jangka waktu sampai dengan 30 April 2013. Sampai dengan tanggal tanggal penyelesaian laporan keuangan konsolidasian ini, perpanjangan perjanjian ini masih dalam proses penandatanganan.

**4. Perjanjian Pengangkutan Gas**

**a. 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 Kenawang di Grissik sampai dengan Muara Bekasi. Kapasitas *interruptible* yang disediakan untuk pengangkutan gas tersebut sebesar:

Tahun	Periode	Kapasitas
2011	Jul-Des	81
2012	Jan-Des	40
2013	Jan-Des	40
2014- 2019	Jan-Des	21

Perjanjian berlaku untuk 9 tahun sejak tanggal dimulainya pengangkutan gas.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**3. Pertagas West Java Gas Transportation  
Pipeline Agreement (continued)**

On March 11, 2011, the Company and Pertagas signed the Second Amendment Agreement which added the transfer point of Nagrak-Bitung and Bitung-Cilegon sections and extend the Agreement until June 30, 2011.

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.

On February 20, 2013, the Company and Pertagas entered into the Extension Letter of Agreement which extended the maturity date of the agreement until April 30, 2013. Up to the completion date of this consolidated financial statements, the extension of these agreement is in the signing process.

**4. Transportation Gas Agreement**

**a. Transportation Gas Agreement  
through South Sumatera - West Java  
Gas Transportation Pipeline**

On August 15, 2011, the Company and PT PLN (Persero), entered into the amendment and restatement of Transportation Gas Agreement through Gas Transmission 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:

Year	Period	Capacity
2011	Jul-Dec	81
2012	Jan-Dec	40
2013	Jan-Dec	40
2014- 2019	Jan-Dec	21

This agreement is valid for 9 years, starting from the date of the gas delivered.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**4. Perjanjian Pengangkutan Gas (lanjutan)**

**b. Perjanjian Pengangkutan Gas melalui Jaringan Pipa Transmisi Wampu Belawan**

Pada tanggal 4 Agustus 2009, Perusahaan dan PT PLN (Persero) telah menandatangani Kesepakatan Bersama tentang Pemanfaatan Jaringan Pipa Transmisi Wampu Belawan (Kesepakatan Bersama), di mana Perusahaan setuju memberikan jasa transportasi gas dari pipa transmisi Wampu Belawan. Perjanjian berlaku sejak tanggal ditandatangani sampai dengan 12 bulan atau sampai dengan perjanjian pengangkutan gas ditandatangani (PPG).

Pada tanggal 26 September 2012, Perusahaan dan PT PLN (Persero) telah menandatangani amandemen Kesepakatan Bersama mengenai pemanfaatan jaringan pipa transmisi Wampu Belawan, dimana Perusahaan setuju memberikan jasa transportasi gas dari pipa transmisi Wampu Belawan. Perjanjian ini berlaku sampai dengan 31 Desember 2012. Pada tanggal 4 Februari 2013 perjanjian ini telah diperpanjang sampai dengan 31 Desember 2013. Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perpanjangan perjanjian ini masih dalam proses.

**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 21). 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.

**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**4. Transportation Gas Agreement (continued)**

**b. Transportation Gas Agreement through Wampu Belawan Gas Transportation Pipeline**

On August 4, 2009, the Company and PT PLN (Persero) has signed an Agreement of Transmission Pipelines Wampu Belawan (Agreement), whereby the Company agreed to provide transportation services from Wampu Belawan gas transmission pipeline. The agreement is valid from the date signed up to 12 months or until the gas transport agreement signed (PPG).

On September 26, 2012, the Company and PT PLN (Persero) entered into the amendment of Transportation Gas Agreement through gas transmission pipeline Wampu Belawan, whereby the Company agreed to transmit the gas from the Wampu Belawan transportation pipeline. This agreement is valid until December 31, 2012. On February 4, 2013, this agreement has been extended until December 31, 2013. Up to the completion date of this consolidated financial statements, the extension of this agreement is still in process.

**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 21). 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's terms are in line with the loan agreement with the ADB.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**5. Perjanjian Proyek (lanjutan)**

- 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.
- 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 dibangun 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.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**5. Project Agreement (continued)**

- 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.
- c. On April 3, 2006, the Company and the Government entered into the related Subsidiary Loan Agreement No. SLA-1201/DP3/2006, where the Government relend the IBRD loan 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 for Rp200,000,000 including income tax, from March 20, 2010 until 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 year 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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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (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 dimana Perusahaan akan menyediakan lahan yang terletak di Jl. Kyai Haji Zainul Arifin No. 20, Jakarta kepada WSMB untuk dibangun pusat perbelanjaan dan perkantoran, termasuk fasilitas parkir 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 diserahkan 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.

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).

**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (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 approximately value of 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 building compensation with an area of 12,250 square meters. The Company will give rights to WSMB to operate the final building compensation 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.*

*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).*

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

**6. Perjanjian Kerja Sama Operasi (lanjutan)**

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:
- Tahap pertama sebesar Rp1.152.123.022;
  - 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).

**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

**6. Joint Operation Agreement (continued)**

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 year 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:

- First phase amounting to Rp1,152,123,022;
- Second phase amounting to Rp2,959,276,568.

This agreement is valid up to 12 months since the date of signing date of the agreement or until the completion of payment, whichever comes first (Note 5).



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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

8. Pada tanggal 17 April 2009, Perusahaan mengadakan kesepakatan dengan PT Pertamina (Persero) (Pertamina) dan PT Perusahaan Listrik Negara (Persero) (PLN) 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 13).

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;

- tanggal perjanjian
- tanggal eksekusi atas perjanjian; atau
- tanggal dimana para pihak memberikan persetujuan secara tertulis untuk mengakhiri HoA.

10. 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.

**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

8. On April 17, 2009, the Company entered into an agreement with PT Pertamina (Persero) (Pertamina) and PT Perusahaan Listrik Negara (Persero) (PLN) 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 the 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 13).

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:

- the agreement date;
- the date of execution of the agreement; or
- the date of the parties mutually agreed in writing to terminate these HoA.

10. 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.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

Pada 19 Maret 2012, Perusahaan menerima surat dari Menteri Badan Usaha Milik Negara (BUMN) No: S-141/MBU/2012 tentang Relokasi Proyek FSRT Belawan dan Proyek Revitalisasi LNG Arun yang pada intinya meminta kepada agar Perusahaan merelokasi proyek FSRT LNG dari Medan ke Lampung. Berdasarkan surat tersebut, maka pada tanggal 17 Oktober 2012, Perusahaan, Rekind dan Hoegh menandatangani *Amendment and Restatement Umbrella Agreement* terkait relokasi FSRT Medan ke Lampung.

11. 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 pembangunan *mooring system*, sistem pipa dan stasiun gas terkait dengan proyek FSRT LNG Medan. Perjanjian ini berlaku sampai dengan 10 Maret 2014. Berdasarkan surat dari Menteri Badan Usaha Milik Negara (BUMN) No: S-141/MBU/2012 di atas, pada tanggal 17 Oktober 2012, Perusahaan dan Rekind menandatangani amandemen perjanjian ini sehubungan dengan relokasi FSRT Medan ke Lampung.
12. 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. Berdasarkan surat dari Menteri Badan Usaha Milik Negara (BUMN) No: S-141/MBU/2012 di atas, pada tanggal 17 Oktober 2012, Perusahaan dan Hoegh menandatangani amandemen perjanjian ini sehubungan dengan relokasi FSRT Medan ke Lampung.
13. Pada tanggal 18 September 2013, Perusahaan, Hoegh LNG Limited (Hoegh) dan PT Hoegh LNG Lampung menandatangani Perjanjian Novasi atas *Amendment and Restatement Agreement of the Original Lease, Operation and Maintenance* dimana hak dan kewajiban Hoegh LNG Limited (Hoegh) beralih ke PT Hoegh LNG Lampung.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

On March 19, 2012, the Company received a letter from the Minister of State-Owned Enterprises No: S-141/MBU/2012 regarding Projects Relocation of FSRT Belawan and Project Revitalization of LNG Arun which in essence asking the Company to relocate the LNG project from Medan to Lampung. Based on the letter, on October 17, 2012, the Company, Rekind and Hoegh entered into an *Amendment and Restatement Umbrella Agreement* related to relocation the FSRT Medan to Lampung.

11. On January 25, 2012, the Company and PT Rekayasa Industri (Rekind) entered into Engineering, Procurement, Construction, Installation and Commissioning (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. Based on letter from the Minister of State-Owned Enterprises No: S-141/MBU/2012 above, on October 17, 2012, the Company and Rekind entered into an amendment of this agreement related to relocation the FSRT Medan to Lampung.
12. On January 25, 2012, the Company and Hoegh LNG Limited (Hoegh) entered into lease, operation and maintenance agreement for Medan LNG FSRT project. In this agreement, Hoegh agreed to provide FSRT vessel for 20 years. Based on letter from the Minister of State-Owned Enterprises No: S-141/MBU/2012 above, on October 17, 2012, the Company and Rekind entered into an amendment of this agreement related to relocation the FSRT Medan to Lampung.
13. On September 18, 2013, the Company, Hoegh LNG Limited (Hoegh) and PT Hoegh LNG Lampung entered into Novation Agreement of Amendment and Restatement Agreement of the Original Lease, Operation and Maintenance whereby the rights and obligations of Hoegh LNG Limited (Hoegh) will be transferred to PT Hoegh LNG Lampung.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Perusahaan (lanjutan)**

14. Pada tanggal 7 November 2013, Premier Oil Natuna Sea B.V. (Premier), Sembcorp Gas Pte. Ltd. (SembGas), Gas Supply Pte Ltd. (GSPL), ConocoPhillips (Grissik) Ltd. (CPGL) sebagai representatif PT Pertamina (Persero), Perusahaan dan ConocoPhillips Indonesia Inc. Ltd. (COPI) menandatangani Perjanjian Swap Dalam Negeri Blok A Laut Natuna. Dimana dalam perjanjian tersebut, Perusahaan setuju untuk menerima swap gas di Titik Penyerahan Corridor Block dan mengalirkan swap gas tersebut sesuai kapasitas pengaliran sesuai dengan pasokan masing-masing pihak yang terkait di Jawa Barat.

Perjanjian ini akan berlaku sampai dengan tanggal yang lebih awal dari:

- tanggal yang jatuh tempo dari delapan belas bulan setelah tanggal dimulai;
- tanggal ketika keseluruhan kuantitas Swap Premier yang diserahkan di Titik Penyerahan GSA2 sama dengan Kuantitas Swap Maksimum;
- pengiriman pertama Gas berdasarkan salah satu GSA Batam;
- berakhirnya perjanjian - perjanjian lain yang terkait dengan gas swap tersebut.

**Transgasindo, Entitas Anak**

**15. Perjanjian Transportasi Gas**

Dalam hubungan dengan kegiatan usahanya, Transgasindo mengadakan perjanjian transportasi gas baik yang bersifat tetap/firm maupun tidak tetap/interruptible dengan pihak pengirim/shippers. Pada tanggal 31 Desember 2013, ringkasan perjanjian transportasi gas yang masih berlaku adalah sebagai berikut:

Perjanjian/ Agreements	Pengirim/ Shippers	Pengguna/ End-users	Tanggal reserve - tanggal akhir/ Reserve date - termination date	Jenis jasa/ Type of services	Kapasitas dicadangkan (MSCF/hari)/ Reserved capacity (MSCF/day)	
					Awal/Start	Akhir/End
Jaringan Pipa Grissik-Duri/Grissik-Duri Pipeline						
GTA I Caltex	ConocoPhillips (Grissik), Ltd.	PT Chevron Pacific Indonesia (CPI)	1 Jan. 2003 - 19 Nov. 2013	Tetap/Firm	304.900	28.100
GTA II Caltex	ConocoPhillips (Grissik), Ltd.	CPI	1 Jan. 2003 - 10 Aug. 2021	Tetap/Firm	122.000	78.000
GTA CPI-3	ConocoPhillips (Grissik), Ltd.	CPI	28 May 2013 - 10 Aug. 2021	Tetap/Firm	10.286	133.333
GTA PGN	Perusahaan/ The Company	RAPP dan/and IKPP	1 Jun. 2010 - 31 May 2015	Tetap/Firm	10.860	10.860

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**37. SIGNIFICANT AGREEMENTS (continued)**

**The Company (continued)**

14. On November 7, 2013, Premier Oil Natuna Sea B.V. (Premier), Sembcorp Gas Pte. Ltd. (SembGas), Gas Supply Pte Ltd. (GSPL), ConocoPhillips (Grissik) Ltd. (CPGL) as the representative of PT Pertamina (Persero), the Company dan ConocoPhillips Indonesia Inc. Ltd. (COPI) entered into a Natuna Sea Block A Domestic Swap Agreement. In this agreement, the Company agreed to receive swap gas at Corridor Block Delivery Point and deliver the swap gas with capacity to be delivered based on the gas availability from each parties in West Java.

This agreement is valid until the earliest date of:

- the maturity date from eighteen months after the start date;
- the date the aggregate of Premier Delivered Swap quantities delivered at the GSA2 Delivery Point equals with the Maximum Swap Quantity;
- first delivery of gas under one of Batam GSAs;
- the termination of the other agreements related to swap gas.

**Transgasindo, the Subsidiary**

**15. Gas Transportation Agreements**

In relation to its course of business, Transgasindo entered into firm or interruptible gas transportation agreements with shippers. As of December 31, 2013, the summary of outstanding gas transportation agreements is as follows:

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak**

**15. Perjanjian Transportasi Gas (lanjutan)**

**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary**

**15. Gas Transportation Agreements (continued)**

Perjanjian/ Agreements	Pengirim/ Shippers	Pengguna/ End-users	Tanggal reserve - tanggal akhir/ Reserve date - termination date	Jenis jasa/ Type of services	Kapasitas dicadangkan (MSCF/hari)/ Reserved capacity (MSCF/day)	
					Awal/Start	Akhir/End
Jaringan Pipa Grissik-Duri (lanjutan)/Grissik-Duri Pipeline (continued)						
GTA PGN	Perusahaan/ The Company	Pertamina Lirik dan/and Ukui	25 Jun. 2010 - 31 May 2015	Tetap/Firm	2.424	2.424
GTA Energas	PT Energasindo Heksa Karya	PLN	8 Jan. 2009 - 31 Dec. 2018	Tetap/Firm	20.000	20.000
GTA Jambi Merang - Duri	PT Pertamina Hulu Energi Jambi Merang; Talisman (Jambi Merang) Ltd.; Pacific Oil & Gas (Jambi Merang) Ltd.	CPI	1 Apr. 2011 - 9 Feb. 2019	Tetap/Firm	22.000	10.000
GTA Payo Selincih	PLN	PLN	24 Feb. 2012 - 9 Feb. 2019	Tetap/Firm	25.000	25.000
GTA Rengat	PLN	PLN	18 Apr. 2012 - 9 Feb. 2019	Tetap/Firm	3.200	4.000
GTA Gagas Perawang	PT Gagas Energi Indonesia	IKPP	1 Nov. 2012 - 9 Feb. 2019	Tetap/Firm	7.140	7.140
Jaringan Pipa Grissik-Singapura/Grissik-Singapore Pipeline						
GTA Singapore	ConocoPhillips (South Jambi), Ltd.; ConocoPhillips (Grissik), Ltd.; PetroChina Jabung, Ltd.	Gas Supply Pvt. Ltd. (GSPL)	12 Sep. 2003 - 12 Sep. 2023	Tetap/Firm	195.000	402.500
GTA Panaran	Perusahaan/ The Company	Batam Distribution Network (BDN) dan/and PLN	13 Oct. 2004 - 26 Nov. 2019	Tetap/Firm	22.000	63.900
GTA PDPDE	Perusahaan Daerah Pertambangan dan Energi Sumatera Selatan (PDPDE)	PT Lontar Papyrus Pulp & Paper Industry	1 Oct. 2011 - 9 Feb. 2019	Tetap/Firm	8.000	12.000
IGTA IDL P	PT Inti Daya Latu Prima	PLN, Dalle Energy dan/and Industrial	31 Jan. 2012 - 9 Feb. 2019	Tidak tetap/ Interruptible	20.000	20.000

**16. 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 US\$227.179.230.

**16. 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 US\$227,179,230.*

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**16. 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 US\$5.200.000 kepada Perusahaan.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**16. 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 three years or the execution of the deed of transfer of title and the novation agreement, whichever is earlier, 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 include the land, where land certificates will be or is being applied by the Company, and State Land, with a scale approximately 135 hectares. 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 US\$5,200,000.



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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**16. 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 US\$3.485.040.

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. Pada tanggal 12 November 2002, Perusahaan, Transgasindo and 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 US\$470.000.000 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.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**16. 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 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 US\$3,485,040.*

*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. *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 US\$470,000,000 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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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**16. Perjanjian yang Berkaitan dengan Jaringan  
Pipa Grissik - Duri - Transgasindo (lanjutan)**

- d. 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.

**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**16. Agreements Related to Grissik - Duri  
Pipeline - Transgasindo (continued)**

- d. 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), herein after 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 the earliest date of:*

- 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 termination of the CPGL-CPI ARGSEA and the CPGL-Transgasindo Gas Transportation Agreements (GTA) dated on 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 exercise of its termination rights under the term agreed by the parties in the agreement.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**17. 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 tahun pengalihan aset di mana semua pihak menyetujui untuk mengubah beberapa kondisi yang terdapat dalam Perjanjian Pengalihan Aset. Kepemilikan dan semua hak atas aset telah diserahkan dari Perusahaan ke Transgasindo pada tanggal 2 Juni 2004.

Harga pembelian dibayar dalam dua tahapan. Tahap pertama sebesar US\$189.000.000 telah dibayar secara bertahap melalui *Milestone Payment*. Tahap kedua sebesar US\$281.000.000 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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**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**17. 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 US\$189,000,000 is paid in installments by Milestone Payment. The second phase amounting to US\$281,000,000 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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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**17. 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 US\$144.000.000 sebagai *committed funding* untuk Jaringan Pipa Transmisi Grissik - Singapura dan menyediakan *contingent funding* dengan jumlah maksimum US\$15.000.000, 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 US\$100.000.000 atau jumlah pokok terutang menurut Wesel Bayar Grissik - Duri dan Wesel Bayar Grissik - Singapura.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, wesel bayar tersebut belum diterbitkan.

- 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 menyerahkan Aset (jaringan pipa Grissik - Singapura dan fasilitas kompresor Duri). Sehubungan dengan itu, telah dibuat beberapa perjanjian penting sebagai berikut:

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**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**17. 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 US\$144,000,000 as committed funding in respect of the Grissik - Singapore Pipeline and to provide up to a maximum aggregate amount of US\$15,000,000 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 US\$100,000,000 or the total principal amount for the time being outstanding under the Grissik - Duri Promissory Notes and the Grissik - Singapore Promissory Notes.*

*Up to the completion date of this consolidated financial statements, such promissory notes have not yet been issued.*

- 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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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**Transgasindo, Entitas Anak (lanjutan)**

**17. Perjanjian yang Berkaitan dengan Jaringan  
Pipa Grissik - Singapura - Transgasindo  
(lanjutan)**

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. Sampai dengan tanggal 31 Desember 2013, Transgasindo telah membukukan tanah yang sertifikat tanahnya sudah atas nama Transgasindo sejumlah US\$1.621.527.

**SEI, Entitas Anak**

18. 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 Energi Resources (MER) - Perusahaan sebagai Badan Usaha Tetap dalam perusahaan 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, yang 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*),

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**37. SIGNIFICANT AGREEMENTS (continued)**

**Transgasindo, the Subsidiary (continued)**

**17. Agreements Related to Grissik - Singapore  
Pipeline - Transgasindo (continued)**

*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. Up to December 31, 2013, Transgasindo has recorded the land wherein the certificates are under Transgasindo's name totaling to US\$1,621,527.*

**SEI, the Subsidiary**

18. On July 19, 2011, based on letter No. 20649/12/DJM.E/2011, the Directorate General of Oil and Gas, Ministry of Energy and Natural Resources stated that the Consortium of PT Medco CBM Lematang - PT Methanindo Energi Resources (MER) - are Permanent Establishment Companies in developing of Methane Coal Gas (GMB) fieldwork in the Coal Bed Methane (CBM) Lematang Block.

Subsequently, the consortium has provided a letter of intent for the operation of CBM 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 has been 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%:45% (*after tax*),

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**SEI, Entitas Anak (lanjutan)**

- Membayar *signature bonus* kepada Pemerintah Republik Indonesia sebesar US\$1.000.000 (satu juta Dolar 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.
19. 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 Gas Metana Batubara (GMB). Perusahaan sepakat untuk menjadi mitra MEPI dan SUGICO pada pengembangan GMB 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 GMB 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 pihak.

Sehubungan dengan penandatanganan *Production Sharing Contract* (PSC) untuk perusahaan 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 SEI untuk menandatangani PSC dengan Pemerintah dan untuk selanjutnya mewakili Perusahaan dalam hal kerjasama pengembangan GMB di Blok Lematang - Petar. Pada tanggal 1 Agustus 2011, SKKMIGAS, PT Medco CBM Lematang, PT Methanindo Energi Resources (MER) dan SEI telah menandatangani PSC.

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**37. SIGNIFICANT AGREEMENTS (continued)**

**SEI, the Subsidiary (continued)**

- Pay the *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 CBM Lematang Block, South Sumatera to other party at major portion (more than 50%) for the first 3 years of exploration phase,
- And other terms stated in Joint Agreement Contract and Applicable Laws and Regulations.

19. 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 become 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 Coal Bed Methane (CBM) production, Lematang - Petar Area, South Sumatera, the Company delegated SEI on July 22, 2011 with letter No. 021200.S/HK.02/UT/2011 to sign PSC with Government and act on behalf of Company for CBM development cooperation in Lematang - Petar Block. On August 1, 2011, SKKMIGAS, PT Medco CBM Lematang, PT Methanindo Energi Resources (MER) and SEI have signed the PSC.



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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**SEI, Entitas Anak (lanjutan)**

Pada tanggal 1 Januari 2013, SEI dan MER menandatangani *Deed of Assignment* untuk pengalihan *participating interest* SEI sebesar 5% kepada MER, yang akan berlaku efektif apabila mendapat persetujuan tertulis dari Pemerintah Republik Indonesia dan SKKMIGAS.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, proses mendapatkan persetujuan masih dalam proses.

20. Pada tanggal 30 November 2012, PT Saka Ketapang Perdana (SKP), Entitas Anak SEI, menandatangani Perjanjian Jual dan Beli kepemilikan *participating interest* sebesar 20% di Blok Ketapang dengan Sierra Oil Services Limited senilai US\$71.000.000. Perjanjian ini berlaku mulai tanggal 1 Januari 2012 dan akan efektif apabila perjanjian ini telah mendapatkan persetujuan dari Direktorat Jenderal Minyak dan Gas Republik Indonesia, serta Sierra Oil Services Limited telah menyerahkan Pengalihan JOA (*Joint Operating Agreement*) dan Gas Sales Agreement kepada SKP.

Pada tanggal 18 Februari 2013, SKP, Entitas Anak dari SEI, menerima surat persetujuan dari Direktorat Jenderal Minyak dan Gas Republik Indonesia mengenai pengalihan *participating interest* sebesar 20% di Blok Ketapang dari Sierra Oil Services Limited kepada SKP.

Pada tanggal 4 Maret 2013, Sierra Oil Services Limited menyerahkan *completion notice* kepada SKP dan SKP melakukan pembayaran transaksi pada tanggal 7 Maret 2013.

21. Pada tanggal 11 Maret 2013, PT Saka Bangkanai Klemantan (SBK), Entitas Anak dari SEI, menandatangani perjanjian pengalihan kepemilikan *participating interest* sebesar 30% di Blok Bangkanai dengan Salamander Energy (Bangkanai) Limited senilai US\$27.000.000. Perjanjian ini berlaku mulai tanggal 1 Januari 2013 dan akan berlaku efektif apabila telah mendapatkan persetujuan dari Menteri Energi dan Sumber Daya Mineral (ESDM) Republik Indonesia serta Salamander Energy (Bangkanai) Limited telah menyerahkan Pengalihan JOA kepada SBK.

**37. SIGNIFICANT AGREEMENTS (continued)**

**SEI, the Subsidiary (continued)**

On January 1, 2013, SEI and MER entered into *Deed of Assignment* for transferring of 5% *participating interest* to MER, and will be effective after obtaining the written approval from the Government of the Republic of Indonesia and SKKMIGAS.

Up to the completion date of the consolidated financial statements, the approval process is still in progress.

20. On November 30, 2012, PT Saka Ketapang Perdana (SKP), a Subsidiary of SEI, signed *Sales and Purchase Agreement* of ownership *participating interest* of 20% on Ketapang Block with Sierra Oil Services Limited amounted to US\$71,000,000. This agreement started on January 1, 2012 and will be effective after obtaining the approval from by Directorate General of Oil and Gas of the Republic of Indonesia, and also Sierra Oil Services Limited has submitted the JOA (*Joint Operating Agreement*) and Gas Sales Agreement Novation to SKP.

On February 18, 2013, SKP, a Subsidiary of SEI, received approval from the Directorate General of Oil and Gas of the Republic of Indonesia for the transfer of 20% *participating interest* on Ketapang Block from Sierra Oil Services Limited to SKP.

On March 4, 2013, Sierra Oil Services Limited submitted the *completion notice* to SKP and SKP paid all the transactions on March 7, 2013.

21. On March 11, 2013, PT Saka Bangkanai Klemantan (SBK), a Subsidiary of SEI, entered into the transfer agreement of *participating interest* ownership of 30% in Bangkanai Block with Salamander Energy (Bangkanai) Limited amounting to US\$27,000,000. This agreement started on January 1, 2013 and will be effective after obtaining the approval from the Ministry of Energy and Mineral Resources of the Republic of Indonesia (ESDM) and Salamander Energy (Bangkanai) Limited has submitted the JOA Novation to SBK.



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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**SEI, Entitas Anak (lanjutan)**

Pada tanggal 31 Mei 2013, Menteri ESDM Republik Indonesia, melalui suratnya No. 6081/13/DJM.E/2013, menyetujui pengalihan *participating interest* sebesar 30% di Blok Bangkanai dari Salamander Energy (Bangkanai) Limited kepada SBK. Pada tanggal 24 Juni 2013, Salamander Energy (Bangkanai) Limited juga telah menyerahkan *completion notice* dan Perusahaan juga telah melakukan pembayaran transaksi pengalihan ini pada tanggal 26 Juni 2013.

22. Pada tanggal 12 September 2013, PT Saka Indonesia Sesulu (SIS), Entitas Anak dari SEI, menandatangani Perjanjian Jual dan Beli kepemilikan pengalihan kepemilikan dengan *participating interest* sebesar 100% di Blok South Sesulu, Kalimantan Timur dengan Hess (Indonesia-South Sesulu) Limited senilai US\$100, dimana nilai tersebut, termasuk dengan penyesuaian-penyesuaian yang terjadi pada saat tanggal penyelesaian. Perjanjian ini berlaku mulai tanggal 1 Juli 2013 dan akan efektif apabila perjanjian ini telah mendapatkan persetujuan dari Menteri Energi dan Sumber Daya Mineral (ESDM) dan SKKMIGAS.

Pada tanggal 20 Desember 2013, Menteri ESDM Republik Indonesia, melalui suratnya No. 13909/13/DJM.E/2013, menyetujui pengalihan *participating interest* sebesar 100% di Blok South Sesulu dari Hess (Indonesia-South Sesulu) Limited kepada SIS. Pada tanggal 6 Februari 2014, SKKMIGAS telah menyetujui pengalihan ini.

**GEI, Entitas Anak**

23. GEI harus membeli dan membayar jumlah pembelian minimum per tahun/kwartal 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 pada tahun/kwartal tertentu selama jangka waktu perjanjian. Saldo "Make-Up Gas" disajikan sebagai bagian dari "Uang Muka" pada laporan posisi keuangan konsolidasian.

**37. SIGNIFICANT AGREEMENTS (continued)**

**SEI, the Subsidiary (continued)**

On May 31, 2013, the Ministry of ESDM of the Republic of Indonesia, through its letter No. 6081/13/DJM.E/2013, approved the transfer of the 30% participating interest in Bangkanai Block from Salamander Energy (Bangkanai) Limited to SBK. On June 24, 2013, Salamander Energy (Bangkanai) Limited has also submitted the completion notice to SBK and the Company has paid this amount on June 26, 2013.

22. On September 12, 2013, PT Saka Indonesia Sesulu (SIS), a Subsidiary of SEI, signed Sales and Purchase Agreement of ownership 100% on South Sesulu Block, East Kalimantan with Hess (Indonesia-South Sesulu) Limited amounted to US\$100, which amount, subject to the adjustments on the completion date. This agreement started on July 1, 2013 and will be effective after obtaining the approvals from the Ministry of Energy and Mineral Resources (ESDM) and SKKMIGAS.

On December 20, 2013, the Ministry of ESDM of the Republic of Indonesia, through its letter No. 13909/13/DJM.E/2013, approved the transfer of the 100% participating interest in South Sesulu Block from Hess (Indonesia-South Sesulu) Limited to SIS. On February 6, 2014, SKKMIGAS has approved the transfer.

**GEI, the Subsidiary**

23. GEI is required to buy and pay for the minimum purchase quantity per year/quarter 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 year/quarter during the period of the agreement. The outstanding balance of the "Make-Up Gas" is presented as part of "Advances" in the consolidated statements of financial position.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**GEI, Entitas Anak (lanjutan)**

Pemasok/ <u>Suppliers</u>	Perjanjian/ <u>Agreements</u>	Lapangan Gas/ <u>Gas Field</u>	Volume/tahun <u>Volume/year</u>	<u>Jangka waktu/Terms</u>	
				<u>Awal/Start</u>	<u>Akhir/End</u>
PT Nugas Trans Energy (Nugas)	PJBG	Wilayah kontrak West Madura Offshore	4,245 TBTU	1 Apr. 2012	31 Dec. 2015
PT Gresik Migas (GM)	PJBG	Wilayah kontrak West Madura Offshore	639.5 TBTU	2 Jul. 2012	31 Dec. 2015
PT Niaga Gema Teknologi (NGT)	PJBG	Wilayah kontrak West Madura Offshore	2,5560 TBTU	1 Sep. 2012	31 Dec. 2014
PT Taruko Energi (TE)	PJBG	Wilayah KKS Blok Jambi Merang	16,415 BBTU	10 Nov. 2012	9 Feb. 2019
PT Sarana Indo Energi (SIE)	PJBG	Lapangan Tambun, Bekasi	2,133,000 MMBTU	20 Nov. 2012	31 Oct. 2014
PT Kemitraan Energi Industri (KEI)	PJBG	Lapangan Tambun, Bekasi	1,095,000 MMBTU	25 Mar. 2013	31 Jan. 2016
PT Sarana Indo Energi (SIE)	PJBG	Lapangan Gas Pondok Tengah, Pondok Makmur, Pondok Berkah dan Jatinegara	3,650,000 MMBTU	1 Aug. 2013	30 Jun. 2018

24. Pada tanggal 28 Mei 2012, GEI dan PT Granary Global Energy (GGE) menandatangani Perjanjian Kerjasama Penjualan *Compressed Natural Gas* (CNG) (PKS) dengan mekanisme pemanfaatan gas bumi. GGE bertindak sebagai penyedia jasa kompresi gas bumi dan jasa transportasi CNG tersebut ke lokasi pelanggan GEI. Perjanjian ini berlaku sampai dengan 29 Mei 2017.

25. Pada tanggal 4 Oktober 2013, GEI dan PT Petross Gas (PG) menandatangani Perjanjian Kerjasama Pemanfaatan Fasilitas Kompresi Gas Bumi dimana PG setuju untuk melakukan kompresi gas bumi dan menyerahkannya kepada GEI berupa *Compressed Natural Gas* (CNG) di titik penyerahan.

**PGASSOL, Entitas Anak**

26. Pada tanggal 11 Juni 2012, PGASSOL melakukan perjanjian pada Kerja Sama Operasi (KSO) dengan PT Promatcon Tepatguna (PT) untuk pekerjaan *Engineering, Procurement and Construction* (EPC) Upgrading Stasiun Muara Bekasi, pembayaran penyeteroran pertama dengan persentase partisipasi sebesar 40%.

Pada tanggal 19 September 2012, PGASSOL melakukan perjanjian KSO PT untuk pekerjaan *Engineering, Procurement, Construction and Installation* (EPCI) untuk fasilitas produksi gas Bayan "A" di *Onshore* Tarakan dengan persentase partisipasi yang sebesar 30%.

**37. SIGNIFICANT AGREEMENTS (continued)**

**GEI, the Subsidiary (continued)**

Volume/tahun <u>Volume/year</u>	<u>Jangka waktu/Terms</u>	
	<u>Awal/Start</u>	<u>Akhir/End</u>
4,245 TBTU	1 Apr. 2012	31 Dec. 2015
639.5 TBTU	2 Jul. 2012	31 Dec. 2015
2,5560 TBTU	1 Sep. 2012	31 Dec. 2014
16,415 BBTU	10 Nov. 2012	9 Feb. 2019
2,133,000 MMBTU	20 Nov. 2012	31 Oct. 2014
1,095,000 MMBTU	25 Mar. 2013	31 Jan. 2016
3,650,000 MMBTU	1 Aug. 2013	30 Jun. 2018

24. On May 28, 2012, GEI and PT Granary Global Energy (GGE) have signed an Agreement for the Sale of *Compressed Natural Gas* (CNG) using mechanism of natural gas utilization. GGE acting as provider of natural gas compression service and CNG transportation service to the GEI's customer location. The agreement is valid until May 29, 2017.

25. On October 4, 2013, GEI and PT Petross Gas (PG) signed a Gas Compression Facility Agreement whereby PG agreed to compress the gas and deliver it to GEI in the form of *Compressed Natural Gas* (CNG) at delivery point.

**PGASSOL, the Subsidiary**

26. On June 11, 2012, PGASSOL has entered into Joint Operation (JO) Agreement with PT Promatcon Tepatguna (PT), for the assignment of *Engineering, Procurement and Construction* (EPC) Upgrading Muara Bekasi Station, with participating interest of 40%.

On September 19, 2012, PGASSOL has entered into JO Agreement with PT, for the assignment of *Engineering, Procurement, Construction and Installation* (EPCI) for Bayan "A" gas production facilities at *Onshore* Tarakan with participating interest of 30%.

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**37. PERJANJIAN-PERJANJIAN PENTING (lanjutan)**

**PGASSOL, Entitas Anak (lanjutan)**

Pada tanggal 8 Juli 2013, PGASSOL dan PT melakukan amandemen perjanjian KSO untuk pekerjaan EPCI untuk fasilitas produksi gas Bayan "A", diantaranya tentang persentase partisipasi PGASSOL dari 30% menjadi 70%.

**PLI, Entitas Anak**

27. Pada tanggal 30 Desember 2013, PLI dan PT Multi Gas Nusantara (MGN) telah menandatangani Perjanjian Pemegang Saham *Joint Venture LNG Liquefaction Plant* di Gresik, Jawa Timur. *Joint venture* ini didirikan dengan tujuan untuk melaksanakan pembangunan dan pengoperasian *LNG Liquefaction Plant* termasuk pembelian gas dan pemasarannya dengan nilai kapasitas gas sebesar 20 MMSCFD. Sampai dengan tanggal laporan ini, PLI belum melakukan penyetoran investasi.

**38. IKATAN DAN KONTINJENSI**

Pada tanggal 31 Desember 2013, 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 Tanjung Jabung, yang tanahnya dilalui jaringan pipa Grissik - Duri, di mana mereka menuntut kompensasi tambahan.

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 selanjutnya Penggugat mengajukan banding ke Pengadilan Tinggi Jambi. Berdasarkan Putusan Pengadilan Tinggi Jambi No. 31/PDT/2002/PT.JBI, tanggal 14 Agustus 2002, Pengadilan Tinggi Jambi menguatkan putusan Pengadilan Negeri Kuala Tungkal. Atas Putusan tersebut para Pembanding kemudian mengajukan kasasi ke Mahkamah Agung.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perkara tersebut masih dalam pemeriksaan oleh Mahkamah Agung.

**37. SIGNIFICANT AGREEMENTS (continued)**

**PGASSOL, the Subsidiary (continued)**

On July 8, 2013, PGASSOL and PT amended the *Joint Operation Agreement* for the assignment of EPCI for Bayan "A" gas production facilities relating to among others, the changes of PGASSOL's participating interest from 30% to become 70%.

**PLI, the Subsidiary**

27. On December 30, 2013, PLI and PT Multi Gas Nusantara (MGN) signed the *Shareholders Agreement Establishment for a Joint Venture of LNG Liquefaction Plant* in Gresik, East Java. This joint venture is engaged in development and operational of *LNG Liquefaction Plant* including the gas purchase and sales with gas capacity amounting to 20 MMSCFD. Up to the date of this report, PLI has not yet made any investments.

**38. COMMITMENTS AND CONTINGENCIES**

As of December 31, 2013, 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 dispute with several inhabitants of the land in Tanjung Jabung used for the Grissik - Duri pipeline, where the inhabitants are claiming additional compensation.

The Company is 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 District Court. Based on the decision of the Kuala Tungkal District 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 District Court's decision, and the Plaintiff appealed to the Supreme Court.

Up to the completion date of the consolidated financial statements, the case is still being examined by the Supreme Court.

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

2. 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 US\$17.298.835 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. Atas Putusan DAB tersebut, Perusahaan telah mengajukan *Notice of Dissatisfaction* sehingga CRW *Joint Operation* mengajukan permohonan penyelesaian melalui *International Court of Arbitration - International Chamber of Commerce* (ICC), Singapura.

Pada tanggal 24 November 2009, ICC telah memberikan putusan atas perkara ini dengan putusan sebagai berikut:

- meminta Perusahaan untuk membayar sebesar US\$17.298.835;
- meminta Perusahaan untuk membayar biaya jasa hukum dan biaya lain-lain CRW selama proses arbitrase sebesar US\$428.009.

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.

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 permohonan banding ditolak dengan pembebanan biaya. Semua biaya dan pengeluaran yang terjadi sehubungan dengan arbitrase ditanggung CRW.

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**38. COMMITMENTS AND CONTINGENCIES  
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2. 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 US\$17,298,835, 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), Singapore.

On November 24, 2009, ICC has rendered *Arbitration Verdict* as follows:

- Required the Company to pay the amount of US\$17,298,835;
- Required the Company to pay CRW's law service fees and other expenses during arbitration process amounting to US\$428,009.

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 rendered decision to set aside the ICC Arbitration Award.

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, an appeal hearing related to the case was held in court of appeal of the Republic of Singapore and on July 13, 2011, the *Court of Appeal of the Republic of Singapore* has rendered decision that the appeal is dismissed with cost. All cost and disbursement incurred in the arbitration are to be borne by CRW.



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**38. IKATAN DAN KONTINJENSI (lanjutan)**

Selanjutnya, 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 (*counterclaim*) 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. Pada tanggal 8 Juni 2012, Perusahaan mengajukan *Statement of Defence* kepada Arbitrase ICC.

Pada tanggal 12 Oktober 2012, CRW telah mengajukan *Claimant's Application for Interim/Partial Award* kepada ICC. Atas *Claimant's Application for Interim/Partial Award* yang diajukan oleh CRW tersebut, Perusahaan telah menyampaikan *Submissions of the Respondent Against Application for Interim Award* kepada Arbitrase ICC pada tanggal 26 November 2012.

Pada tanggal 22 Mei 2013, Tribunal Arbitrase ICC telah memutuskan *Interim/Partial Award* (Putusan Sela) yang mewajibkan Perusahaan untuk membayar terlebih dahulu klaim yang diajukan oleh CRW sebesar US\$17.298.835 sebelum nantinya dianalisa ulang (dibuka kembali) dan akhirnya diputuskan di dalam *Final Award* (Putusan Final).

Atas dikeluarkannya *Interim Award* tersebut, pihak Perusahaan telah mengajukan permohonan pembatalan terhadap *Interim Award* di Pengadilan Tinggi Singapura. Pada tanggal 10 Oktober 2013, Pengadilan Tinggi Singapura telah menerbitkan putusan yang pada intinya menolak permohonan pembatalan putusan *Interim/Partial Award* yang diajukan oleh Perusahaan.

Pada tanggal 11 November 2013, Perusahaan telah mengajukan banding pada *Court of Appeal*, Singapura.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, kasus ini masih dalam pemeriksaan di *Court of Appeal*, Singapura.

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Furthermore, 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 against the Company through legal counsel Drew & Napier LLC by a letter dated October 28, 2011.

On December 30, 2011, the Company through its legal counsel filed answer and a counterclaim on *Request for Arbitration* from CRW to ICC. 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. On June 8, 2012, the Company submitted the *Statement of Defence* to ICC Arbitration.

On October 12, 2012, CRW submitted the *Claimant's Application for Interim/Partial Award* to ICC Arbitration. Upon *Claimant's Application for Interim/Partial Award* which submitted by CRW, the Company submitted *Submissions of the Respondent Against Application for Interim Award* to ICC arbitration on November 26, 2012.

On May 22, 2013, the ICC Arbitration Tribunal has decided an *Interim/Partial Award*, which requires the Company to pay first the claim filed by CRW amounting to US\$17,298,835 before being re-analyzed (re-opened) and finally decided on the *Final Award*. Upon the issuance of the *Interim Award*, the Company is already applied for set aside of the *Interim Award* in the *Singapore High Court*.

Upon the issuance of the *Interim Award*, the Company is already applied for set aside of the *Interim Award* in the *Singapore High Court*. On October 10, 2013, *High Court Singapore* has issued decision that essentially rejected set a side of *Interim/Partial Award* which submitted by the Company.

On November 11, 2013, the Company already submitted an appeal to the *Court of Appeal*, Singapore.

Up to the completion date of the consolidated financial statements, the case is still being examined by *Court of Appeal*, Singapore.

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

3. 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 Barat terkait dengan kerusakan fiber optik di Ruas Balamaja yang dilakukan oleh 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.

Pada tanggal 11 Januari 2012, PT Indosat Tbk mengajukan Memori Banding kepada Pengadilan Tinggi Jakarta atas Putusan Pengadilan Negeri Jakarta Barat No. 655/PDT.G/2010/PN.JKT.BAR.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasi, kasus ini masih dalam proses pemeriksaan di Pengadilan Tinggi Jakarta.

4. 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*.

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**38. COMMITMENTS AND CONTINGENCIES  
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3. *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 West Jakarta District Court regarding the damage of fiber optic in Ruas Balamaja which created by 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 District 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:*

- *Accept part of the Plaintiff's claim;*
- *Reject the Plaintiff's claim to Defendant I;*
- *State that the Defendants II, III and IV have violated the law;*
- *Require the Defendants II, III and IV to pay the compensation to Plaintiff amounting to Rp2,020,144,161;*
- *Require the Defendants II, III and IV to pay the law service fee amounting to Rp581,000.*

*On January 11, 2012, PT Indosat Tbk submitted the Memory of Appeals to Jakarta High Court on West Jakarta District Courts' Decision No. 655/PDT.G/2010/PN.JKT.BAR.*

*Up to the completion date of the consolidated financial statements, this case is still being examined by the Jakarta High Court.*

4. *On October 8, 2010, the Company received a 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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**38. 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 26 Maret 2012, Pengadilan Negeri Jakarta Barat telah memberikan putusan menolak permohonan keberatan dari para pemohon keberatan untuk seluruhnya.

Pada tanggal 31 Mei 2013, Mahkamah Agung telah mengeluarkan putusan yang menolak permohonan kasasi yang diajukan oleh Perusahaan dan PT Kelsri.

Sampai dengan tanggal tanggal penyelesaian laporan keuangan konsolidasian, Perusahaan belum menerima salinan Putusan tersebut.

5. Pada tanggal 7 Juni 2012, Perusahaan menerima Surat Himbauan No. 015/SRP-SI/VI/12 dari firma hukum yang ditunjuk oleh M. Rimba Aritonang mengenai tuntutan atas pemakaian Hak Kekayaan Intelektual atas desain industri berupa sambungan pelindung pipa sebesar Rp100.000.000.000.

Pada tanggal 14 November 2012, Penggugat telah mendaftarkan gugatannya kepada Panitera Pengadilan Niaga Pengadilan Negeri Jakarta Pusat dengan total nilai perkara Rp132.394.438.000.

Pada tanggal 3 April 2013, Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat telah memberikan putusan dengan No. 73/D.I/2012/PN.Niaga.Jkt.Pst atas perkara ini dengan putusan sebagai berikut:

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**38. COMMITMENTS AND CONTINGENCIES  
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*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 April 18, 2011, the Company has filed an appeal to the District Court of West Jakarta on KPPU decision. On March 26, 2012, West Jakarta District Court has rendered its verdict to reject the whole objection from the objection applicant.*

*On May 31, 2013, the Supreme Court has issued a decision that rejected the appeal submitted by the Company and PT Kelsri.*

*Up to the completion date of the consolidated financial statements, the Company has not received a copy of the Supreme Court's decision.*

5. *On June 7, 2012, the Company received Warning Letter No. 015/SRP-SI/VI/12 from a law firm hired by M. Rimba Aritonang regarding the claim of Intellectual Property Rights of industrial design protection pipe connections used amounted to Rp10,000,000,000.*

*On November 14, 2012, the Plaintiff already registered the claim to Panitera Pengadilan Niaga Central Jakarta District Court with total claim amounting to Rp132,394,438,000.*

*On April 3, 2013, the Commercial Court of Central Jakarta District Court has given the verdict No. 73/D.I/2012/PN.Niaga.Jkt.Pst of this case with the following decisions:*

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

- Mengabulkan gugatan Penggugat untuk sebagian;
- Menyatakan Tergugat telah melakukan perbuatan melawan hukum yaitu menggunakan Desain Industri Penggugat dalam kurun waktu Agustus tahun 2005 hingga tahun 2007 tanpa ijin Penggugat;
- Menghukum Tergugat untuk membayar ganti rugi pada Penggugat dengan uang sejumlah Rp180.000.000 secara tunai dan sekaligus;
- Menolak tuntutan lain dan selebihnya.

Pada bulan April dan Mei 2013, Perusahaan dan M. Rimba Artonang mengajukan Memori Kasasi kepada Mahkamah Agung atas Putusan Pengadilan Niaga Pengadilan Negeri Jakarta Pusat.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perkara ini masih dalam proses pemeriksaan oleh Mahkamah Agung.

6. Perusahaan dilibatkan sebagai Turut Tergugat I dalam perkara No. 01/Pdt.G/2013/PN.BU, tanggal 18 Maret 2013 di Pengadilan Negeri Blambangan Umpu, Lampung mengenai sengketa tanah seluas 4.650 Ha dengan nilai gugatan sebesar Rp487.500.000 yang terletak Kecamatan Negeri Besar, Kabupaten Way Kanan, Lampung. Gugatan ini diajukan oleh Riadi Masmuhammad selaku Penggugat kepada Drs. Hj. Raden Intan GLR, Jaya Saputra dan Hj. Sarbini selaku Tergugat I, II dan III dan Perusahaan selaku Turut Tergugat I dan panitia pengadaan tanah selaku Turut Tergugat II.

Pada tanggal 9 Oktober 2013, pihak Pengadilan Negeri Blambangan Umpu telah mengeluarkan keputusan bahwa atas kasus ini kedua belah pihak dinyatakan damai.

7. Perusahaan dilibatkan sebagai Tergugat III dalam perkara No. 599/Pdt-6/2013/PN.Mdn, tanggal 18 Oktober 2013 di Pengadilan Negeri Medan, mengenai kepemilikan tanah seluas 6.045m<sup>2</sup> yang terletak di Jl. Yos Sudarso, Glugur Kota, Kecamatan Medan Barat, Medan. Gugatan ini diajukan oleh PT Perusahaan Listrik Negara (Persero) (PLN) Unit Induk Pembangunan I Medan selaku penggugat kepada T.M Chaldoon Alrasyid selaku Tergugat I, Ananda Kumar selaku Tergugat II dan Perusahaan selaku Tergugat III.

**38. COMMITMENTS AND CONTINGENCIES  
(continued)**

- *To grant the Plaintiff's claim in part;*
- *Declare that the Defendant has committed an unlawful act that is using the Plaintiff's Industrial Design during the period August 2005 to the year 2007 without a permit from the Plaintiff;*
- *Punish the Defendant to pay the Plaintiff damages in the amount of money in cash and at the same time amounting to Rp180,000,000;*
- *Rejected other claims and the rest.*

*In April and May, 2013, the Company and M. Rimba Artonang submitted Memory of Cassation to the Supreme Court for the Commercial Court of Central Jakarta District Court.*

*Up to the completion date of the consolidated financial statements, the case is still being examined by the Supreme Court.*

6. *The Company is named as one of the Co-defendant I in Case No. 01/Pdt.G/2013/PN.BU, dated March 18, 2013, filed to the Blambangan Umpu District Court, Lampung, regarding dispute of 4,650 Ha land's ownership located in Kecamatan Negeri Besar, Kabupaten Way Kanan, Lampung, with claim amount of Rp487,500,000. This claim was filed by Riadi Masmuhammad as the Plaintiff for Drs. Hj. Raden Intan GLR, Jaya Saputra and Hj. Sarbini as Defendants I, II and III and the Company as Co-defendant I and committee of land procurement as Co-defendant II.*

*On October 9, 2013, the Blambangan Umpu District Court has issued a decision for that both parties has settled this case amicably.*

7. *The Company is named as one of Defendant III in case No. 599/Pdt-6/2013/PN.Mdn, dated October 18, 2013, filed to the Medan District Court, regarding dispute of 6,045m<sup>2</sup> land's ownership located in Jl. Yos Sudarso, Glugur Kota, Kecamatan Medan Barat, Medan. This claim was filed by PT Perusahaan Listrik Negara (Persero) (PLN) Unit Induk Pembangunan I Medan as the Plaintiff for T.M Chaldoon Alrasyid as Defendant I, Ananda Kumar as Defendant II and the Company as Defendant III.*

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perkara ini masih dalam pemeriksaan oleh Pengadilan Negeri Medan.

8. Perusahaan dilibatkan sebagai Turut Tergugat II dalam perkara No. 545/Pdt-6.B/2013/PN.JKT.PS, tanggal 3 Desember 2013 di Pengadilan Negeri Jakarta Pusat mengenai masih adanya kewajiban pembayaran sewa alat berat dalam pelaksanaan proyek pembangunan pipa perusahaan jalur Grissik-Pagardewa dengan nilai gugatan sebesar €595.828. Gugatan ini diajukan oleh Maats Pipeline Equipment selaku Penggugat kepada PT Remaja Bangun Kencana (Rabana) selaku Tergugat I, PT Winatek Widita selaku Tergugat II, PT Citra Panji Manunggal (CPM) selaku Turut Tergugat I dan Perusahaan sebagai Turut Tergugat II.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, perkara ini masih dalam pemeriksaan oleh Pengadilan Negeri Jakarta Pusat.

9. Perusahaan dilibatkan sebagai Penggugat Intervensi II terkait dengan gugatan yang diajukan oleh Kamar Dagang dan Industri (Kadin) Kota Batam sehubungan dengan penerbitan Surat Keputusan Menteri Kehutanan Republik Indonesia No. 463/Menhut-II/2013, tanggal 27 Juni 2013 mengenai perubahan peruntukan lahan yang semula dari kawasan non hutan menjadi kawasan hutan yang menjadikan status beberapa lahan di Provinsi Batam tidak jelas statusnya termasuk lahan yang dilalui oleh pipa Perusahaan.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, perkara ini masih dalam pemeriksaan oleh Pengadilan Tata Usaha Negara Tanjung Pinang.

10. Transgasindo sedang dalam sengketa dengan salah satu kontraktornya, PT Global Industries Asia Pasific (GIAP) dalam kaitannya dengan kontrak No. ISVC 008260 dengan jumlah klaim sebesar US\$18.772.656 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 Defense* ke Arbitrase Internasional di Singapura.

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**38. COMMITMENTS AND CONTINGENCIES  
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*Up to the completion date of the consolidated financial statements, the case is still being examined by the Medan District Court.*

8. *The Company is named as one of the Co-defendant II in case No. 545/Pdt-6.B/2013/PN.JKT.PS, dated December 3, 2013 in Central Jakarta District Court regarding the persistence of heavy equipment lease payment obligations in the implementation of development project of the Company's pipeline Grissik-Pagardewa line, with claim amount of €595,828. This claim was filed by Maats Pipeline Equipment as the Plaintiff for PT Remaja Bangun Kencana (Rabana) as Defendant I, PT Winatek Widita as Defendant II, PT Citra Panji Manunggal (CPM) as Co-Defendant I and the Company as Co-Defendant II.*

*Up to the completion date of these consolidated financial statements, the case is still being examined by the Central Jakarta District Court.*

9. *The Company is involved as Plaintiff Intervention II related to a lawsuit filed by the Chamber of Commerce and Industry (Kadin) Batam in connection with the issuance of the Decree of the Minister of Forestry of the Republic of Indonesia No. 463/Menhut-II/2013, dated June 27, 2013 regarding the change of land status from the non-forested areas into forested areas which makes the status of some land in Batam Province became unclear including the land used by the Company's pipeline.*

*Up to the completion date of these consolidated financial statements, the case is still being examined by the Tanjung Pinang Administrative Court.*

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 US\$18,772,656 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 Defense to the International Arbitration in Singapore.*

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

Pada tanggal 4 Mei 2012, GIAP juga telah mengajukan *Statement of Defense to Counterclaim the Statement of Defense* dari Transgasindo. Pada tanggal 26 September 2012, Transgasindo dan GIAP telah menyetujui persetujuan final atas tuntutan GIAP dengan pihak Transgasindo setuju untuk membayar sebesar US\$6,9 juta. Pada tanggal 18 Oktober 2012, *Consent Award* telah ditandatangani oleh Transgasindo dan GIAP dan telah disetujui oleh Tribunal tanggal 24 Oktober 2012.

Pada tanggal 12 Desember 2012, Transgasindo telah melakukan pembayaran US\$6,9 juta kepada pihak GIAP.

Manajemen dan konsultan hukum Kelompok Usaha 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 Kelompok Usaha dapat memenangkan perkara-perkara tersebut.

Pada tanggal 31 Desember 2013, Perusahaan memiliki ikatan sebagai berikut:

11. Pada tanggal 31 Desember 2013, Perusahaan masih memiliki fasilitas pinjaman yang masih belum digunakan sesuai dengan perjanjian penerusan pinjaman yang dibiayai oleh JBIC sebesar JPY549.637.864.
12. Pada tanggal 6 Mei 2013, 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 dan guarantee facility dengan batas maksimum gabungan sebesar US\$40.000.000. Fasilitas ini juga dapat digunakan oleh GEI dan PGASSOL, Entitas Anak, dengan total pemakaian tidak melebihi US\$30.000.000.

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**38. COMMITMENTS AND CONTINGENCIES  
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*On May 4, 2012, GIAP has already submitted Statement of Defense to Counterclaim the Statement of Defense from Transgasindo. On September 26, 2012, Transgasindo and GIAP agreed the final settlement of GIAP's claim with Transgasindo agreed to pay amounting to US\$6.9 million. On October 18, 2012, Consent Award has been signed by Transgasindo and GIAP and agreed by Tribunal on October 24, 2012.*

*On December 12, 2012, Transgasindo has paid US\$6.9 million to GIAP.*

*The management of the Group 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 Group can win these cases.*

*As of December 31, 2013, the Company had commitments as follows:*

11. *As of December 31, 2013, the Company has an available loan facilities not yet drawn under the subsidiary loan agreements financed by JBIC amounting to JPY549,637,864.*
12. *On May 6, 2013, 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 and guarantee facility with total combined limit of US\$40,000,000. This facility also can be used by GEI and PGASSOL, Subsidiaries, with total usage not more than US\$30,000,000.*



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**38. IKATAN DAN KONTINJENSI (lanjutan)**

Fasilitas ini telah jatuh tempo pada tanggal 30 Juni 2013. 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 2013, fasilitas ini belum digunakan. Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perpanjangan perjanjian fasilitas ini masih dalam proses.

13. Pada tanggal 20 September 2013, 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 US\$200.000.000. Fasilitas ini akan jatuh tempo pada tanggal 26 Agustus 2014. 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 2013, fasilitas yang belum digunakan sebesar US\$75.995.892.
14. Pada tanggal 27 Februari 2013, Perusahaan mengubah *Corporate Facility Agreement* dengan PT ANZ Panin Bank (Bank ANZ). Bank ANZ akan menyediakan fasilitas *Payment Guarantee* dengan maksimum nilai plafon baru sebesar US\$100.000.000 dari nilai plafon lama sebesar US\$75.000.000. Fasilitas ini akan jatuh tempo pada tanggal 28 Februari 2014. Pada tanggal 2 Mei 2013, Perusahaan dengan Bank ANZ melakukan amandemen *Corporate Facility Agreement* dengan jumlah maksimum fasilitas sebesar US\$200.000.000 dengan ketentuan penggunaan keseluruhan dari semua jenis bank garansi (jaminan pembayaran, jaminan pembayaran uang muka, jaminan penawaran, jaminan pelaksanaan dan jaminan pemeliharaan) setiap saat tidak akan melebihi US\$100.000.000 dan penggunaan keseluruhan fasilitas pembiayaan modal kerja jangka pendek setiap saat tidak akan melebihi US\$100.000.000. Jangka waktu fasilitas pembiayaan modal kerja jangka pendek minimum 2 (dua) bulan dan maksimum 6 (enam) bulan. Pada tanggal 31 Desember 2013, fasilitas *payment guarantee* yang belum digunakan sebesar US\$41.853.468 dan untuk fasilitas pembiayaan modal kerja jangka pendek belum digunakan.

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All the facilities have expired on June 30, 2013. Furthermore, 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, 2013, this facility has not been used. Up to the completion date of the consolidated financial statements, the extension of this facilities agreement is still in process.

13. On September 20, 2013, 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 US\$200,000,000. The facility will mature on August 26, 2014. Furthermore, 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, 2013, the facility which has not been used amounted to US\$75,995,892.
14. On February 27, 2013, the Company amended *Corporate Facility Agreement* with PT ANZ Panin Bank (Bank ANZ). Bank ANZ will provide *Payment Guarantee* with a new maximum limit of US\$100,000,000 from the previous maximum limit of US\$75,000,000. The facility will expire on February 28, 2014. On May 2, 2013, the Company and Bank ANZ amended *Corporate Facility Agreement* with maximum aggregate facility in the amount of US\$200,000,000, whereby total utilization of all type of bank guarantee (payment guarantee, advance payment bond, bid bond, performance bond and retention bond) at any time shall not exceed US\$100,000,000 and total utilization of uncommitted short-term working capital facility at any time shall not exceed US\$100,000,000. Facility term for financing short-term working capital minimum 2 (two) months and a maximum of 6 (six) months. On December 31, 2013, a payment guarantee facility that has not been used amounted to US\$41,853,468 and for the short-term working capital facility has not been used.

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**38. IKATAN DAN KONTINJENSI (lanjutan)**

15. Pada tanggal 19 Desember 2012, Perusahaan mendapatkan fasilitas *Non Cash Loan* (NCL) yang diperoleh dari PT Bank Negara Indonesia (Persero) Tbk yang terdiri dari *Standby Letter of Credit* (SBLC), *Bank Guarantee*, *Letter of Credit* (L/C) dan SKBDN, dengan maksimum nilai plafon sebesar US\$140.000.000. Fasilitas ini akan jatuh tempo pada 18 Desember 2013. Di samping itu Perusahaan juga wajib memelihara *current ratio* tidak kurang dari 1 kali, *debt to equity ratio* maksimal 3 kali dan EBITDA terhadap *interest* tidak kurang dari 200%. Pada tanggal 31 Desember 2013, fasilitas yang belum digunakan sebesar US\$122.193.671. Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, perpanjangan fasilitas ini masih dalam proses.
16. Pada tanggal 11 Juni 2012, Perusahaan dengan PT Bank Rakyat Indonesia (Persero) Tbk (BRI) menandatangani amandemen perjanjian kredit tanggal 29 Maret 2011 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 US\$210.000.000. Pada tanggal 5 April 2013, Perusahaan dengan BRI menandatangani addendum 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 US\$260.000.000. Fasilitas ini akan jatuh tempo pada tanggal 2 April 2014. Pada tanggal 31 Desember 2013, fasilitas yang belum digunakan sebesar US\$25.472.560.
17. Pada tanggal 20 Desember 2013, SEI menandatangani perjanjian *escrow account* dengan Korea Exchange Bank, Pyeongchon Branch, Korea dan KNOC Sumatera Ltd. dalam rangka pembelian 8,91% *participating interest* di South East Sumatera PSC (Catatan 10 dan 45).
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 37).

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**38. COMMITMENTS AND CONTINGENCIES  
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15. On December 19, 2012, the Company obtained *Non Cash Loan* (NCL) facility from PT Bank Negara Indonesia (Persero) Tbk which consists of *Standby Letter of Credit* (SBLC), *Bank Guarantee*, *Letter of Credit* (L/C) and SKBDN with a maximum limit of US\$140,000,000. The facility will mature on December 18, 2013. Furthermore, the Company shall also maintain *current ratio* not less than 1 time, *debt to equity ratio* at a maximum 3 times and EBITDA to *interest* not less than 200%. As of December 31, 2013, the facility that has not been used amounting to US\$122,193,671. Up to the completion date of the consolidated financial statements, the extension of this facilities agreement is still in process.
16. On June 11, 2012, the Company and PT Bank Rakyat Indonesia (Persero) Tbk (BRI) signed amendment of credit agreement, on March 29, 2011, 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 US\$210,000,000. On April 5, 2013, the Company and BRI signed amendment of credit agreement 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 US\$260,000,000. This facility will mature on April 2, 2014. As of December 31, 2013, the unused facility amounted to US\$25,472,560.
17. On December 20, 2013, SEI entered into *escrow account agreement* with Korea Exchange Bank, Pyeongchon Branch, Korea and KNOC Sumatera Ltd. for purchasing 8.91% *participating interest* in South Sumatera PSC (Notes 10 and 45).
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 37).



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**38. IKATAN DAN KONTINJENSI (lanjutan)**

19. Perusahaan mempunyai ikatan pembelian sesuai dengan Perjanjian Pembelian Gas (Catatan 37.1) dan ikatan penjualan dengan pelanggan sesuai dengan Perjanjian Jual Beli Gas.

**38. COMMITMENTS AND CONTINGENCIES  
(continued)**

19. The Company has purchase commitments under Gas Purchase Agreements (Note 37.1) and sales commitments with customers under Gas Sales and Purchase Agreements.

**39. LIABILITAS PEMBONGKARAN ASET DAN RESTORASI AREA DAN PROVISI LAIN-LAIN**

Mutasi liabilitas restorasi dan pembongkaran aset adalah sebagai berikut :

	31 Des. 2013/ Dec. 31, 2013
Saldo awal	-
Penambahan tahun berjalan	14.644.646
Pembalikan dari efek diskonto	(674.436)
Saldo akhir	13.970.210
Rekening yang dicadangkan	(5.607.742)
<b>Saldo akhir, neto</b>	<b>8.362.468</b>

Estimasi terkini untuk biaya pembongkaran aset dan restorasi area yang ditinggalkan tidak dihitung oleh konsultan independen, tetapi dilakukan oleh pihak manajemen. Manajemen berkeyakinan bahwa akumulasi penyisihan pada tanggal laporan posisi keuangan konsolidasian telah cukup untuk menutup semua liabilitas yang timbul dari kegiatan restorasi area dan pembongkaran aset.

Rekening yang dicadangkan di atas ditempatkan di PT Bank Mandiri (Persero) Tbk untuk mendanai liabilitas pembongkaran aset dan restorasi area sehubungan dengan operasi minyak dan gas.

Tingkat suku bunga diskonto yang dipergunakan dalam perhitungan pada tanggal 31 Desember 2013 adalah sebesar 5,96%.

**39. ASSET ABANDONMENT AND SITE RESTORATION OBLIGATIONS AND OTHER PROVISIONS**

The movement in site restoration and abandonment obligations are presented below :

Beginning balance
Addition during the year
Unwinding the effect of discounting
Ending balance
Escrow account
<b>Ending balance, net</b>

The current estimates for the asset abandonment and site restoration obligations were determined by management, not by an independent consultant. Management believes that the accumulated provisions as of the dates of the consolidated statements of financial position are sufficient to meet the environmental obligations resulting from future site restoration and asset abandonment.

The above escrow accounts are placed in PT Bank Mandiri (Persero) Tbk for the funding of abandonment and site restoration obligations relating to oil and gas operations.

The discount rate of 5.96% was used in the calculation of the position as of December 31, 2013.

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**40. LABA PER SAHAM**

Berikut ini adalah rekonsiliasi faktor-faktor penentu perhitungan laba per saham:

2013			
	Laba Tahun Berjalan Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ <i>Profit for the Year Attributable to Owners of the Parent Entity</i>	Rata-rata Tertimbang Saham Biasa yang beredar/ <i>Weighted-Average Number of Ordinary Shares Outstanding</i>	Jumlah Laba per Saham/ <i>Earnings per Share Amount</i>
Dasar	860.533.234	24.239.658.196	0,04
Basic			
2012			
	Laba Tahun Berjalan Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ <i>Profit for the Year Attributable to Owners of the Parent Entity</i>	Rata-rata Tertimbang Saham Biasa yang beredar/ <i>Weighted-Average Number of Ordinary Shares Outstanding</i>	Jumlah Laba per Saham/ <i>Earnings per Share Amount</i>
Dasar	890.885.456	24.239.658.196	0,04
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 the basic earnings per share since the Company does not have potential dilutive securities.*

**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN**

**MANAJEMEN RISIKO**

Liabilitas keuangan utama Kelompok Usaha meliputi utang usaha dan lain-lain, liabilitas yang masih harus dibayar dan pinjaman jangka panjang. Tujuan utama dari liabilitas keuangan ini adalah untuk mengumpulkan dana untuk operasi Kelompok Usaha. Kelompok Usaha juga mempunyai berbagai aset 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.

**41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**RISK MANAGEMENT**

*The principal financial liabilities of the Group consist of trade and other payables, accrued liabilities and long-term loans. The main purpose of these financial liabilities is to raise funds for 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.*

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

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 harga, 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.

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. Dewan 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.

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

*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, price 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.*

*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 of Directors 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 include 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.*

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**a. Risiko Kredit (lanjutan)**

**(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 bervariasi sesuai dengan tipe pelanggan.

**(i) Pengendalian batas risiko dan kebijakan mitigasi**

**Jaminan**

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).

**(iii) Penurunan nilai dan kebijakan pencadangan**

Cadangan penurunan nilai yang diakui pada pelaporan keuangan hanyalah kerugian yang telah terjadi pada tanggal laporan keuangan konsolidasian (berdasarkan bukti obyektif atas penurunan nilai).

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**a. Credit Risk (continued)**

**(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 (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.*

**(ii) Risk limit control and mitigation policies**

**Deposits**

*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) Impairment and provisioning policies**

*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).*

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**MANAJEMEN RISIKO (lanjutan)**

**a. Risiko Kredit (lanjutan)**

- (iv) Eksposur maksimum risiko kredit tanpa memperhitungkan jaminan

Eksposur risiko kredit terhadap aset pada laporan posisi keuangan konsolidasian adalah sebagai berikut:

	<b>Eksposur maksimum/ Maximum exposure</b>
	<b>2013</b>
Piutang usaha - neto	279.956.482
Piutang lain-lain - neto	20.197.882
Piutang lain-lain jangka panjang	40.265.562
<b>Total</b>	<b>340.419.926</b>

	<b>Eksposur maksimum/ Maximum exposure</b>
	<b>2012</b>
Piutang usaha - neto	258.652.097
Piutang lain-lain - neto	3.417.800
<b>Total</b>	<b>262.069.897</b>

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, 8 dan 12.

Konsentrasi risiko aset keuangan dengan eksposur risiko kredit:

**(a) Sektor geografis**

Tabel berikut menggambarkan rincian eksposur kredit Kelompok Usaha pada nilai tercatat yang dikategorikan berdasarkan area geografis pada tanggal 31 Desember 2013. Untuk tabel ini, Kelompok Usaha telah mengalokasikan eksposur area berdasarkan wilayah geografis tempat mereka beroperasi.

**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**a. Credit Risk (continued)**

- (iv) Maximum exposure to credit risk before deposit held

Credit risk exposure relating to assets in the consolidated statement of financial position is as follows:

	<i>Trade receivables - net</i>
	<i>Other receivables - net</i>
	<i>Other long-term receivables</i>
<b>Total</b>	<b>Total</b>

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, 8 and 12.

Concentration of risks of financial assets with credit risk exposure:

**(a) Geographical sectors**

The following table breaks down the Group's credit exposure at their carrying amounts, as categorized by geographical region as of December 31, 2013. For this table, the Group has allocated exposures to regions based on the geographical area which activities are undertaken.

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
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**41. 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)

- (a) Sektor geografis (lanjutan)

- (a) Geographical sectors (continued)

2013			
	Jawa	Sumatera	
Piutang usaha - neto	230.266.487	49.689.995	Trade receivables - net
Piutang lain-lain - neto	19.877.432	320.450	Other receivables - net
Piutang jangka panjang	40.265.562	-	Long-term receivables
<b>Total</b>	<b>290.409.481</b>	<b>50.010.445</b>	<b>Total</b>

2012			
	Jawa	Sumatera	
Piutang usaha - neto	216.231.124	42.420.973	Trade receivables - net
Piutang lain-lain - neto	2.430.618	987.182	Other receivables - net
<b>Total</b>	<b>218.661.742</b>	<b>43.408.155</b>	<b>Total</b>

- (b) Jenis pelanggan

- (b) Customer types

Tabel berikut ini menggambarkan rincian eksposur kredit Kelompok Usaha pada nilai tercatat (tanpa memperhitungkan 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.

2013			
	Tidak mengalami penurunan nilai/ Non impaired	Mengalami penurunan nilai/ Impaired	Total/ Total
Distribusi	190.746.186	57.364.326	248.110.512
Transmisi	20.845.219	12.321.880	33.167.099
Minyak dan gas	8.141.743	-	8.141.743
Operasi lainnya	2.682.759	16.823	2.699.582
Total	222.415.907	69.703.029	292.118.936
Dikurangi: Cadangan kerugian penurunan nilai	-	(12.162.454)	(12.162.454)
Neto	222.415.907	57.540.575	279.956.482

Distribution
Transmission
Oil and gas
Other operations
Less: Allowance for impairment losses
Net



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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**a. Risiko Kredit (lanjutan)**

- (iv) Eksposur maksimum risiko kredit tanpa memperhitungkan jaminan (lanjutan)
- (b) Jenis pelanggan (lanjutan)

	2012		
	Tidak mengalami penurunan nilai/ Non impaired	Mengalami penurunan nilai/ Impaired	Total/ Total
Distribusi	216.659.254	24.519.006	241.178.260
Transmisi	17.521.606	9.847.598	27.369.204
Operasi lainnya	3.787.094	-	3.787.094
<b>Total</b>	<b>237.967.954</b>	<b>34.366.604</b>	<b>272.334.558</b>
Dikurangi: Cadangan kerugian penurunan nilai	-	(13.682.461)	(13.682.461)
<b>Neto</b>	<b>237.967.954</b>	<b>20.684.143</b>	<b>258.652.097</b>

Distribution  
Transmission  
Other operations

**Total**

Less:  
Allowance for impairment  
losses

**Net**

Entitas Anak mempunyai konsentrasi risiko kredit atas seluruh penjualan minyak dan gas bumi kepada pembeli tunggal. Penjualan minyak pada umumnya dijual berdasarkan kontrak jangka pendek dan tidak membutuhkan jaminan dari pembeli yang mencerminkan kurang lebih sebesar 57% dari jumlah piutang minyak dan gas bumi. Gas alam dijual berdasarkan perjanjian penjualan gas antara PSC Pangkah kepada pembeli tunggal, dimana mencerminkan kurang lebih 23% dari jumlah piutang minyak dan gas. LPG dijual berdasarkan perjanjian jual beli LPG antara Pangkah PSC kepada pembeli tunggal, yang mencerminkan kurang lebih sebesar 22% dari piutang minyak dan gas.

**b. Risiko Pasar**

Kelompok Usaha memiliki eksposur terhadap risiko pasar, yaitu risiko tingkat 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.

**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**a. Credit Risk (continued)**

- (iv) Maximum exposure to credit risk before deposit held (continued)
- (b) Customer types (continued)

The Subsidiary is subject to concentration of credit risk as all of their crude oil and gas sales are to single counter party. Crude oil sales are generally sold under short-term contracts and generally do not require collateral from the counter party, which represents approximately 57% of total oil and gas trade receivables. Natural gas sales are sold under Gas Sales Agreement between Pangkah PSC to a single counter party, which represent approximately 23% of oil and gas trade receivable. LPG sales are sold under LPG sales and purchase agreement between Pangkah PSC to a single counter party, which represent approximately 22% of oil and gas trade receivable.

**b. Market Risk**

The Group is exposed 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.

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**b. Risiko Pasar (lanjutan)**

Kelompok Usaha juga melakukan transaksi swap suku bunga untuk menyesuaikan risiko suku bunga yang terasosiasi dengan efek pinjaman bank jangka pendek dan pinjaman jangka panjang dengan tingkat bunga variabel, 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:

**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**b. Market Risk (continued)**

The Group also enters into interest rates swap to match the interest rate risk associated with the variable rates short-term bank loans and 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:

2013						
Bunga mengambang/Floating rate						
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	Total/ Total		
Pinjaman bank jangka pendek	-	300.000.000	-	300.000.000	Short-term bank loans	
Pinjaman jangka panjang jatuh tempo dalam waktu 1 tahun	26.833.743	14.686.004	-	113.980.602	Current maturities of long-term loans	
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu 1 tahun	476.864.616	7.343.000	-	611.976.149	Long-term loans - net of current maturities	
Total	503.698.359	322.029.004	-	1.025.956.751	Total	
2012						
Bunga mengambang/Floating rate						
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	Total/ Total		
Pinjaman jangka panjang jatuh tempo dalam waktu 1 tahun	11.545.515	14.686.005	-	98.627.228	Current maturities of long-term loans	
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu 1 tahun	635.644.005	22.029.004	-	840.006.527	Long-term loans - net of current maturities	
Total	647.189.520	36.715.009	-	938.633.755	Total	

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO  
KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**b. Risiko Pasar (lanjutan)**

(i) Risiko tingkat bunga (lanjutan)

Analisa sensitivitas untuk risiko suku bunga

Pada tanggal 31 Desember 2013, jika tingkat suku bunga pinjaman meningkat/menurun sebesar 50 basis poin dengan semua variabel konstan, laba sebelum beban pajak untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar US\$868.352 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 Dolar Amerika Serikat sebagai mata uang penyajian terhadap mata uang asing, khususnya Rupiah dan Yen Jepang. Risiko ini muncul disebabkan aset, liabilitas dan transaksi operasional Kelompok Usaha didominasi oleh mata uang asing sehingga pelemahan Dolar Amerika Serikat terhadap mata uang asing tersebut dapat mempengaruhi 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 Yen Jepang yang didominasi dari 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.

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**b. Market Risk (continued)**

(i) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

As of December 31, 2013, if the interest rates of the loans have been 50 basis points higher/lower with all other variables held constant, profit before tax expense for the year then ended would have been US\$868,352 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 US Dollar as presentation currency against foreign currencies, especially Rupiah and Japanese Yen. Assets, liabilities and operational transactions of the Group are denominated in foreign currencies, therefore, the weakening of US Dollar will influence the 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 Japanese Yen which denominated from 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 the 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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**MANAJEMEN RISIKO (lanjutan)**

**b. Risiko Pasar (lanjutan)**

(ii) Risiko mata uang asing (lanjutan)

Kelompok Usaha mempunyai aset dan liabilitas moneter dalam mata uang asing pada tanggal 31 Desember 2013 yang disajikan pada Catatan 43.

Analisa sensitivitas untuk risiko mata uang asing

Pada tanggal 31 Desember 2013, jika nilai tukar Dolar Amerika Serikat terhadap mata uang asing meningkat sebanyak 10% dengan semua variabel konstan, laba sebelum beban pajak untuk tahun yang berakhir pada tanggal tersebut lebih rendah sebesar US\$21.004.835, terutama sebagai akibat kerugian/keuntungan translasi kas dan setara kas dan pinjaman dalam mata uang asing, sedangkan jika nilai tukar Dolar Amerika Serikat terhadap mata uang asing menurun sebanyak 10%, maka laba sebelum manfaat (beban) pajak untuk tahun yang berakhir pada tanggal tersebut lebih tinggi sebesar US\$25.539.668.

(iii) Risiko harga

Kelompok Usaha mempunyai investasi dalam obligasi yang nilai wajarnya sangat terpengaruh dengan risiko harga pasar. Kelompok Usaha mengelola risiko ini dengan mendiversifikasikan ke beberapa investasi. Dewan Direksi melakukan audit dan menyetujui setiap keputusan investasi jangka pendek.

Analisa sensitivitas untuk risiko harga

Pada tanggal 31 Desember 2013, jika tingkat harga pasar investasi meningkat/menurun sebesar 10% dengan semua variabel konstan, investasi jangka pendek Kelompok Usaha untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar US\$8.538.483.

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
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**RISK MANAGEMENT (continued)**

**b. Market Risk (continued)**

(ii) Foreign exchange risk (continued)

*The Group had monetary assets and liabilities denominated in foreign currencies as of December 31, 2013 which are presented in Note 43.*

Sensitivity analysis for foreign exchange risk

*As of December 31, 2013, if the exchange rates of the US Dollar against foreign currencies appreciated by 10% with all other variables held constant, profit before tax expense for the year then ended would have been US\$21,004,835 lower, mainly as result of foreign exchange losses/gains on the translation of cash and cash equivalents and loans denominated in foreign currencies, while, if the exchange rates of the US Dollar against foreign currencies depreciated by 10%, profit before tax benefit (expense) for the year then ended would have been US\$25,539,668 higher.*

(iii) Price risk

*The Group has investment in bonds which the fair value of these investments are affected by the market price risk. The Group manages this risk through diversification the investments. Board of Directors reviews and approves all short-term investments decision.*

Sensitivity analysis for price risk

*As of December 31, 2013, if the price rates of the investment have been 10% higher/lower with all other variables held constant, the short-term investments for the year then ended would have been US\$8,538,483 lower/higher.*

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN  
RISIKO KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**c. 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 arus kas kontraktual yang tidak terdiskonto:

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**RISK MANAGEMENT (continued)**

**c. 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 undiscounted payments:

	Total/Total	Sewaktu-waktu dan Dalam Waktu 1 Tahun/ On Demand and Within 1 Year	Dalam Waktu 1 sampai dengan 5 Tahun/Within 1 to 5 Years	Lebih dari 5 Tahun/More Than 5 Years	
<b>Pada tanggal 31 Desember 2013</b>					<b>As of December 31, 2013</b>
Pinjaman bank					Short-term bank
jangka pendek					loans
Pokok pinjaman	300.000.000	300.000.000	-	-	Principal
Beban bunga					Future imputed
masa depan	4.489.050	4.489.050	-	-	interest
Utang usaha	158.320.476	158.320.476	-	-	charges
Utang lain-lain	57.609.234	57.609.234	-	-	Trade payables
Liabilitas yang					Other payables
masih harus					
dibayar	180.125.591	180.125.591	-	-	Accrued liabilities
Pinjaman jangka					
panjang yang					
jatuh tempo					
dalam waktu					
satu tahun					Current maturities of
Pokok pinjaman	113.980.602	113.980.602	-	-	long-term loans
Beban bunga					Principal
masa depan	2.489.379	2.489.379	-	-	Future imputed
Pinjaman jangka					interest
panjang, setelah					charges
dikurangi bagian					
yang jatuh					
tempo dalam					Long-term loans, net
waktu satu					of current
tahun					maturities
Pokok pinjaman	611.976.149	-	221.388.757	390.587.392	Principal
Beban bunga					Future imputed
masa depan	11.614.049	-	5.144.130	6.469.919	interest
Pinjaman jangka					charges
panjang, setelah					
dikurangi bagian					Derivative
yang jatuh					payable
tempo dalam					
waktu satu					
tahun					
Pokok pinjaman	11.927.017	-	-	11.927.017	
Beban bunga					
masa depan					
Utang derivatif					

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**41. KEBIJAKAN DAN TUJUAN MANAJEMEN  
RISIKO KEUANGAN (lanjutan)**

**MANAJEMEN RISIKO (lanjutan)**

**c. Risiko Likuiditas**

	Total/Total	Sewaktu- waktu dan Dalam Waktu 1 Tahun/ On Demand and Within 1 Year	Dalam Waktu 1 sampai dengan 5 Tahun/Within 1 to 5 Years	Lebih dari 5 Tahun/More Than 5 Years	As of December 31, 2012
<b>Pada tanggal 31 Desember 2012</b>					
Utang usaha	189.130.962	189.130.962	-	-	Trade payables
Utang lain-lain	24.800.904	24.800.904	-	-	Other payables
Liabilitas yang masih harus dibayar	42.257.980	42.257.980	-	-	Accrued liabilities
Pinjaman jangka panjang yang jatuh tempo dalam waktu satu tahun					Current maturities of long-term loans
Pokok pinjaman	98.627.228	98.627.228	-	-	Principal
Beban bunga masa depan	2.285.257	2.285.257	-	-	Future imputed interest charges
Pinjaman jangka panjang, setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun					Long-term loans, net of current maturities
Pokok pinjaman	840.006.527	-	787.732.779	52.273.748	Principal
Beban bunga masa depan	15.842.188	-	13.409.121	2.433.067	Future imputed interest charges
Utang derivatif	87.115.630	-	-	87.115.630	Other non- current liabilities

**MANAJEMEN MODAL**

Kelompok Usaha bertujuan mencapai struktur modal yang optimal untuk memenuhi tujuan usaha, diantaranya dengan mempertahankan rasio modal yang sehat dan memaksimalkan 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 2013.

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
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**RISK MANAGEMENT (continued)**

**c. Liquidity Risk**

**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 has 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, 2013.



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RISIKO KEUANGAN (lanjutan)**

**MANAJEMEN MODAL (lanjutan)**

Pada tanggal 31 Desember 2013, akun-akun Kelompok Usaha yang membentuk rasio utang terhadap ekuitas adalah sebagai berikut:

	31 Des. 2013/ Dec. 31, 2013
Pinjaman bank jangka pendek	300.000.000
Pinjaman jangka panjang jatuh tempo dalam satu tahun	113.980.602
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	611.976.149
<b>Total</b>	<b>1.025.956.751</b>
<b>Total ekuitas</b>	<b>2.727.226.523</b>
<b>Rasio utang terhadap ekuitas</b>	<b>0,38</b>

**42. 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, liabilitas yang masih harus dibayar, utang lain-lain, 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 2013 dan 2012:

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**41. FINANCIAL RISK MANAGEMENT OBJECTIVES  
AND POLICIES (continued)**

**CAPITAL MANAGEMENT (continued)**

As of December 31, 2013, the Group's debt to equity ratio account is as follows:

	31 Des. 2013/ Dec. 31, 2013
Pinjaman bank jangka pendek	300.000.000
Pinjaman jangka panjang jatuh tempo dalam satu tahun	113.980.602
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	611.976.149
<b>Total</b>	<b>1.025.956.751</b>
<b>Total ekuitas</b>	<b>2.727.226.523</b>
<b>Rasio utang terhadap ekuitas</b>	<b>0,38</b>

**42. 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, accrued liabilities, other payables, 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, 2013 and 2012:

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**42. INSTRUMEN KEUANGAN (lanjutan)**

**42. FINANCIAL INSTRUMENTS (continued)**

2013					
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value			
<b>Aset keuangan</b>			<b>Financial assets</b>		
Kas dan setara kas	1.319.168.247	1.319.168.247	Cash and cash equivalents		
Kas yang dibatasi penggunaannya	1.163.447	1.163.447	Restricted cash		
Investasi jangka pendek	85.384.831	85.384.831	Short-term investments		
Piutang usaha - neto	279.956.482	279.956.482	Trade receivables - net		
Piutang lain-lain - neto	20.197.882	20.197.882	Other receivables - net		
Piutang lain-lain jangka panjang	40.265.562	40.265.562	Other long-term receivables		
<b>Total</b>	<b>1.746.136.451</b>	<b>1.746.136.451</b>	<b>Total</b>		
<b>Liabilitas keuangan</b>			<b>Financial liabilities</b>		
Pinjaman bank jangka pendek	300.000.000	300.000.000	Short-term bank loans		
Utang usaha	158.320.476	158.320.476	Trade payables		
Liabilitas yang masih harus dibayar	180.125.591	180.125.591	Accrued liabilities		
Utang lain-lain	57.609.234	57.609.234	Other payables		
Utang derivatif	11.927.017	11.927.017	Derivative payable		
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	113.980.602	113.980.602	Current maturities of long-term loans		
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	611.976.149	611.976.149	Long-term loans - net of current maturities		
<b>Total</b>	<b>1.433.939.069</b>	<b>1.433.939.069</b>	<b>Total</b>		
2012					
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value			
<b>Aset keuangan</b>			<b>Financial assets</b>		
Kas dan setara kas	1.567.458.346	1.567.458.346	Cash and cash equivalents		
Kas yang dibatasi penggunaannya	8.478.599	8.478.599	Restricted cash		
Investasi jangka pendek	108.286.034	108.286.034	Short-term investments		
Piutang usaha - neto	258.652.097	258.652.097	Trade receivables - net		
Piutang lain-lain - neto	3.417.800	3.417.800	Other receivables - net		
<b>Total</b>	<b>1.946.292.876</b>	<b>1.946.292.876</b>	<b>Total</b>		
<b>Liabilitas keuangan</b>			<b>Financial liabilities</b>		
Utang usaha	189.130.962	189.130.962	Trade payables		
Liabilitas yang masih harus dibayar	42.257.980	42.257.980	Accrued liabilities		
Utang lain-lain	24.800.904	24.800.904	Other payables		
Utang derivatif	87.115.630	87.115.630	Derivative payable		
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	98.627.228	98.627.228	Current maturities of long-term loans		
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	840.006.527	840.006.527	Long-term loans - net of current maturities		
<b>Total</b>	<b>1.281.939.231</b>	<b>1.281.939.231</b>	<b>Total</b>		

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**42. INSTRUMEN KEUANGAN (lanjutan)**

Nilai wajar aset dan liabilitas keuangan disajikan dalam jumlah di mana instrumen tersebut dapat dipertukarkan dalam transaksi ini antara pihak-pihak yang berkeinginan (*willing parties*), bukan dalam penjualan akibat kesulitan keuangan atau likuidasi yang dipaksakan.

Metode dan asumsi berikut ini digunakan untuk mengestimasi nilai wajar untuk setiap kelompok instrumen keuangan yang praktis untuk memperkirakan nilai tersebut:

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 harga kuotasi yang dipublikasikan dalam pasar aktif.

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. Piutang lain-lain jangka panjang, pinjaman bank jangka pendek dan pinjaman jangka panjang.

Seluruh aset dan liabilitas keuangan di atas merupakan pinjaman yang memiliki suku bunga variabel dan tetap yang disesuaikan dengan pergerakan suku bunga pasar sehingga nilai tercatat aset dan liabilitas 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.

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**42. FINANCIAL INSTRUMENTS (continued)**

*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.*

*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. *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 published quoted market price in active market.*

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. *Other long-term receivables, short-term bank loans and long-term loans.*

*All of the above financial assets and liabilities are assets and liabilities with floating and fixed interest rates which are adjusted in the movements of market interest rates, thus the carrying values of the financial assets and liabilities approximate their fair values.*

5. *Derivative payable*

*Fair value of this financial liability is estimated using appropriate valuation techniques with market observable inputs.*

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**42. INSTRUMEN KEUANGAN (lanjutan)**

**Hirarki Nilai Wajar**

Aset dan liabilitas keuangan diklasifikasikan secara keseluruhan berdasarkan tingkat terendah dari masukan (*input*) yang signifikan terhadap pengukuran nilai wajar. Penilaian dampak signifikan dari suatu *input* tertentu terhadap pengukuran nilai wajar membutuhkan pertimbangan dan dapat mempengaruhi penilaian dari aset dan liabilitas yang diukur dan penempatannya dalam hirarki nilai wajar.

Bukti terbaik dari nilai wajar adalah harga yang dikuotasi (*quoted prices*) dalam sebuah pasar yang aktif. Jika pasar untuk sebuah instrumen keuangan tidak aktif, entitas menetapkan nilai wajar dengan menggunakan metode penilaian. Tujuan dari penggunaan metode penilaian adalah untuk menetapkan harga transaksi yang terbentuk pada tanggal pengukuran dalam sebuah transaksi pertukaran yang wajar dengan pertimbangan bisnis normal.

Metode penilaian termasuk penggunaan harga dalam transaksi pasar yang wajar (*arm's length*) terakhir antara pihak-pihak yang memahami dan berkeinginan, jika tersedia, referensi kepada nilai wajar terkini dari instrumen lain yang secara substansial sama, analisa arus kas yang didiskontokan dan model harga opsi (*option pricing models*). Jika terdapat metode penilaian yang biasa digunakan oleh para peserta pasar untuk menentukan harga dari instrumen dan metode tersebut telah didemonstrasikan untuk menyediakan estimasi yang andal atas harga yang diperoleh dari transaksi pasar yang aktual, entitas harus menggunakan metode tersebut. Metode penilaian yang dipilih membuat penggunaan maksimum dari *input* pasar dan bergantung sedikit mungkin atas *input* yang spesifik untuk entitas (*entity-specific input*). Metode tersebut memperhitungkan semua faktor yang akan dipertimbangkan oleh peserta pasar dalam menentukan sebuah harga dan selaras dengan metode ekonomis untuk penilaian sebuah instrumen keuangan. Secara berkala, Perusahaan menelaah metode penilaian dan mengujinya untuk validitas dengan menggunakan harga dari transaksi pasar terkini yang dapat diobservasi untuk instrumen yang sama (yaitu tanpa modifikasi dan pengemasan kembali) atau berdasarkan data pasar yang tersedia dan dapat diobservasi.

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**42. FINANCIAL INSTRUMENTS (continued)**

**Fair Value Hierarchy**

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurements. The assessment of the significance of a particular input to the fair value measurements requires judgement, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, an entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the Company calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on any available observable market data.

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**42. INSTRUMEN KEUANGAN (lanjutan)**

**Hirarki Nilai Wajar (lanjutan)**

Hirarki nilai wajar Perusahaan pada tanggal-tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

**42. FINANCIAL INSTRUMENTS (continued)**

**Fair Value Hierarchy (continued)**

The Company's fair values hierarchy as of December 31, 2013 and 2012 is as follows:

2013					
	Total/ Total	Harga pasar yang dikuotasi untuk aset dan liabilitas yang sama (Level 1)/ Quoted prices in active markets for identical assets or liabilities (Level 1)	Input yang signifikan dan dapat diobservasi secara langsung maupun tidak langsung (Level 2)/ Significant and observable inputs, direct or indirectly (Level 2)	Input yang signifikan tetapi tidak dapat diobservasi (Level 3)/ Significant unobservable inputs (Level 3)	
<b>Aset keuangan lancar</b>					<b>Current financial asset</b>
Investasi jangka pendek	85.384.831	85.384.831	-	-	Short-term investments
<b>Liabilitas keuangan jangka panjang</b>					<b>Non-current financial liability</b>
Utang derivatif	11.927.017	-	11.927.017	-	Derivative payable
2012					
	Total/ Total	Harga pasar yang dikuotasi untuk aset dan liabilitas yang sama (Level 1)/ Quoted prices in active markets for identical assets or liabilities (Level 1)	Input yang signifikan dan dapat diobservasi secara langsung maupun tidak langsung (Level 2)/ Significant and observable inputs, direct or indirectly (Level 2)	Input yang signifikan tetapi tidak dapat diobservasi (Level 3)/ Significant unobservable inputs (Level 3)	
<b>Aset keuangan lancar</b>					<b>Current financial asset</b>
Investasi jangka pendek	108.286.034	108.286.034	-	-	Short-term investments
<b>Liabilitas keuangan jangka panjang</b>					<b>Non-current financial liability</b>
Utang derivatif	87.115.630	-	87.115.630	-	Derivative payable

Untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan 2012, tidak terdapat pengalihan antara pengukuran nilai wajar Level 1 dan Level 2.

For the years ended December 31, 2013 and 2012, there were no transfers between Level 1 and Level 2 fair value measurements.

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**43. ASET DAN LIABILITAS DALAM MATA UANG ASING**

Pada tanggal 31 Desember 2013 dan 2012, aset dan liabilitas moneter Kelompok Usaha dalam mata uang asing adalah sebagai berikut:

**43. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES**

As of December 31, 2013 and 2012, the Group's monetary assets and liabilities denominated in foreign currencies are as follows:

	2013	2012	
<b>Aset</b>			<b>Assets</b>
Dalam Rupiah			In Rupiah
Kas dan setara kas	Rp 3.066.390.281.270	4.369.967.321.548	Cash and cash equivalents
Kas yang dibatasi penggunaannya	3.203.432.934	78.857.400.623	Restricted cash
Investasi jangka pendek	95.000.000.000	145.000.000.000	Short-term investments
Piutang usaha	571.834.489.483	585.564.239.100	Trade receivables
Piutang lain-lain - neto	70.576.170.866	35.193.279.395	Other receivables - net
Uang muka	17.888.214.046	7.933.959.546	Advances
Sub-total	Rp 3.824.892.588.599	5.222.516.200.212	Sub-total
Dalam Yen Jepang			In Japanese Yen
Kas dan setara kas	JPY 171.601.671	1.260.017.469	Cash and cash equivalents
Sub-total	JPY 171.601.671	1.260.017.469	Sub-total
Dalam Dolar Singapura			In Singapore Dollar
Kas dan setara kas	SG\$ 222.680	212.728	Cash and cash equivalents
Piutang lain-lain - neto	5.527	5.527	Other receivables - net
Sub-total	SG\$ 228.207	218.255	Sub-total
Total Aset	Rp 3.824.892.588.599	5.222.516.200.212	Total Assets
	JPY 171.601.671	1.260.017.469	
	SG\$ 228.207	218.255	
<b>Ekuivalen Dolar Amerika Serikat</b>	<b>315.613.958</b>	<b>554.843.252</b>	<b>US Dollar equivalents</b>



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**43. ASET DAN LIABILITAS DALAM MATA UANG  
ASING (lanjutan)**

**43. ASSETS AND LIABILITIES DENOMINATED IN  
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		2013	2012	
<b>Liabilitas</b>				<b>Liabilities</b>
Dalam Rupiah				In Rupiah
Utang usaha	Rp	309.675.429	64.704.101	Trade payables
Utang lain-lain		238.173.749.544	117.917.803.502	Other payables
Liabilitas yang masih harus dibayar		348.811.088.475	202.326.215.941	Accrued liabilities
Liabilitas imbalan kerja jangka pendek		434.196.996.804	360.719.592.179	Short-term employee's benefits liabilities
Utang pajak		165.827.602.119	145.874.632.445	Taxes payable
Sub-total	Rp	1.187.319.112.371	826.902.948.168	Sub-total
Dalam Yen Jepang				In Japanese Yen
Liabilitas yang masih harus dibayar	JPY	191.071.659	586.633.897	Accrued liabilities
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun		46.937.981.000	48.538.362.136	Long-term loans - net of current maturities
Sub-total	JPY	47.129.052.659	49.124.996.033	Sub-total
Dalam Dolar Singapura				In Singapore Dollar
Liabilitas yang masih harus dibayar	SG\$	86.000	-	Accrued Liabilities
Sub-total	SG\$	86.000	-	Sub-total
Total Liabilitas	Rp	1.187.319.112.371	826.902.948.168	Total Liabilities
	JPY	47.129.052.659	49.124.996.033	
	SG\$	86.000	-	
<b>Ekuivalen Dolar Amerika Serikat</b>		<b>546.667.144</b>	<b>654.351.892</b>	<b>US Dollar equivalents</b>
<b>Total Liabilitas - Neto</b>		<b>231.053.186</b>	<b>99.508.640</b>	<b>Total Liabilities - Net</b>

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 penyelesaian laporan keuangan konsolidasian, kurs tengah yang dikeluarkan oleh Bank Indonesia adalah Rp11.620 untuk US\$1, SG\$1,26 untuk US\$1 dan JPY102,52 untuk US\$1. Apabila kurs tersebut digunakan pada tanggal 31 Desember 2013, maka liabilitas konsolidasi neto akan turun sebesar US\$119.617.

As of the completion date of the consolidated financial statements, the rates of exchange published by Bank Indonesia was Rp11,620 to US\$1, SG\$1.26 to US\$1 and JPY102.52 to US\$1. If such exchange rates had been used as of December 31, 2013, the net consolidated liabilities will decrease by US\$119,617.

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**44. INFORMASI SEGMENT USAHA**

Untuk kepentingan manajemen, Kelompok Usaha digolongkan menjadi unit usaha berdasarkan produk dan jasa dan memiliki empat 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 industri, komersial dan rumah tangga.

2. Segmen transmisi gas

Segmen transmisi gas melakukan kegiatan usaha dalam menyalurkan gas untuk pelanggan industri.

3. Segmen eksplorasi minyak dan gas

Segmen eksplorasi minyak gas melakukan kegiatan usaha dalam eksplorasi, eksploitasi dan pengembangan usaha di bidang minyak dan gas bumi.

4. Segmen operasi lainnya

Segmen operasional lainnya terkait dengan jasa sewa fiber optik untuk penyediaan jaringan dan jasa konstruksi dan perbaikan kepada pelanggan.

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.

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**44. SEGMENT INFORMATION**

*For management purposes, the Group is organized into business units based on their products and services and has four 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. Exploration of oil and gas

*Exploration of oil and gas segment mainly involved in exploration, exploitation and business development in oil and gas.*

4. Other operations segment

*Other operations segment provides fiber optic rental for network services and constructions and maintenance services to the customers.*

*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.*

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**44. INFORMASI SEGMENT USAHA (lanjutan)**

Tabel berikut menyajikan informasi pendapatan dan laba dan aset dan liabilitas tertentu sehubungan dengan segmen operasi Kelompok Usaha:

**44. SEGMENT INFORMATION (continued)**

The following table represents revenue and profit, and certain asset and liability information regarding the Group's operating segments:

	2013					
	Distribusi/ Distribution	Transmisi/ Transmission	Eksplorasi Minyak dan Gas/ Exploration of Oil and Gas	Operasi Lainnya/ Other Operations	Konsolidasian/ Consolidation	
<b>PENDAPATAN NETO</b>						<b>NET REVENUES</b>
Pendapatan	2.972.966.319	200.267.632	34.844.573	66.253.632	3.274.332.156	Revenues
Eliminasi Pendapatan	(203.233.017)	(20.027.026)	-	(49.555.483)	(272.815.526)	Revenues elimination
Total Pendapatan Neto	2.769.733.302	180.240.606	34.844.573	16.698.149	3.001.516.630	Total Net Revenues
<b>Beban segmen</b>						<b>Segment expenses</b>
Beban pokok	1.788.381.640	-	18.400.547	-	1.806.782.187	Cost of revenues
Eliminasi beban pokok	(223.260.042)	-	-	-	(223.260.042)	Cost of revenues elimination
Gaji dan kesejahteraan karyawan	38.088.998	19.210.019	2.814.480	7.852.289	67.965.786	Salaries and employees' benefits
Penyusutan	46.056.114	129.445.648	25.652	5.252.976	180.780.390	Depreciation
Perbaikan dan pemeliharaan	34.020.958	10.361.403	15	785.570	45.167.946	Repairs and maintenance
Eliminasi biaya perbaikan dan pemeliharaan	(19.645.012)	(995.816)	-	-	(20.640.828)	Repairs and maintenance expenses elimination
Beban lain-lain	51.623.487	40.013.625	3.825.053	40.002.664	135.464.829	Other expenses
Eliminasi beban lain-lain	(13.340.573)	(1.849.435)	-	-	(15.190.008)	Other expenses elimination
Total Beban Segmen	1.701.925.570	196.185.444	25.065.747	53.893.499	1.977.070.260	Total Segment Expenses
<b>HASIL</b>						<b>RESULTS</b>
Laba segmen	1.067.807.733	(15.944.838)	9.778.826	(37.195.351)	1.024.446.370	Segmen profit
Beban Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					(119.329.905)	Unallocated expenses of the Company and Subsidiaries
Eliminasi biaya					3.701.692	Expenses elimination
Pendapatan lain-lain					27.023.658	Other income
Beban lain-lain					(2.156.558)	Other expenses
Laba Operasi					933.685.257	Operating Profit
Laba kurs - neto					83.899.214	Gain on foreign exchange - net
Laba perubahan nilai wajar derivatif - neto					70.178.350	Gain on change in fair value of derivative - net
Bagian laba dari entitas asosiasi					32.272.194	Share in profit of the associates
Pendapatan keuangan					26.910.239	Finance income
Beban keuangan					(21.863.585)	Finance cost
Laba Sebelum Beban Pajak					1.125.081.669	Profit Before Tax Expense
Beban Pajak Kini					(226.642.556)	Tax expense Current
Tangguhan					(4.554.593)	Deferred
Beban Pajak - Neto					(231.197.149)	Tax Expense - Net
<b>LABA TAHUN BERJALAN</b>					<b>893.884.520</b>	<b>PROFIT FOR THE YEAR</b>
<b>PENDAPATAN KOMPREHENSIF LAIN</b>						<b>OTHER COMPREHENSIVE INCOME</b>
Keuntungan aktuaria					29.827.072	Actuarial gains
Aset keuangan tersedia untuk dijual					(15.767.821)	Available-for-sale financial assets
Selisih kurs karena penjabaran laporan keuangan dalam Entitas Anak, neto					(14.010.436)	Difference in foreign currency translation of the financial statements of Subsidiaries, net
Sub-total					48.815	Sub-total
Pajak penghasilan terkait					(5.717.966)	Income tax effect
<b>KERUGIAN KOMPREHENSIF LAIN SETELAH PAJAK</b>					<b>(5.669.151)</b>	<b>TOTAL OTHER COMPREHENSIVE LOSS AFTER TAX</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN</b>					<b>888.215.369</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>

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**44. INFORMASI SEGMENT USAHA (lanjutan)**

**44. SEGMENT INFORMATION (continued)**

2013						
	Distribusi/ Distribution	Transmisi/ Transmission	Eksplorasi Minyak dan Gas/ Exploration of Oil and Gas	Operasi Lainnya/ Other Operations	Konsolidasian/ Consolidation	
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>						<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk					860.533.234	Owners of the parent entity
Kepentingan nonpengendali					33.351.286	non-controlling interests
<b>Total</b>					<b>893.884.520</b>	<b>Total</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>						<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk					854.246.887	Owners of the parent entity
Kepentingan nonpengendali					33.968.482	non-controlling interests
<b>Total</b>					<b>888.215.369</b>	<b>Total</b>
<b>ASET SEGMENT</b>						<b>SEGMENT ASSETS</b>
Aset Segmen	556.913.870	1.164.054.687	574.278.529	69.879.816	2.365.126.902	
Aset Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					1.998.048.093	Unallocated assets of the Company and Subsidiaries
<b>Total Aset yang Dikonsolidasikan</b>					<b>4.363.174.995</b>	<b>Total Consolidated Assets</b>
<b>LIABILITAS SEGMENT</b>						<b>SEGMENT LIABILITIES</b>
Liabilitas Segmen	42.700.083	29.604.050	71.709.663	9.136.934	153.150.730	
Liabilitas Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					1.482.797.742	Unallocated liabilities of the Company and Subsidiaries
<b>Total Liabilitas yang Dikonsolidasikan</b>					<b>1.635.948.472</b>	<b>Total Consolidated Liabilities</b>
<b>INFORMASI LAINNYA</b>						<b>OTHER INFORMATION</b>
Pengeluaran Modal	44.483.621	20.822.679	554.627.926	260.807.671	880.741.897	Capital Expenditures
Penyusutan	46.056.114	129.445.648	25.652	5.252.976	180.780.390	Depreciation
Penyusutan Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					4.855.931	Unallocated depreciation of the Company and Subsidiaries
<b>Total Penyusutan yang Dikonsolidasikan</b>					<b>185.636.321</b>	<b>Total Consolidated Depreciation</b>

2012						
	Distribusi/ Distribution	Transmisi/ Transmission	Eksplorasi Minyak dan Gas/ Exploration of Oil and Gas	Operasi Lainnya/ Other Operations	Konsolidasian/ Consolidation	
<b>PENDAPATAN NETO</b>						<b>NET REVENUES</b>
Pendapatan	2.387.902.755	215.620.970	-	33.249.987	2.636.773.712	Revenues
Eliminasi Pendapatan	(17.956.492)	(15.621.570)	-	(22.961.510)	(56.539.572)	Revenues elimination
<b>Total Pendapatan Neto</b>	<b>2.369.946.263</b>	<b>199.999.400</b>	<b>-</b>	<b>10.288.477</b>	<b>2.580.234.140</b>	<b>Total Net Revenues</b>

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**44. INFORMASI SEGMENT USAHA (lanjutan)**

**44. SEGMENT INFORMATION (continued)**

	2012					
	Distribusi/ Distribution	Transmisi/ Transmission	Eksplorasi Minyak dan Gas/ Exploration of Oil and Gas	Operasi Lainnya/ Other Operations	Konsolidasian/ Consolidation	
Beban segmen						Segment expenses
Beban pokok	1.141.420.898	-	-	-	1.141.420.898	Cost of revenues
Eliminasi beban pokok	(33.578.062)	-	-	-	(33.578.062)	Cost of revenues elimination
Gaji dan kesejahteraan karyawan	43.792.191	22.453.147	1.859.792	3.582.712	71.687.842	Salaries and employees' benefits
Penyusutan	40.790.179	139.722.686	20.768	3.800.909	184.334.542	Depreciation
Perbaikan dan pemeliharaan	11.497.871	10.337.389	-	447.349	22.282.609	Repairs and maintenance
Eliminasi biaya perbaikan dan pemeliharaan	(2.189.944)	(542.046)	-	-	(2.731.990)	Repairs and maintenance expenses elimination
Beban lain-lain	41.347.926	41.041.376	2.439.125	24.966.188	109.794.615	Other expenses
Eliminasi beban lain-lain	(9.219.527)	(2.710.838)	-	-	(11.930.365)	Other expenses elimination
Total Beban Segmen	1.233.861.532	210.301.714	4.319.685	32.797.158	1.481.280.089	Total Segment Expenses
<b>HASIL</b>						<b>RESULTS</b>
Laba segmen	1.136.084.731	(10.302.314)	(4.319.685)	(22.508.681)	1.098.954.051	Segment profits
Beban Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					(104.460.711)	Unallocated expenses of the Company and Subsidiaries
Eliminasi biaya					3.613.261	Expenses elimination
Pendapatan lain-lain					21.415.500	Other income
Beban lain-lain					(1.038.741)	Other expenses
Laba Operasi					1.018.483.360	Operating Profit
Laba perubahan nilai wajar derivatif - neto					65.101.054	Gain on change in fair value of derivative - net
Laba kurs - neto					49.757.553	Gain on foreign exchange - net
Pendapatan keuangan					27.824.136	Finance income
Bagian laba dari entitas asosiasi					8.718.596	Share of profit of the associates
Beban keuangan					(21.576.672)	Finance cost
Laba sebelum manfaat (beban) pajak					1.148.308.027	Profit before tax benefit (expense)
Manfaat (beban) Pajak						Tax benefit (expense)
Kini					(238.367.358)	Current
Tangguhan					5.315.581	Deferred
Beban Pajak - Neto					(233.051.777)	Tax Expense - Net
<b>LABA TAHUN BERJALAN</b>					<b>915.256.250</b>	<b>PROFIT FOR THE YEAR</b>
<b>PENDAPATAN KOMPREHENSIF LAIN</b>						<b>OTHER COMPREHENSIVE INCOME</b>
Aset keuangan tersedia untuk dijual					7.794.787	Available-for-sale financial assets
Kerugian aktuarial					(8.734.002)	Actuarial losses
Selisih kurs karena penjabaran laporan keuangan dalam Entitas Anak - neto					(1.724.744)	Difference in foreign currency translation of the financial statements of Subsidiaries - net
Sub-total					(2.663.959)	Sub-total
Pajak penghasilan terkait					1.906.393	Income tax effect
<b>TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK</b>					<b>(757.566)</b>	<b>TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN</b>					<b>914.498.684</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>

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**44. INFORMASI SEGMENT USAHA (lanjutan)**

**44. SEGMENT INFORMATION (continued)**

2012						
	Distribusi/ Distribution	Transmisi/ Transmission	Eksplorasi Minyak dan Gas/ Exploration of Oil and Gas	Operasi Lainnya/ Other Operations	Konsolidasian/ Consolidation	
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>						<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk					890.885.456	Owners of the parent entity
Kepentingan nonpengendali					24.370.794	non-controlling interests
<b>Total</b>					<b>915.256.250</b>	<b>Total</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>						<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk					889.696.452	Owners of the parent entity
Kepentingan nonpengendali					24.802.232	non-controlling interests
<b>Total</b>					<b>914.498.684</b>	<b>Total</b>
<b>ASET SEGMENT</b>						<b>SEGMENT ASSETS</b>
Aset Segmen	508.378.690	1.239.992.630	4.236.174	64.251.978	1.816.859.472	Segment assets
Aset Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					2.091.302.847	Unallocated assets of the Company and Subsidiaries
<b>Total Aset yang Dikonsolidasikan</b>					<b>3.908.162.319</b>	<b>Total Consolidated Assets</b>
<b>LIABILITAS SEGMENT</b>						<b>SEGMENT LIABILITIES</b>
Liabilitas Segmen	35.649.329	26.156.830	485.182	6.184.276	68.475.617	Segment liabilities
Liabilitas Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					1.484.894.724	Unallocated liabilities of the Company and Subsidiaries
<b>Total Liabilitas yang Dikonsolidasikan</b>					<b>1.553.370.341</b>	<b>Total Consolidated Liabilities</b>
<b>INFORMASI LAINNYA</b>						<b>OTHER INFORMATION</b>
Pengeluaran Modal	52.478.036	36.162.875	53.391	50.905.579	139.599.881	Capital Expenditures
Penyusutan	40.790.179	139.722.686	20.767	3.800.910	184.334.542	Depreciation
Penyusutan Perusahaan dan Entitas Anak yang tidak dapat dialokasikan					5.070.213	Unallocated depreciation of the Company and Subsidiaries
<b>Total Penyusutan yang Dikonsolidasikan</b>					<b>189.404.755</b>	<b>Total Consolidated Depreciation</b>



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**44. INFORMASI SEGMENT USAHA (lanjutan)**

Informasi konsolidasi menurut segmen usaha adalah sebagai berikut:

**44. SEGMENT INFORMATION (continued)**

Consolidated information based on business segment is as follows:

2013				
Uraian	Pendapatan Neto/ Net Revenues	Nilai Tercatat Aset Segmen/ Carrying Value of Segment Assets	Penambahan Aset Tetap dan Properti Minyak dan Gas/ Additions to Fixed Assets and Oil and Gas Properties	Descriptions
Kantor pusat	-	-	258.801.156	Head office
SBU Distribusi Wilayah I. Jawa Bagian Barat	2.130.363.240	412.442.032	18.683.265	SBU Distribution I. West Java
SBU Distribusi Wilayah II. Jawa Bagian Timur	414.659.230	64.676.681	12.354.109	SBU Distribution II. East Java
SBU Distribusi Wilayah III. Sumatera Bagian Utara	210.780.630	41.055.580	10.556.329	SBU Distribution III. North Sumatera
SBU Transmisi Sumatera Jawa	15.691.794	668.109.407	12.339.516	SBU Transmission Sumatera Jawa
Transgasindo	164.048.040	493.277.481	8.483.163	Transgasindo
PGASKOM	10.341.994	14.683.937	277.292	PGASKOM
PGASSOL	6.356.156	25.834.588	1.712.540	PGASSOL
SEI	34.844.573	574.278.529	554.627.926	SEI
GEI	14.430.973	41.407.376	2.889.918	GEI
PLI	-	29.361.291	16.683	PLI
<b>Total</b>	<b>3.001.516.630</b>	<b>2.365.126.902</b>	<b>880.741.897</b>	<b>Total</b>
2012				
Uraian	Pendapatan Neto/ Net Revenues	Nilai Tercatat Aset Segmen/ Carrying Value of Segment Assets	Penambahan Aset Tetap dan Properti Minyak dan Gas/ Additions to Fixed Assets and Oil and Gas Properties	Descriptions
Kantor pusat	-	-	44.361.777	Head office
SBU Distribusi Wilayah I. Jawa Bagian Barat	1.675.526.011	354.703.797	34.384.969	SBU Distribution I. West Java
SBU Distribusi Wilayah II. Jawa Bagian Timur	438.133.928	82.572.368	9.439.127	SBU Distribution II. East Java
SBU Distribusi Wilayah III. Sumatera Bagian Utara	234.151.707	47.143.689	8.560.512	SBU Distribution III. North Sumatera
SBU Transmisi Sumatera Jawa	22.291.328	733.587.651	9.914.704	SBU Transmission Sumatera Jawa
Transgasindo	176.092.569	503.106.610	26.248.171	Transgasindo
PGASKOM	9.803.747	14.266.217	3.186.714	PGASKOM
PGASSOL	484.731	11.322.583	3.313.323	PGASSOL
SEI	-	4.236.174	53.391	SEI
GEI	23.750.119	27.257.205	93.428	GEI
PLI	-	38.663.178	43.765	PLI
<b>Total</b>	<b>2.580.234.140</b>	<b>1.816.859.472</b>	<b>139.599.881</b>	<b>Total</b>

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**45. PERISTIWA SETELAH TAHUN PELAPORAN**

**Perusahaan**

1. Tahap penyelesaian proyek 1, 2 dan 3 adalah sebagai berikut:

**a. Proyek 1**

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, persentase penyelesaian Proyek 1 dengan aspek penyelesaian fisik\*) adalah sebagai berikut:

- Pembangunan EPCIC *pipeline* yang terdiri dari pipa *offshore*, stasiun Penerima *Onshore* (ORF) dan *Off-take Station* (OTS) di Labuhan Maringgai: 58,07% (tidak diaudit);
- Proyek Distribusi Lampung: 44,69% (tidak diaudit).

Persentase penyelesaian fisik\*) dari pihak pembangun vessel adalah:

- Pembangunan *Floating Storage and Regasification Unit* (FSRU): 96,90% (tidak diaudit);
- Pembangunan fasilitas penambat FSRU (*mooring system*): 95,80% (tidak diaudit).

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, jumlah estimasi biaya Proyek 1 sebesar US\$311.445.039 (tidak diaudit).

Sampai dengan 31 Desember 2013, jumlah realisasi biaya Proyek 1 adalah US\$101.201.836 (tidak diaudit). Dengan demikian, persentase penyelesaian Proyek 1 dibandingkan dengan jumlah estimasi biaya proyek adalah sebesar 32,48% (tidak diaudit).

**b. Proyek 2**

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, persentase penyelesaian Proyek 2 dengan aspek penyelesaian fisik\*), adalah sebagai berikut:

- Proyek Konsultan Manajemen (PMC) terkait proyek PCC dengan penyelesaian fisik sebesar 77% (tidak diaudit);

**45. EVENTS AFTER THE REPORTING YEAR**

**The Company**

1. The percentage of completion of projects 1, 2, and 3 are as follows:

**a. Project 1**

Up to the completion date of these consolidated financial statements, the percentage of physical completion\*) of the pipeline transmission project are as follows:

- Construction of EPCIC *pipeline* which consist of offshore pipeline, Onshore Receiving Facilities (ORF) and Off-take Station (OTS) in Labuhan Maringgai: 58.07% (unaudited);
- Lampung Distribution Project: 44.69%.

Physical completion aspect\*) from the contractor of vessel are:

- Construction of Floating Storage and Regasification Unit (FSRU): 96.90% (unaudited);
- Mooring system facility: 95.80% (unaudited).

Up to the completion date of these consolidated financial statements, total estimated cost of Project 1 amounted to US\$311,445,039 (unaudited).

Up to December 31, 2013, the realization of project costs for Project 1 is US\$101,201,836 (unaudited). Therefore, the percentage of project completion for Project 1 compared to total estimated project costs is 32.48% (unaudited).

**b. Project 2**

Up to the completion date of these consolidated financial statements, the percentage of completion\*) of Project 2 with physical completion aspect, are as follows:

- Project Management Consultant (PMC) related to PCC project with physical completion of 77% (unaudited);

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**45. PERISTIWA SETELAH TAHUN PELAPORAN  
(lanjutan)**

**Perusahaan (lanjutan)**

**b. Proyek 2 (lanjutan)**

- Paket CP8 terkait dengan pekerjaan konstruksi jalur pipa Panaran - Tanjung Uncang dengan penyelesaian fisik sebesar 87,42% (tidak diaudit).

Sampai dengan tanggal penyelesaian konsolidasian laporan keuangan ini, jumlah estimasi biaya Proyek 2 adalah sebesar US\$37.096.325 (tidak diaudit).

Sampai dengan 31 Desember 2013, jumlah realisasi biaya Proyek 2 adalah US\$28.929.420 (tidak diaudit). Dengan demikian, persentase penyelesaian Proyek 2 dibandingkan dengan jumlah estimasi biaya proyek adalah sebesar 77,98% (tidak diaudit).

**c. Proyek 3**

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, persentase penyelesaian Proyek 3 dengan aspek penyelesaian fisik\*) adalah sebagai berikut:

- Pembangunan jaringan pipa Cikande – Bitung (CP3B): 95,61% (tidak diaudit);
- Pemasangan pipa baja diameter 24" Muara Bekasi - Muara Karang: 4,29% (tidak diaudit);

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, jumlah estimasi biaya Proyek 3 adalah sebesar US\$213.937 (tidak diaudit).

Sampai dengan 31 Desember 2013, jumlah realisasi biaya Proyek 3 adalah US\$160.578 (tidak diaudit). Dengan demikian, persentase penyelesaian Proyek 3 dibandingkan dengan jumlah estimasi biaya proyek adalah sebesar 73,14% (tidak diaudit).

\*) Aspek persentase penyelesaian fisik di atas merupakan persentase rata-rata dari pengadaan bahan material proyek dan penyelesaian konstruksi yang berasal dari laporan bulanan kontraktor.

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**45. EVENTS AFTER THE REPORTING YEAR  
(continued)**

**The Company (continued)**

**b. Project 2 (continued)**

- Package CP8 related to Panaran - Tanjung Uncang pipeline project with physical completion of 87.42% (unaudited).

*Up to the completion date of these consolidated financial statements, total estimated cost of Project 2 amounted to US\$37,096,325 (unaudited).*

*Up to December 31, 2013, the realization of project costs for Project 2 is US\$28,929,420 (unaudited). Therefore, the percentage of project completion for Project 2 compared to total estimated project costs is 77.98% (unaudited).*

**c. Project 3**

*Up to the completion date of these consolidated financial statements, the percentage of physical completion\*) of the Project 3 are as follows:*

- Cikande - Bitung pipeline (CP3B) construction: 95.61% (unaudited);
- Fitting of steel pipe diam 24" on Muara Bekasi - Muara Karang: 4.29% (unaudited);

*Up to the completion date of these consolidated financial statements, total estimated cost of Project 3 amounted to US\$213,937 (unaudited).*

*Up to December 31, 2013, the realization of project costs for Project 3 is US\$160,578 (unaudited). Therefore, the percentage of project completion for Project 3 compared to total estimated project costs is 73.14% (unaudited).*

\*) The above percentages of physical completion represent average percentage from procurement of project raw materials and construction completion come from monthly report of contractor.

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**45. PERISTIWA SETELAH TAHUN PELAPORAN  
(lanjutan)**

**Perusahaan (lanjutan)**

2. Pada tanggal 13 Januari 2014, Perusahaan dengan PT ANZ Panin Bank (Bank ANZ) melakukan amandemen *Corporate Facility Agreement* dengan jumlah maksimum fasilitas sebesar US\$300.000.000 dengan ketentuan penggunaan keseluruhan dari semua jenis bank garansi (jaminan pembayaran, jaminan pembayaran uang muka, jaminan penawaran, jaminan pelaksanaan dan jaminan pemeliharaan) setiap saat tidak akan melebihi US\$100.000.000 dan penggunaan keseluruhan fasilitas pembiayaan modal kerja jangka pendek setiap saat tidak melebihi US\$200.000.000.

**SEI, Entitas Anak**

3. Pada tanggal 4 Januari 2014, SIP, Entitas Anak dari SEI, menandatangani Perjanjian Jual Beli untuk pengalihan 100% saham Hess (Indonesia Pangkah) Limited dan Hess Pangkah LLC dari Hess Oil and Gas Holding Inc. dan Hess NWE Holdings masing-masing sebesar US\$26.000.000 dan US\$27.440.646. Hess (Indonesia Pangkah) Limited dan Hess Pangkah LLC memiliki masing-masing 65% dan 10% *participating interest* di Blok Ujung Pangkah.

Pada tanggal 16 Januari 2014, Hess (Indonesia Pangkah) Limited dan Hess Pangkah LLC telah berganti nama menjadi Saka Indonesia Pangkah Limited dan Saka Pangkah LLC.

4. Pada tanggal 16 Januari 2014, PT Saka Lematang (SL), Entitas Anak dari SEI, menandatangani Perjanjian Jual Beli *participating interest* di Sumatera bagian tenggara dengan KNOC Sumatra Ltd. (KNOC) dimana KNOC sebagai penjual dan SL sebagai pembeli dengan nilai *participating interest* sebesar 8,91% senilai US\$46.000.000. Perjanjian pengalihan ini baru akan efektif setelah mendapatkan persetujuan tertulis dari Pemerintah Republik Indonesia dan SKK Migas (Catatan 10 dan 38.17).

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
AND ITS SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL  
STATEMENTS  
December 31, 2013 and the Year Then Ended  
(Expressed in US Dollar, Unless Otherwise Stated)**

**45. EVENTS AFTER THE REPORTING YEAR  
(continued)**

**The Company (continued)**

2. On January 13, 2014, the Company and PT ANZ Panin Bank (Bank ANZ) amended *Corporate Facility Agreement* with maximum aggregate facility in the amount of US\$300,000,000, whereby total utilization of all type of bank guarantee (payment guarantee, advance payment bond, bid bond, performance bond and retention bond) at any time shall not exceed US\$100,000,000 and total utilization of uncommitted a short-term working capital facility at any time shall not exceed US\$200,000,000.

**SEI, Subsidiary**

3. On January 4, 2014, SIP, a Subsidiary from SEI, signed a Sales and Purchase Agreement of 100% shares ownership transfer in Hess (Indonesia Pangkah) Limited and Hess Pangkah LLC from Hess Oil and Gas Holding Inc. and Hess NWE Holdings with enterprise value amounted to US\$26,000,000 and US\$27,440,646. Hess (Indonesia Pangkah) Limited and Hess Pangkah LLC have 65% and 10% *participating interest* in Ujung Pangkah Block, respectively.

On January 16, 2014, Hess (Indonesia Pangkah) Limited and Hess Pangkah LLC have been changed name to Saka Indonesia Pangkah Limited and Saka Pangkah LLC.

4. On January 16, 2014, PT Saka Lematang (SL) signed Sales and Purchase Agreement of *participating interest* in South East Sumatra with KNOC Sumatra Ltd. (KNOC) which KNOC as the seller and SL as the buyer with *participating interest* amounting to 8.91% amounting to US\$46,000,000. This agreement will be effective after written consent of Government of the Republic of Indonesia and SKK Migas (Notes 10 and 38.17).

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 Anaknya tanggal 31 Desember 2013 dan tahun yang berakhir pada tanggal tersebut.

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 its Subsidiaries as of December 31, 2013 and the year then ended.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**LAPORAN POSISI KEUANGAN**  
**TERSENDIRI**  
**31 Desember 2013**  
**(Disajikan dalam Dolar Amerika,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**SEPARATE STATEMENT OF**  
**FINANCIAL POSITION**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

	2013	2012	
<b>ASET</b>			<b>ASSETS</b>
<b>ASET LANCAR</b>			<b>CURRENT ASSETS</b>
Kas dan setara kas	1.110.773.500	1.450.567.091	Cash and cash equivalents
Kas yang dibatasi penggunaannya	856.963	331.505	Restricted cash
Investasi jangka pendek	85.384.831	108.286.034	Short-term investments
Piutang usaha - setelah dikurangi cadangan kerugian penurunan nilai sebesar US\$12.145.632 pada tanggal 31 Desember 2013 dan US\$11.096.448 pada tanggal 31 Desember 2012	221.678.127	223.303.445	Trade receivables - net of allowance for impairment losses of US\$12,145,632 as of December 31, 2013 and US\$11,096,448 as of December 31, 2012
Piutang lain-lain, neto	4.626.123	4.080.633	Other receivables, net
Piutang dari entitas anak	17.525.441	20.070.643	Receivable from subsidiaries
Persediaan, neto	4.563.272	2.420.739	Inventories, net
Uang muka jatuh tempo dalam waktu satu tahun	40.112.278	27.940.481	Current maturities of advances
Beban dibayar di muka	444.937	4.979.840	Prepaid expenses
Total Aset Lancar	1.485.965.472	1.841.980.411	Total Current Assets
<b>ASET TIDAK LANCAR</b>			<b>NON-CURRENT ASSETS</b>
Uang muka - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	82.881.889	111.348.909	Advances - net of current maturities
Aset pajak tangguhan, neto	27.329.697	37.100.583	Deferred tax assets, net
Penyertaan saham	732.398.016	203.332.637	Investment in shares of stock
Piutang <i>promissory notes</i>	41.329.897	68.759.158	Promissory notes receivables
Piutang dari entitas anak dan entitas asosiasi	4.512.265	11.190.670	Receivables from subsidiaries and associates
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar US\$931.265.374 pada tanggal 31 Desember 2013 dan US\$821.328.848 pada tanggal 31 Desember 2012	1.458.939.527	1.261.320.493	Fixed assets - net of accumulated depreciation of US\$931,265,374 as of December 31, 2013 and US\$821,328,848 as of December 31, 2012
Taksiran tagihan pajak	30.714.393	9.023.242	Estimated claims for tax refund
Aset tak berwujud, neto	3.639.254	2.580.591	Intangible assets, net
Lain-lain	3.882.264	2.164.429	Others
Total Aset Tidak Lancar	2.385.627.202	1.706.820.712	Total Non-Current Assets
<b>TOTAL ASET</b>	<b>3.871.592.674</b>	<b>3.548.801.123</b>	<b>TOTAL ASSETS</b>

The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**LAPORAN POSISI KEUANGAN**  
**TERSENDIRI (lanjutan)**  
**31 Desember 2013**  
**(Disajikan dalam Dolar Amerika,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**SEPARATE STATEMENT OF**  
**FINANCIAL POSITION (continued)**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

	2013	2012	
<b>LIABILITAS DAN EKUITAS</b>			<b>LIABILITIES AND EQUITY</b>
<b>LIABILITAS JANGKA PENDEK</b>			<b>CURRENT LIABILITIES</b>
Utang usaha	152.015.645	186.467.252	Trade payables
Pinjaman bank jangka pendek	300.000.000	-	Short-term bank loans
Liabilitas yang masih harus dibayar	143.716.811	33.524.817	Accrued liabilities
Liabilitas imbalan kerja jangka pendek	32.577.030	33.948.261	Short-term employees' benefits liabilities
Utang lain-lain	17.458.779	15.355.662	Other payables
Utang pajak	20.204.875	73.843.040	Taxes payable
Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun	61.349.023	45.995.649	Current maturities of long-term loans
Utang kepada entitas anak	13.882.076	7.334.557	Payable to subsidiaries
Total Liabilitas Jangka Pendek	741.204.239	396.469.238	Total Current Liabilities
<b>LIABILITAS JANGKA PANJANG</b>			<b>NON-CURRENT LIABILITIES</b>
Utang derivatif	11.927.017	87.115.630	Derivative payable
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam waktu satu tahun	572.955.858	748.982.984	Long-term loans - net of current maturities
Liabilitas jangka panjang imbalan kerja	96.427.419	143.809.411	Long-term liabilities for employees' benefits
Pendapatan diterima di muka	3.193.654	3.352.100	Unearned income
Total Liabilitas Jangka Panjang	684.503.948	983.260.125	Total Non-Current Liabilities
<b>TOTAL LIABILITAS</b>	<b>1.425.708.187</b>	<b>1.379.729.363</b>	<b>TOTAL LIABILITIES</b>
<b>EKUITAS</b>			<b>EQUITY</b>
Modal saham - nilai nominal US\$0,014 per saham			Share capital
Modal dasar - 70.000.000.000 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 69.999.999.999 Saham seri B			Par value US\$0.014 per 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	344.018.831	344.018.831	Authorized - 70,000,000,000 shares share which consist of 1 Series A Dwiwarna share and 69,999,999,999 Series B share
Modal saham diperoleh kembali	(251.054)	(251.054)	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 disetor lainnya	284.334.247	284.334.247	Treasury stock
Saldo laba			Other paid-in capital
Dicadangkan	1.477.639.771	1.092.941.286	Retained earnings
Tidak dicadangkan	377.984.662	492.630.916	Appropriated
Komponen ekuitas lainnya	(37.841.970)	(44.602.466)	Unappropriated
<b>TOTAL EKUITAS</b>	<b>2.445.884.487</b>	<b>2.169.071.760</b>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>	<b>3.871.592.674</b>	<b>3.548.801.123</b>	<b>TOTAL LIABILITIES AND EQUITY</b>



The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**LAPORAN LABA RUGI**  
**KOMPREHENSIF TERSENDIRI**  
**Tahun yang Berakhir pada Tanggal**  
**31 Desember 2013**  
**(Disajikan dalam Dolar Amerika,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**SEPARATE STATEMENT OF**  
**COMPREHENSIVE INCOME**  
**Year Ended**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

	2013	2012	
<b>PENDAPATAN NETO</b>	2.771.494.893	2.370.102.974	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	(1.591.784.014)	(1.104.637.938)	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>	<b>1.179.710.879</b>	<b>1.265.465.036</b>	<b>GROSS PROFIT</b>
Pendapatan lain-lain	8.607.523	18.442.934	Other income
Beban distribusi dan transmisi	(225.259.269)	(199.873.240)	Distribution and transmission expense
Beban umum dan administrasi	(167.225.139)	(150.642.702)	General and administrative expense
Beban lain-lain	(9.673.577)	(635.193)	Other expenses
<b>LABA OPERASI</b>	<b>786.160.417</b>	<b>932.756.835</b>	<b>OPERATING PROFIT</b>
Laba kurs, neto	83.933.347	49.577.038	Gain on foreign exchange, net
Laba perubahan nilai wajar derivatif, neto	70.178.350	65.101.054	Gain on change in fair value of derivative, net
Pendapatan keuangan	27.526.590	31.949.748	Finance income
Pendapatan dividen	16.811.767	20.954.500	Dividend income
Beban keuangan	(14.773.976)	(16.356.906)	Finance cost
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK</b>	<b>969.836.495</b>	<b>1.083.982.269</b>	<b>PROFIT BEFORE TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK</b>			<b>TAX BENEFIT (EXPENSE)</b>
Kini	(189.017.444)	(215.494.000)	Current
Tangguhan	(4.579.849)	2.703.067	Deferred
<b>Beban Pajak, Neto</b>	<b>(193.597.293)</b>	<b>(212.790.933)</b>	<b>Tax Expense, Net</b>
<b>LABA TAHUN BERJALAN</b>	<b>776.239.202</b>	<b>871.191.336</b>	<b>PROFIT FOR THE YEAR</b>
<b>PENDAPATAN KOMPREHENSIF LAIN TAHUN BERJALAN</b>			<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>
Aset keuangan yang tersedia untuk dijual	(15.767.821)	7.794.787	Available-for-sale financial assets
Keuntungan aktuarial	27.719.354	(10.166.936)	Actuarial gains
Sub-total	11.951.533	(2.372.149)	Sub-total
Pajak penghasilan terkait	(5.191.037)	2.264.627	Income tax effect
<b>TOTAL PENDAPATAN KOMPREHENSIF LAIN SETELAH PAJAK</b>	<b>6.760.496</b>	<b>(107.522)</b>	<b>TOTAL OTHER COMPREHENSIVE INCOME AFTER TAX</b>
<b>TOTAL LABA KOMPREHENSIF TAHUN BERJALAN</b>	<b>782.999.698</b>	<b>871.083.814</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>

The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**Year Ended December 31, 2013**  
**(Expressed in US Dollar, Unless Otherwise Stated)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**LAPORAN PERUBAHAN EKUITAS TERSENDIRI**  
**Tahun yang Berakhir pada Tanggal 31 Desember 2013**  
**(Disajikan dalam Dolar Amerika, Kecuali Dinyatakan Lain)**

	Saldo Laba/Retained Earnings					Komponen Ekuitas Lainnya/Other Components of Equity			Balance as of December 31, 2011 (As restated)
	Modal Saham Diterbitkan Diperoleh Kembali/ Issued and Fully Paid Capital Stock	Modal Saham Diperoleh Kembali/ Treasury Stock	Modal Disetor Lainnya/ Other Paid in Capital	Dicadangkan/ Appropriated	Tidak Dicadangkan/ Unappropriated	Keuntungan (kerugian) Aktuarial/ gain (loss)	Aset Keuangan yang tersedia untuk dijual/ Available-for-sale financial asset	Total Komponen Ekuitas Lainnya/ Total Other Components of Equity	
Saldo pada tanggal 31 Desember 2011 (Disajikan kembali)	344.018.831	(251.054)	284.334.247	789.957.094	302.244.313	-	1.119.417	1.119.417	1.721.422.848
Saldo pada tanggal 31 Desember 2011 (Sebelum penyesuaian)	344.018.831	(251.054)	284.334.247	789.957.094	302.244.313	-	1.119.417	1.119.417	1.721.422.848
Penyesuaian neto yang timbul dari penerapan Peraturan Standar Akuntansi Keuangan (PSAK) No.24 (Revisi 2010), "Insiden Kerja"	-	-	-	-	-	(45.614.361)	-	(45.614.361)	(45.614.361)
Saldo pada tanggal 31 Desember 2011 (Setelah penyesuaian)	344.018.831	(251.054)	284.334.247	789.957.094	302.244.313	(45.614.361)	1.119.417	(44.494.944)	1.675.808.487
Laba tahun berjalan	-	-	-	-	871.191.336	(7.902.309)	7.794.787	(107.522)	871.191.336
Pendapatan komprehensif lain	-	-	-	-	-	-	-	-	(107.522)
Total laba komprehensif tahun berjalan	-	-	-	-	871.191.336	(7.902.309)	7.794.787	(107.522)	871.083.814
Pembayaran dividen	-	-	-	-	(352.205.589)	-	-	-	(352.205.589)
Dana untuk program kemitraan	-	-	-	-	(12.807.476)	-	-	-	(12.807.476)
Dana untuk program bina lingkungan	-	-	-	-	(12.807.476)	-	-	-	(12.807.476)
Pencadangan saldo laba untuk cadangan tujuan	-	-	-	302.984.192	(302.984.192)	-	-	-	-
Saldo 31 Desember 2012	344.018.831	(251.054)	284.334.247	1.092.941.286	492.630.916	(53.516.670)	8.914.204	(44.802.466)	2.169.071.760
Laba tahun berjalan	-	-	-	-	776.239.202	22.529.317	(15.767.821)	6.760.496	776.239.202
Pendapatan komprehensif lain	-	-	-	-	-	-	-	-	6.760.496
Total laba komprehensif tahun berjalan	-	-	-	-	776.239.202	22.529.317	(15.767.821)	6.760.496	782.999.698
Pembayaran dividen	-	-	-	-	(506.186.971)	-	-	-	(506.186.971)
Dana untuk program kemitraan	-	-	-	-	-	-	-	-	-
Dana untuk program bina lingkungan	-	-	-	-	-	-	-	-	-
Pencadangan saldo laba untuk cadangan tujuan	-	-	-	384.698.485	(384.698.485)	-	-	-	-
Saldo 31 Desember 2013	344.018.831	(251.054)	284.334.247	1.477.639.771	377.964.662	(30.986.353)	(6.853.617)	(37.841.970)	2.445.884.487



The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**LAPORAN ARUS KAS TERSENDIRI**  
**Tahun yang Berakhir pada Tanggal**  
**31 Desember 2013**  
**(Disajikan dalam Dolar Amerika,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**SEPARATE STATEMENT OF CASH FLOWS**  
**Year Ended**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

	2013	2012	
<b>ARUS KAS DARI AKTIVITAS OPERASI</b>			<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>
Penerimaan dari pelanggan	2.769.133.210	2.329.521.031	Receipts from customers
Penerimaan dari penghasilan bunga	23.071.535	27.653.884	Receipts from interest income
Pembayaran ke Entitas Anak	(90.710.233)	(22.647.473)	Payment to Subsidiaries
Pembayaran kepada pemasok	(1.541.264.393)	(931.626.088)	Payments to suppliers
Pembayaran untuk beban operasi dan aktivitas operasi lainnya	(147.899.209)	(94.432.779)	Payments for operating expenses and other operating activities
Pembayaran kepada karyawan	(39.228.520)	(47.498.114)	Payments to employees
Pembayaran pajak penghasilan setelah dikurangi penerimaan dari tagihan pajak	(302.959.699)	(194.155.700)	Payments for income taxes net of receipts from claims for tax refund
Pembayaran bunga	(14.285.140)	(17.854.894)	Payments for interest
<b>Kas netto yang diperoleh dari aktivitas operasi</b>	<b>655.857.551</b>	<b>1.048.959.867</b>	<b>Net cash provided by operating activities</b>
<b>ARUS KAS DARI AKTIVITAS INVESTASI</b>			<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>
Penerimaan dividen	16.811.767	20.954.500	Receipt of dividends
Penambahan aset tetap	(199.909.620)	(121.461.493)	Additions to fixed assets
Penambahan (pengurangan) investasi jangka pendek	4.182.001	(118.566.773)	Additions (deductions) of short-term investments
Penerimaan <i>Promissory Notes</i> dan <i>Shareholder Loan</i>	33.883.468	(267.339)	Receipts of Promissory Notes and Shareholder Loan
Penambahan penyertaan saham	(529.065.379)	(12.228.398)	Increase in investment in shares of stock
Penambahan kas yang dibatasi penggunaannya	(525.458)	(2.575.939)	Additions to restricted cash
Penambahan biaya ditangguhkan	-	(8.924)	Increase in deferred charges
<b>Kas netto yang digunakan untuk aktivitas investasi</b>	<b>(674.623.221)</b>	<b>(234.154.366)</b>	<b>Net cash used in investing activities</b>
<b>ARUS KAS DARI AKTIVITAS PENDANAAN</b>			<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>
Penerimaan pinjaman bank jangka pendek	300.000.000	-	Receipts from short-term bank loans borrowings
Pembayaran dividen	(501.027.063)	(316.491.441)	Payments of dividends
Pembayaran pinjaman	(62.428.379)	(28.707.389)	Payments of loans
Pembayaran dari derivatif	(5.010.263)	(26.099.109)	Payments of derivative
Pembayaran untuk program kemitraan dan bina lingkungan	-	(25.096.388)	Payments for partnership and community development program
<b>Kas netto yang digunakan untuk aktivitas pendanaan</b>	<b>(268.465.705)</b>	<b>(396.394.327)</b>	<b>Net cash used in financing activities</b>
Pengaruh perubahan kurs neto dari kas dan setara kas	(52.562.216)	(22.109.469)	Net effects foreign exchange differences from cash and cash equivalents
<b>KENAIKAN (PENURUNAN) NETO KAS DAN SETARA KAS</b>	<b>(339.793.591)</b>	<b>396.301.705</b>	<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>
<b>KAS DAN SETARA KAS AWAL TAHUN</b>	<b>1.450.567.091</b>	<b>1.054.265.386</b>	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>
<b>KAS DAN SETARA KAS AKHIR TAHUN</b>	<b>1.110.773.500</b>	<b>1.450.567.091</b>	<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>

*The original supplementary information included herein are in the Indonesian language.*

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
CATATAN ATAS LAPORAN KEUANGAN  
TERSENDIRI**

**Tahun yang Berakhir Pada Tanggal  
31 Desember 2013  
(Disajikan Dalam Dolar AS,  
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".

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), Entitas Induk mencatat penyertaan pada entitas anak dan entitas asosiasi dengan menggunakan metode biaya. Entitas Induk juga mengakui dividen dari entitas anak dan entitas asosiasi pada laporan laba rugi dalam laporan keuangan tersendiri ketika hak menerima dividen ditetapkan.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK  
NOTES TO SEPARATE FINANCIAL  
STATEMENTS**

**Year Ended  
December 31, 2013  
(Expressed in US Dollar,  
Unless Otherwise Stated)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

***Basis of Preparation of the Separate Financial  
Statements of 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".*

*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 Entity, 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 Parent Entity recorded the investments in subsidiaries and associates using cost method. The Parent Entity also recognizes dividends from subsidiaries and associate in profit or loss in its separate financial statements when its right to receive the dividends is established.*

The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**CATATAN ATAS LAPORAN KEUANGAN**  
**TERSENDIRI**  
**Tahun yang Berakhir Pada Tanggal**  
**31 Desember 2013**  
**(Disajikan Dalam Dolar AS,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**NOTES TO SEPARATE FINANCIAL**  
**STATEMENTS**  
**Year Ended**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

**2. PENYERTAAN SAHAM PADA ENTITAS ANAK DAN ENTITAS ASOSIASI**

Informasi mengenai entitas asosiasi yang dimiliki Kelompok Usaha diungkapkan dalam Catatan 1.d atas Laporan Keuangan Konsolidasian.

Pada tanggal 31 Desember 2013 dan 2012, 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 Group is disclosed in Note 1.d to the Consolidated Financial Statements.

As of December 31, 2013 and 2012, the Parent Entity has the following investments in shares of stock of subsidiaries and associates:

2013					
Nama Entitas/ Entity Name	Persentase kepemilikan/ Percentage of ownership	Biaya perolehan 1 Jan. 2013/ Acquisition cost Jan. 1, 2013	Penambahan/ Additions	Pengurangan/ Deduction	Biaya Perolehan 31 Des. 2013/ Carrying value Dec. 31, 2013
<b>Entitas Anak/Subsidiaries</b>					
PT Transportasi Gas Indonesia (Transgasindo)	59,87%	81.755.336	-	-	81.755.336
PT PGN Euro Finance 2003 (PGNEF)	100,00%	1	-	-	1
PT PGAS Telekomunikasi Nusantara (PGASKOM)	99,93%	6.872.161	-	-	6.872.161
PT PGAS Solution (PGASSOL)	99,91%	9.028.138	-	-	9.028.138
PT Saka Energi Indonesia (SEI)	99,00%	4.364.775	529.065.379	-	533.430.154
PT Gagah Energi Indonesia (GEI)	99,00%	3.790.464	-	-	3.790.464
PT PGN LNG Indonesia (PLI)	99,98%	39.249.450	-	-	39.249.450
<b>Entitas Asosiasi/Associates</b>					
PT Nusantara Regas	40,00%	58.158.141	-	-	58.158.141
PT Gas Energi Jambi	40,00%	111.453	-	-	111.453
PT Banten Gas Sinegy	0,14%	2.718	-	-	2.718
<b>Total/Total</b>		<b>203.332.637</b>	<b>529.065.379</b>	<b>-</b>	<b>732.398.016</b>
2012					
Nama Entitas/ Entity Name	Persentase kepemilikan/ Percentage of ownership	Biaya perolehan 1 Jan. 2012/ Acquisition cost Jan. 1, 2012	Penambahan/ Additions	Pengurangan/ Deduction	Biaya Perolehan 31 Des. 2012/ Carrying value Dec. 31, 2012
<b>Entitas Anak/Subsidiaries</b>					
PT Transportasi Gas Indonesia (Transgasindo)	59,87%	81.755.336	-	-	81.755.336
PT PGN Euro Finance 2003 (PGNEF)	100,00%	1	-	-	1
PT PGAS Telekomunikasi Nusantara (PGASKOM)	99,93%	6.872.161	-	-	6.872.161
PT PGAS Solution (PGASSOL)	99,91%	3.537.140	5.490.998	-	9.028.138
PT Saka Energi Indonesia (SEI)	99,00%	4.364.775	-	-	4.364.775
PT Gagah Energi Indonesia (GEI)	99,00%	3.790.464	-	-	3.790.464
PT PGN LNG Indonesia (PLI)	99,98%	-	39.249.450	-	39.249.450
<b>Entitas Asosiasi/Associates</b>					
PT Nusantara Regas	40,00%	45.929.742	12.228.399	-	58.158.141
PT Gas Energi Jambi	40,00%	111.453	-	-	111.453
PT Banten Gas Sinegy	0,14%	2.718	-	-	2.718
<b>Total/Total</b>		<b>146.363.790</b>	<b>56.968.847</b>	<b>-</b>	<b>203.332.637</b>

The original supplementary information included herein are in the Indonesian language.

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**CATATAN ATAS LAPORAN KEUANGAN**  
**TERSENDIRI**  
**Tahun yang Berakhir Pada Tanggal**  
**31 Desember 2013**  
**(Disajikan Dalam Dolar AS,**  
**Kecuali Dinyatakan Lain)**

**PT PERUSAHAAN GAS NEGARA (PERSERO) TBK**  
**NOTES TO SEPARATE FINANCIAL**  
**STATEMENTS**  
**Year Ended**  
**December 31, 2013**  
**(Expressed in US Dollar,**  
**Unless Otherwise Stated)**

**3. SALDO DAN TRANSAKSI SIGNIFIKAN**  
**DENGAN ENTITAS ANAK DAN ENTITAS**  
**ASOSIASI**

Perusahaan mempunyai transaksi dan saldo yang signifikan dengan pihak entitas anak dan entitas asosiasi berikut:

**3. SIGNIFICANT BALANCES AND TRANSACTIONS**  
**WITH SUBSIDIARIES AND ASSOCIATES**

The Company has the following significant transactions and balances with its subsidiaries and associates:

Pihak Berelasi/ Related Parties	Tahun/Year	Piutang/ Receivables	Aset Tetap/ Fixed Assets	Piutang Promissory Notes/ Promissory Notes Receivable	Piutang Shareholder Loan/ Shareholderloan Receivable	Utang/ Payables
PT Transportasi Gas Indonesia (Entitas Anak/Subsidiary)	2013	1.526.681	-	41.329.897	-	3.474.478
	2012	4.437.095	-	68.759.158	-	1.299.302
PT PGAS Telekomunikasi Nusantara (Entitas Anak/Subsidiary)	2013	703.461	-	-	4.512.265	822.018
	2012	930.842	-	-	2.585.315	152.706
PT PGAS Solution (Entitas Anak/ Subsidiary)	2013	16.340	8.789.401	-	-	5.089.712
	2012	25.719	3.522.209	-	-	668.681
PT Gas Energi Indonesia (Entitas Anak/ Subsidiary)	2013	13.577.761	-	-	-	4.417.117
	2012	12.941.445	-	-	4.882.500	5.191.175
PT Saka Energi Indonesia (Entitas Anak/ Subsidiary)	2013	194.065	-	-	-	8.544
	2012	205.343	-	-	3.722.854	5.584
PT PGN Euro Finance 2003 Limited (Entitas Anak/Subsidiary)	2013	1.471.010	-	-	-	-
	2012	1.485.821	-	-	-	-
PT Nusantara Regas (Entitas Asosiasi/ Associate)	2013	214.166	-	-	-	-
	2012	32.126	-	-	-	-





# 08 | CROSS- REFERENCE TO BAPEPAM REGULATION



## BAPEPAM-LK NO. X.K.6 CROSS REFERENCE

Pursuant to the Attachment to Bapepam-LK  
Regulation No. Kep-431/BL/2012 dated 1 August 2012

Criteria	Explanation	Page
<b>I. General</b>		
1. Written in good and correct Bahasa Indonesia, it is recommended to present the report as well as in English.		v
2. Printed with good quality using readable type and size of font		v
3. The Annual Report is posted in the Company's website.		v
4. The Annual Report shall be made in such a way that is easy to read. pictures, graphs, tables and charts by mentioning the title and / or description clearly.		v
5. The Annual Report shall be made in such a way that is easy to read. Pictures, graphs, tables and charts are presented with the title and / or description clearly stated.		v
6. Annual Report Theme	Expertise	v
7. Cross reference index		497
<b>II. Financial Highlights</b>		
1. Financial information in comparative form over a period of 3 (three) financial years or since the commencement of business if the company has been running its business activities for less than 3 (three) years	<p>The information includes:</p> <ol style="list-style-type: none"> <li>1. Revenues;</li> <li>2. Gross Profit;</li> <li>3. Income (Loss);</li> <li>4. Total income (loss) attributable to owners of the parent entity and non controlling interest;</li> <li>5. Total comprehensive income (loss);</li> <li>6. Total comprehensive income (loss) attributable to owners of the parent entity and non controlling interest;</li> <li>7. Income (loss) per share;</li> <li>8. Total asset;</li> <li>9. Total liability;</li> <li>10. Total equity;</li> <li>11. Income (loss) ratio to the total asset;</li> <li>12. Income (loss) ratio to the equity;</li> <li>13. Income (loss) ratio to the revenues;</li> <li>14. Current ratio;</li> <li>15. Liability ratio to the equity;</li> <li>16. Liability ratio to the total asset; and</li> <li>17. Other information and financial ratios relevant to the company and its industry</li> </ol>	10

Criteria	Explanation	Page
2. The annual report must include information regarding the shares issued for each quarter in the period of 2 (two) financial years (if any)	Information includes: 1. Number of outstanding share 2. Market Capitalization 3. Highest, lowest, and closing share price; and 4. Trading volume	10
3. In case of corporate actions such as stock split reverse stock, stock dividend, bonus shares and par value reduction, the stock pricing information referred to in point 2), shall be added	Information includes: 1. Implementation date of corporate action 2. Stock split, reverse stock, share dividend, bonus share ratio, and decline in share value 3. Number of outstanding share before and after corporate action; and 4. Share price before and after corporate action	10
4. In terms of stock trading suspension during the year, the annual report must include an explanation of the reason for the suspension.		13
5. In terms of suspension as referred in item (4) still being imposed until the date of annual report issuance, the Issuer or Public Company must also explain the actions of the company to resolve the issue.		77
III. Report to The Shareholders		
1. Report from the Board of Commissioners	Includes the following items: 1. Assessment on the performance of the Board of Directors in managing the company; 2. View on the prospects of the company's business as established by the Board of Directors; 3. Change in the composition of members of the Board of Commissioner and the reason of its change (if any); and 4. Committees under the supervisions of the Board of Commissioners.	17-22
2. Report from the Board of Directors	Includes the following items: 1. The company's performance, encompassing among others strategic policies, comparison between achievement of results and targets and challenges faced by the company. 2. Business prospects. 3. Implementation of Good Corporate Governance by the company. 4. Changes in the composition of the Board of Directors (if any).	23-32
3. Signatures of Members of the Board of Directors and Board of Commissioners	Containing the following: 1. Signatures are on a separate sheet 2. Statement that the Board of Directors and Board of Commissioners are fully responsible for the truthfulness of the content of the Annual Report 3. Signed by all members of the Board of Commissioners and the Board of Directors by mentioning their names and positions 4. Written explanation in a separate letter from the concerned member in the event of not signing the Annual Report, or; written explanation in separate letter from another member in the event the concerned member did not provide a written explanation	33

Criteria	Explanation	Page
IV. Company Profile		
1. Company Profile	Information includes the following items: Name, address, telephone, facsimile, email and website and/or branch office or representative office, where the public can obtain information about the company;	35, 82-83, back cover
2. Brief history of the company	Includes among others: date/year of establishment, name and change in the company name, if any.	38-39
3. Line of Business	Description includes: 1. The line of business as stated in the last Articles of Association; and 2. Type of products and/or services produced	40
4. Organization Structure	In the form of a chart, at least until one level below the Board of Directors, along with names and titles;	48-49
5. Vision and Mission;	Description includes: 1. Company's vision and mission 2. Statement that vision and mission has been approved by the Board of Directors / Board of Commissioners	50-51
6. Profile of the Board of Commissioners	Description includes: 1. Name; 2. Position history, work experience, and legal basis for the first appointment in publicly listed companies, as set out in the minutes of GMS decisions; 3. Education history 4. A brief description of the type of trainings attended in order to improve the competency of the Board of Commissioners who during the year (if any); and 5. Disclosure of affiliated relations with other members of the Board of Director and Board of Commissioner, as well as shareholder (if any)	52-53
7. Profile of the Board of Directors	Description includes: 1. Name and brief description regarding the duty and function performed; 2. Position history, work experience, and legal basis for the first appointment in publicly listed companies, as set out in the minutes of GMS decisions; 3. Education history 4. A brief description of the type of training in order to improve the competence of the Board of Commissioners who have followed in the financial year (if any); and 5. Disclosure of affiliated relations with other members of the Board of Director and shareholder (if any);	54-55

Criteria	Explanation	Page
8. Change in the composition of the Board of Commissioners and/or Board of Directors after the end of financial year until the time limit of submission of annual report as referred in item number 1 letter a, the composition has set in annual report is the composition of the last and before of the Board of Commissioner and/or Board of Director		153 162
9. Number of employee and description of competency development for the year including implementation of employee education and training programs	Information includes: 1. Number of employee for each organization level 2. Number of employee for each education level 3. Competency development that has been done by reflecting the equality of opportunity to all employees 4. Incurred fund	57 56 58 62
10. Description of the name of shareholder and the percentage of its ownership at the end of financial year	Description includes following items: 1. Shareholder who own 5% (five) or more of issuer shares or Public Company; 2. Commissioner and Director who own issuer shares or Public Company; and 3. The category of public shareholders who each own less than 5% of the shares and percentage of their ownership	63-64
11. Information regarding major shareholder and issuer or public company, both directly or indirectly, which presented in form of scheme or chart;		63
12. Subsidiaries, associated company, joint venture	1. Name of the subsidiaries/associations 2. Percentage of share ownership 3. Information of the line of business of subsidiaries or associations 4. Information of subsidiaries and associations operational status (has operated or has not operated yet) 5. Information regarding the address of subsidiaries	66-75
13. Share listing chronology and change in the number of shares from initial listing to the end of financial year and name of exchange(s) where the shares are listed (if any)	Includes the following items: 1. Share listing chronology 2. Corporate actions affecting total number of shares 3. Change in the total number of shares from initial listing to the end of the financial year 4. Name of exchange(s) where the shares are listed	37
14. Listing chronology of the other securities and securities rating (if any)	Includes the following items: 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	76
15. Name and address of the Rating Agency (if any)	Information Includes the following items: 1. Name and address of PT Pemeringkat Efek Indonesia (Pefindo) 2. Name and address of Standard & Poor's 3. Name and address of Moody's Asia Pacific Limited 4. Name and address of Fitch Ratings	77



Criteria	Explanation	Page
16. Names and addresses of capital market agencies and professionals. To the capital market supporting that gives service regularly to the Issuers or Public Company, must be disclosed information regarding the service, fee, and period of duty; and	Information Includes the following items: 1. Name and address of BAE 2. Name and address of Public Accountant Firm 3. Name and address of Indonesia Stock Exchange 4. Name and address of KSEI	78-79
17. Awards and/or certification received by the company at both national and international levels during the year (if any)	Information includes the following items: 1. Names of awards and/or certificates 2. Year awarded 3. Awarding or certifying authority or institution 4. validity (for certificates)	80-81
18. Names and addresses of subsidiaries and/or branch offices and/or representative offices (if any)		82-83
V. Management's Discussion and Analysis		
1. Review of operations per business segments in accordance with the type of industry or Public Company, includes:	Description includes the following items: 1. Production, including process, capacity, and its development; 2. Revenues; and 3. Profitability;	93-101
2. Comprehensive analysis of financial performance includes a comparison of the financial performance in the last 2 (two) years, explanation regarding the changes and impact of its changes, covering at least:	1. current asset, non current asset, and total asset; 2. Short term liabilities, long term liabilities, and total liabilities; 3. Equity; 4. Revenues, expense, income (loss), other comprehensive revenues, and total comprehensive income (loss); and 5. Cash flow;	109- 115 115-117 117 102-108 118-119
3. Ability to pay debts by presenting relevant calculation ratio and receivables collectibility level by presenting the relevant calculation ratio;	Explanation of: 1. Ability to pay debts, both short-term and long-term 2. Collectibility receivables level	119 119
4. Discussion of capital structure and capital structure policy	Explanation of: 1. Capital structure 2. Capital structure policy	120 120-121
5. Discussion of material commitments for capital expenditure with explanation of the purpose of its commitment, source fund expected to meet the commitment, denominated currency, and Planned actions to hedge against foreign currency risks	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	122

Criteria	Explanation	Page
6. If financial statements disclosed significant increase in sales/ revenues, describe how the increase is associated with the sales amount /volume	Description includes: 1. The amount of increase in sales or revenues 2. Factors attributable to the significant increase in sales or revenues associated with the sales amount/volume	122
7. Comparison between targets or projections at the beginning of financial year with the realization regarding the revenues, profit, capital structure or others which or considered important for the Company	Description includes: 1. Comparison between targets or projections at the beginning of financial year with the realization 2. Targets or projection set by the Company for next year	132 132
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	123
9. Business prospect;	Description of the company's prospects in relation to the industry and the economy in general, with supporting quantitative data from reliable sources	123-130
10. Targets/projections set by the Company at least for the next one year, in terms of revenues, income (loss), capital structure, dividend policy, or others are considered important for the company;		132
11. Marketing aspects of company's products and services, includes:	Information includes: 1. Marketing strategy and 2. Market share;	132 132-133
12. Dividend policy and the dates and total dividend per share (cash and/ or non cash) and total dividend per year declared and paid for the last 2 (two) years	Includes the description of: 1. Total dividend 2. Total dividend per share 3. Payout ratio For each year Note: if no dividend was paid, state the reason	134
13. Use of the proceeds from the public offering	Information includes: 1. In case for financial year, Issuers has an obligation to report the realization of the use of funds, it must be disclosed realization of the use of funds and proceeds from cumulative public offering until the end of financial year; and 2. In the event of changes in the use of funds as stipulated in Regulation Number X.K.4, then the Issuer must state the changes	135

Criteria	Explanation	Page
14. Material information on investments, expansion, divestments, acquisitions or debt/capital restructuring	Description includes: 1. Purpose of transaction; 2. Value of transaction or total or restructuring; 3. Source of funds.  Note: If no such transactions took place, this should be noted	135
15. Information on material transactions that have a conflict of interest and/or transactions with affiliated parties	Description includes: 1. Names of parties to transaction and nature of affiliation; 2. Explanation of the fairness of the transaction; 3. Purpose of transaction; 4. Realisation of transaction in the current period; 5. Company policy on the mechanism for review of the transaction; 6. Compliance with related statutory provisions  Note: if no such transaction took place, this should be stated	135
16. Changes in the regulations that significantly affect the company and its impact on the financial report (if any);	Description includes: changes in the regulations and their impact on the company  Note: if there are no changes that have a significant impact, this should be stated	135
17. Changes in accounting policy, reasons and its impact on the financial report (if any)	Description includes: changes in accounting policy, reasons and its impact on the financial report	135
<b>VI. (Corporate Governance)</b>		
1. Description of the Board of Commissioners	Description includes: 1. Description of the duty of the Board of Commissioners 2. Procedure disclosure, basis for determining remuneration, 3. The structure and the amount of remuneration of members of the Board of Commissioners; and 4. Meeting frequency and the attendance rate of the members of the Board of Commissioners 5. Disclosure of Board Charter 6. Training program to improve Board of Commissioner's competence	148 151 151-152 152-153 150 153
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 meeting 3. Attendance rate of members of the Board of Directors in meetings 4. Training program to improve Board of Director's competence	154-158 162 162 166-169

Criteria	Explanation	Page
3. Assessment of the members of the Board of Commissioners and/or Board of Directors	Explanation of:	
	1. Process of assessment of the members of the BoC and/or BoD	170-172
	2. Criteria used in the assessment of members of the BoC and/or BoD	170-171
	3. Assessor	172
4. Explanation of Directors' remuneration policy	Includes:	
	1. Explanation of the procedure for determining remuneration	159
	2. Remuneration structure, showing type and amount of short-term, long-term /post-service compensation for each Director	159-161
	3. Performance indicators used to measure Directors' performance	170-171
5. Information on Major and Controlling Shareholders, both direct and indirect, up to individual shareholders	In the form of a chart or diagram	87-88
6. Disclosure of affiliation or relationship between the members of Directors, Board of Commissioners and Major or Controlling Shareholders	Description includes:	
	1. Affiliation or relationship between the members of the Board of Directors	154
	2. Affiliation or relationship between the members of the Board of Directors and the members of the Board of Commissioners	154
	3. Affiliation or relationship between the members of the Board of Directors and Major or Controlling Shareholders	154
	4. Affiliation or relationship between the members of the Board of Commissioners	148
	5. Affiliation or relationship between the members of the Board of Commissioners and Major or Controlling Shareholders	148
	Note: if no such affiliation or relationship exist, this should be stated	
7. Description of Audit Committee	Description includes: 1. Names; 2. Positions, qualifications and work experience of the committee members; 3. Education; 4. Period of office of the members of Audit Committee; 5. Disclosure of Audit Committee's Independence; 6. Disclosure of company's policy and its implementation, regarding frequency of audit committee meetings and attendance rate; 7. Brief report on activities of the audit committee in financial year specified accordance in the Audit Committee charter;	173-181

Criteria	Explanation	Page
8. Risk Management and Business Expansion Monitoring Committee	Information includes: 1. Name, position and CV of each member of the Risk Management and Business Expansion Monitoring Committee 2. Independence of members of the Risk Management and Business Expansion Monitoring Committee 3. Explanation of tasks and responsibilities. 4. Explanation of activities of the Risk Management and Business Expansion Monitoring Committee 5. Frequency of meetings and rate of attendance of members of the Risk Management and Business Expansion Monitoring Committee	182-185
9. Other Committees of the Board of Commissioners	Information includes: 1. Name, position and CV of each member of any other committees 2. Independence of members of any other committees 3. Explanation of tasks and responsibilities. 4. Explanation of activities of any other committees 5. Frequency of meetings and rate of attendance of members of any other committees	185-187
10. Description of duties and function of Corporate Secretary	Description includes: 1. Name; 2. Brief CV, work experience, and legal basis for appointment; 3. Educational Background; 4. Office period of the Corporate Secretary 5. Brief of the implementation of the duties of the Corporate Secretary in financial year;	188-189
11. Description of the Internal Audit Unit	Description includes: 1. Name; 2. Brief CV, work experience, and legal basis for appointed; 3. Professional internal audit qualifications/certification (if any); 4. Structure or status of the Internal Audit Unit 5. Duties and responsibilities of Internal Audit Unit accordance listed in the charter of Internal Audit Unit; and 6. Brief of the implementation of the duties of the Internal Audit Unit during the year;	195 195 196 194 192-193 192-193
12. Corporate Accountant	Information includes: 1. Number of periods for which the accountant has audited the Company's financial statements 2. Number of periods for which the Public Accountancy firm has audited the Company's financial statements 3. Amount of fee for the audit and other services (if the accountant renders other attestation services together with the audit) 4. Services rendered by the accountant other than financial auditing services	79
13. Explanation of the company's management risks	Information 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 faced by the company 4. Efforts to manage such risks	197-200

Criteria	Explanation	Page
14. Explanation of the internal control system	Information includes: 1. Brief explanation of the internal control system, including financial and operational controls 2. Explanation of the internal control system's alignment with internationally recognized frameworks/COSO (control environment, risk assessment, control activities, information and communication, and monitoring activities) 3. Explanation of the evaluation of the effectiveness of the internal control system	196-197
15. Major litigation involving the company, its subsidiaries, members of its Board of Directors and/or Board of Commissioners who were serving in their positions during the annual report period	Explanation includes: 1. Resume of the case/claim; 2. Status of the case/claim; and 3. Impact on the condition of the company.	218-224
16. Access to corporate information and data	Explanation of the availability of and access to corporate information and data by the public, such as via a website, mass media, mailing list, bulletins, analysts' meetings, and so on	225
17. Information regarding Corporate's Code of Conduct and Culture (if any)	Description includes: 1. Code of conduct; 2. Main point of the Code of Conduct; 3. Content of the Code of conduct 4. Code of Conduct Applies to All Level of the Organization 5. Dissemination of the code of conduct and efforts to enforce the code; 6. Disclosure that the code of conduct is applicable to the Board of Commissioners, Board of Directors and corporate's employee;	201 201 201-206 207 207 208-211
18. Description regarding share ownership program by employee and/or management implemented by Issuer or Public Companies, such as total, period, requirements of eligible employees/management, exercise price as well (if any)		212
19. Description regarding Whistleblowing System implemented in the Company to handle reports of misconduct or violation that could harm the Company or stakeholders (if any)	Description includes: 1. Method of reporting; 2. Protection of the whistleblower; 3. Handling of reports; 4. Party that handles the reports; 5. Outcome of the reports	213-217 214 215 216 216 217



Criteria	Explanation	Page
<b>VII. Corporate Social Responsibility</b>		
1. Explanation of corporate social responsibility related to the environment	Information includes: 1. Policy, 2. Activities, and 3. Financial impact of activities related to the environment program, such as the use of environment-friendly and recyclable materials and energy, the company's waste management system, and so on 4. Certificates held in relation to environmental management	232 234-237 237 237-238
2. Explanation of corporate social responsibility related to human resources and occupational health & safety	Information includes: 1. Policy, 2. Activities; and 3. Financial impact of activities related to HR and OHS practices, such as gender equality and equal work opportunities, occupational safety facilities, employee turnover rate, work accident rate, training, and so on	240 240, 258 251, 271
3. Explanation of corporate social responsibility related to social and community development	Information includes: 1. Policy, 2. Activities; and 3. Financial impact of activities related to social and community development, such as the use of local workforce, empowerment of communities in the vicinity of the company, improvement of social facilities and infrastructure, other donations, and so on	272 273 280
4. Explanation of corporate social responsibility related to consumer responsibility	Information includes: 1. Policy, 2. Activities; and 3. Financial impact of activities related to product responsibility, such as consumer health and safety, product information, facilities, number and handling of consumer complaints, and so on	282 283 286

Criteria	Explanation	Page
VIII. Laporan Keuangan Tahunan yang Telah Diaudit		
1. Annual Financial statements included in the Annual Report must be prepared in accordance with the accounting standards in Indonesia that have been audited by an Accountant. Financial statements must include a statement regarding the responsibility for the Financial Statements as stipulated in the Regulation No. VIII.G.11 or Regulation No. X.E.1.		292
2. Statement Letter from the Board of Directors regarding the Board of Directors' responsibility to the Financial Statements	Compliance with Bapepam regulation-LK No.VIII.G.11 regarding the Board of Director's Responsibility of the Financial Statements.	289
3. Opinion of Independent Auditor of Financial Statements		291
4. Description of Independent Auditor's opinion	Description includes: 1. Name & signature 2. Audit report date 3. License number of the Public Accountant Firm and license number of the Public Accountant	293
5. Full Financial Statements	Includes all elements of the Financial Statements: 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)	294-295 296-297 298 299 494 N/A
6. 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	N/A
7. Comparison of profitability ratio	Comparison of profit (loss) in the current and previous years	296-297
8. 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	299 299 299 412, 413

Criteria	Explanation	Page
9. 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	308 308-356 334 328-330 313-326
10. 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	420-425
11. 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	395-406
12. 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 (valuation 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	328-330, 372-376
13. 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 Statements	345-347
14. Disclosure related to the Financial Instrument	Items that must be disclosed: 1. 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	313-326, 460-475
15. Publication of the Financial Statements	Items to be disclosed include: 1. Date of authorization for the publication of the Financial Statements; and 2. Party responsible for authorizing the Financial Statements	289, 303

## GLOSSARY

AMDAL	Abbreviation of “Analisis Mengenai Dampak Lingkungan” analysis of environment 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, unit of volume usually used to measure oil. 1 barrel = 159 liters
BBM	Abbreviation of “Bahan Bakar Minyak” or petroleum-based fuel
BCF	Billion Cubic Feet, a unit of volume used to measure natural gas
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 it's equivalent oil unit. (1 BOE = 6 MCF)
BP Migas	Abbreviation of “Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi”, the Upstream Oil and Gas Business regulator, a government agency that was established pursuant to the Oil and Gas Law juncto Government Regulation No 42 year 2002 to control upstream activities in the oil and gas business
BPH Migas	Abbreviation of “Badan Pengatur Hilir Minyak dan Gas Bumi”, the regulator 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 Presidential 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, a caloric unit used to measure gas energy
BUMN	Abbreviation of “Badan Usaha Milik Negara” or State-Owned Enterprise as denoted in Law No 19 year 2003.
CAGR	Compound Annual Growth Rate
CBM	Coal Bed Methane
CCGS	Company Corporate Governance Scorecard
CII	Customer Importance Index
CF	Cubic Feet, a volume unit used to measure natural gas 1CF = 0,028 m3
COSO	Committee of the Sponsoring Organizations of the Treadway Commission
CNG	Compressed Natural Gas
CRMP	Certified Risk Management Professional
CSC	Central Safety Committee
CSI	Customer Satisfaction Index
DAB#3	Dispute Adjudication Board #3
Distribution	Activity of natural gas distribution through pipelines
DMO	Domestic Market Obligations
DOH	Abbreviation of “Daerah Operasi Hulu” the upstream operation region
ECSC	Executive Central Safety Committee
EIB	European Investment Bank
ESA	Employee Stock Allocation, a program aimed to provide an opportunity to all employees to own the Company's shares
FSRT	Floating Storage & Regasification Terminal

FSRU	Floating Storage & Regasification Unit
GMS	General Meeting of Shareholders
GRC	Governance, Risk Management and Compliance
GSA	Gas Sales Agreement
GTA	Gas Transportation Agreement
GSPA	Gas Sales and Purchase Agreement
Hilir Downstream	Business activities that are cored or based on production, transportation, storage and/or commercial activities.
Hulu Upstream	Business activities that are cored or based on exploration and exploitation activities.
IBRD	International Bank for Reconstruction and Development
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering, a share offering to the public as stipulated in Law No 8 year 1994.
ISO	International Organization for Standardization
JBIC	Japan Bank for International Cooperation (Previously Export-Import Bank of Japan).
JCI	Jakarta Composite Index. An index of all stocks that are traded on the Indonesia Stock Exchange
KSEI	PT Kustodian Sentra Efek Indonesia, the Indonesian Central Securities Depository.
LC	Letter of Credit, a payment method for export/import transactions
LHKPN	State Officials' Wealth Report
LNG	Liquefied Natural Gas
LPEI	Indonesia Export Financing Institution
LPG	Liquefied Petroleum Gas, which consists of propane and butane gas.
LTIF	Lost Time Injury Frequency
MCF	Million Cubic Feet
MMBBL	Million Barrels
MMBOE	Million Barrels of Oil Equivalent
MMBTU	Million British Thermal Units
MMBTUD	Million British Thermal Units per Day
MMSCF	Million Standard Cubic Feet, a standard unit for measuring gas volume which is adjusted to a certain temperature and pressure which is equal to 1,000 MMBTU.
MMSCFD	Million Standard Cubic Feet Per Day
MRC	Multi Reporting Currency
MSCF	Thousand Standard Cubic Feet.
MSPA	Master Sale and Purchase Agreement
NAP	Network Access Provider
OHSAS	Occupational Health and Safety Management System
Oil and Gas Law No 22 year 2001	Law No 22 year 2001 of the Republic of Indonesia regarding Oil and Natural Gas
OJK	Indonesia Financial Service Authority

OSH & EM	Occupational Safety and Health & Environmental Management
Producer	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.
PGNEF	PGN Euro Finance
PIA	Professional Internal Auditor
PMC	Project Management Consultant
POD	Plan Of Development
PPOB	Payment Point Online Bank
PSC	Production Sharing Contract in the exploration and exploitation of oil and gas
PSI	Pounds per Square Inch, a unit for measuring gas pressure. 1 bar = 14.5 PSI
QIA	Qualified Internal Auditor
RCA	Risk Containment Audit
RJPP	Rencana Jangka Panjang Perusahaan, or Corporate Long-Term Plan
RKAP	Rencana Kerja dan Anggaran Perusahaan, or Corporate Work Plan and Budget
ROE's	Regionally Owned Enterprises
ROV	Remotely Operated Underwater Vehicle
RUPS	Abbreviation of "Rapat Umum Pemegang Saham" General Meeting of Shareholders
RUPSLB	Abbreviation of "Rapat Umum Pemegang Saham Luar Biasa" or Extraordinary General Meeting of Shareholders.
SBU	Strategic Business Unit
SER	Social and Environmental Responsibility
SME	Small or Medium Enterprise
SOE	State Owned Enterprise
TCF	Trillion Cubic Feet
TGI	PT Transportasi Gas Indonesia (Transgasindo), a subsidiary of the Company that is involved in the gas transportation business. 59.75% of its share are owned by PGN.
Transmission	The transmission of gas from its source or storage place through a transmission pipeline.
TSAF	Total Sickness Absence Frequency