

Date : **22 Mei 2013**

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This press release may contain forward-looking information based on current information and expectations of the Company that involve a number of risks, uncertainties, and assumptions. Among the factors that could cause the actual results to differ materially are industry conditions, prices of crude oil and natural gas, the Company's ability to obtain and the timing of new projects, and changes in competitive factors. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual outcomes could vary materially from those indicated.

## **PGN Official Statement on The Operational Disruption of the Labuan Maringgai - Muara Bekasi SSWJ Transmission Pipe Line**

**Jakarta - May 22, 2013:** In connection with the occurrence of anomalies in the operations of the SSWJ offshore transmission pipelines path between Maringgai Labuan-Muara Bekasi at Kilometre Point (KP) 138-139 (around the island of Damar), on Tuesday, May 21, 2013, at 10.40 pm, with the appearance of air bubbles as an early indication of leaks in the transmission pipeline, we hereby inform you of the latest information regarding the occurrence.

Having carried out the inspection and early examinations as well as coordinating with relevant government agencies, PGN confirms that there has been a leak in the Labuan Maringgai - Muara Bekasi SSWJ offshore transmission pipeline.

The leakage point is at a depth of 23 meters below sea level. Locations around the leakage have been localized in order to avoid undesirable events. PGN has taken early security measures to avoid harmful impacts to the safety of maritime transport, fishing activities as well as natural gas distribution operations.

The 32-inch diameter pipe will be promptly fixed in order to minimize the disruption of gas supply to consumers. A few preventive measures have been carried out by one of the emergency response teams, by lowering the pressure in the transmission pipelines to prevent leaks and to maintain the condition of the network.

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"Taking into account the condition of the plumbing leaks and to minimize the impact of the disruption of the gas supply to customers, the management have decided to make improvements to the transmission pipeline by utilizing the 'repair clamp' method," said Jobi Triananda, Commercial Director of PGN. With the availability of the support equipment and technical services, we expect the pipeline to operate normally within the next few days.

PGN's current team is doing a good risk mitigation regarding the technical and commercial terms as well as the impact on customer service. Initial communication has been made and submitted to regulators, customers, and stakeholders.

PGN will subsequently appoint a third party professional to evaluate, make recommendations, and implement improvements where necessary to restore the integrity of the pipeline.

We expect support and cooperation of all stakeholders for the success of these improvement efforts so that the distribution of gas to West Java may soon return to normal.