1Q11 Investors' Update

PT Medco Energi Internasional Tbk.

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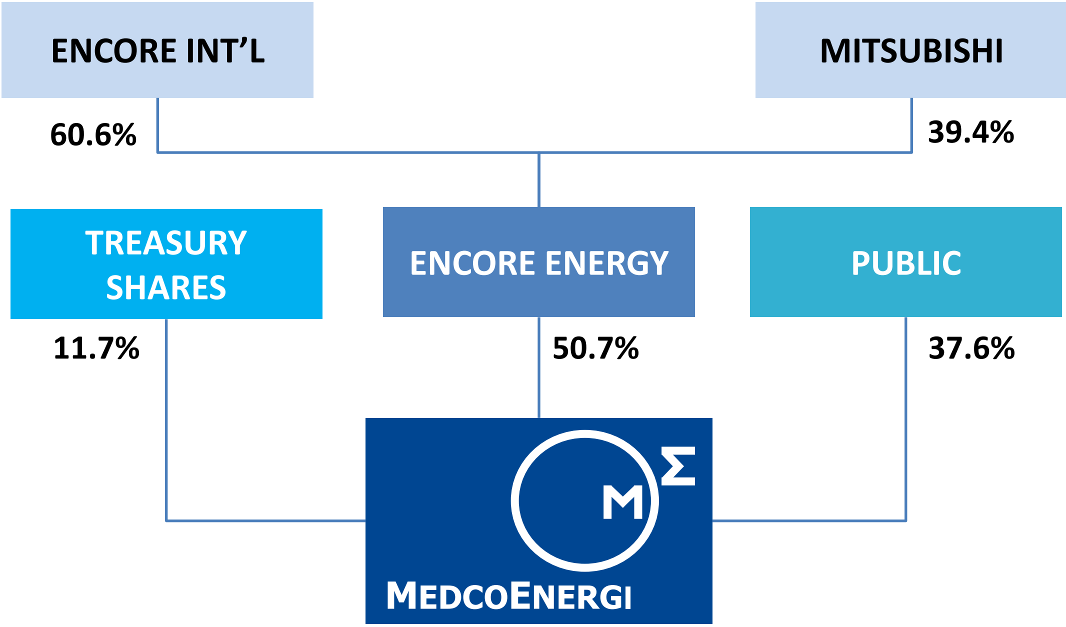
Profile & Assets Portfolio

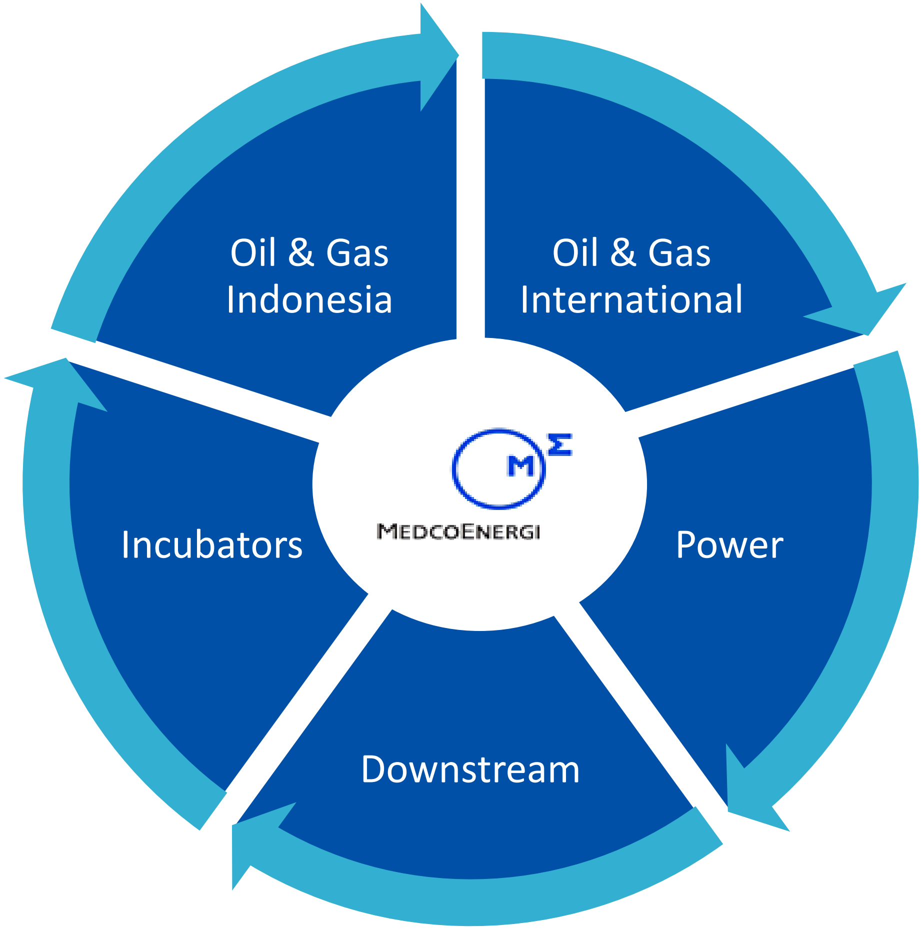
Shareholding Structure



PT Medco Energi Internasional Tbk ("MEI") is an investment holding company with 1 operating – holding company for domestic oil and gas business unit, and 3 sub-holding companies for international oil and gas, power generation, and downstream industries.

Stockholder Composition	FY10	FY09	Δ%
Encore Energy Pte. Ltd.	1,689,393,006	1,689,393,006	50.70
Public	1,252,603,944	1,252,603,944	37.58
Treasury Shares	390,454,500	390,454,500	11.72
Total	**3,332,451,450**	**3,332,451,450**	**100.00**

Business Profile



"A leading, domestic E&P focused company with international oil and gas assets, supported by diversified business portfolio."

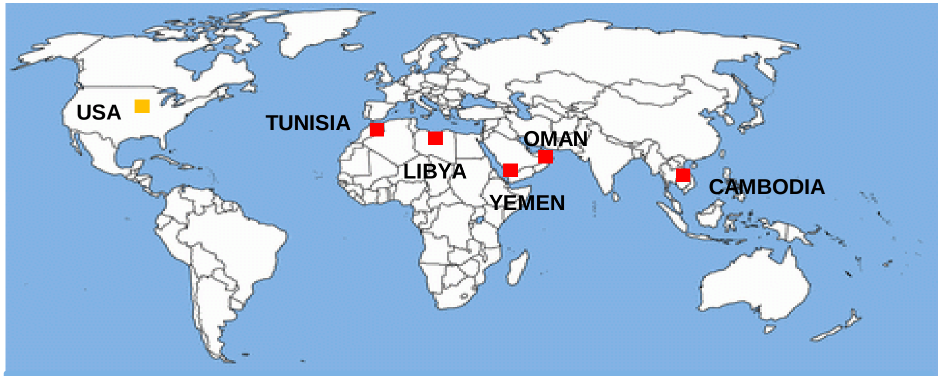
- An integrated energy company, operating in:
  - Oil and gas E&P sector (domestic and international assets)
  - Power sector (power generation plants, EPC and O&M services)
  - Downstream sector (renewables, fuel distribution and other utilization of upstream resources)

- With a long-term view, Medco allocates a portion of its capital to its incubator unit to supervise the development for nurturing new energy-related business opportunities, e.g.:
  - Coal Bed Methane
  - Natural gas distribution
  - Mining (coal)

Assets Portfolio

MEDCOENERGI

"Large portfolio, domestic and international, offers diversification of opportunities and risks across broader geological formation."



Medco E&P Indonesia

- In Indonesia, Medco operates 10 blocks, maintains working interests in 3 blocks operated by strategic partners, and holds economic participating interest in an exploration field.

Medco Energi Global

- Medco's international operations spread across 20 assets in Asia, Africa, and the US.

Indonesia			
Producing blocks	7	Exploration blocks	4
Development blocks	2	Economic participation	1

US (incl. Gulf of Mexico)	
Producing blocks	8
Exploration blocks	5

Oman	
E&P service contract	1

Libya	
Exploration block	1

Tunisia	
Exploration block	1

Yemen	
Exploration blocks	2

Cambodia	
Exploration blocks	2

Assets Portfolio (cont'd)

MEDCOENERGI

"Other revenue streams not only further diversify risks but also monetize upstream assets by midstream and downstream integration."

Medco Power Indonesia

- 2 gas-fired power generation plants with a mobile truck mounted power plant in Batam and 3 gas-fired power generation plants in South Sumatra with total capacity of 185.1 MW
- 1 Operation & Maintenance project in Tanjung Jati B, Central Java 1,320 MW

MEDCOENERGI Power

MEDCOENERGI Downstream

Medco Downstream Indonesia

- LPG plant in Rimau, South Sumatra, with capacity of 73,000 ton/year -- processing associated gas from Rimau block
- Ethanol plant in Lampung, with capacity of 180 KL/day
- HSD storage and distribution, with storage capacity of 22,700 KL.

Incubator Projects

- Coal Bed Methane project, South Sumatra
- Coal Mining project, East Kalimantan
- Gas Pipeline project, Gunung Megang – Pagar Dewa

Projects Milestones

Corporate Updates

MEDCOENERGI

1	MedcoEnergi has issued the **2nd Medium Term Notes (MTN)** in a total amount of USD 50 million on March 22nd 2010. The MTN were issued in two tranches: Series A in the amount of USD 40 million with coupon rate of 7.25% per annum and a 2-year tenor and Series B in the amount of USD 10 million with coupon rate of 8.00% per annum and a 3-year tenor.
2	MedcoEnergi completed the construction of **Combined Cycle Power Plant in PLTGU Panaran II, Batam** and started the operation on March 25th 2010. The combined cycle which is operated by the Company's indirect subsidiary PT Dalle Energy Batam will add an another 20.6 MW of power supply from Panaran II by utilizing steam produced from the simple cycle gas turbine generator. Prior to this, Panaran II produces 61.5 MW of power supply from 55.5 MW (2x27.75 MW) gas turbine generator and 6 MW chiller.
3	MedcoEnergi secured **operatorship of Area 47 in Libya** from the Libyan General People's Committee (GPC) starting April 1st 2010 replacing Verenex Energy Area 47 Libya Limited (VEAL). GPC also granted a one year extension to the exploration period commencing the same date of Operatorship. The move came after Verenex Energy Inc. which is Medcoenergi's partner and also operator of Area 47 was acquired by Libya Investment Authority (LIA) a sovereign wealth fund established by the Libyan Government in 2006 and has assets in excess of US$65 billion.
4	From April to November 2010, MedcoEnergi **made six new oil discoveries at Area 47, Libya**, which came from the N1-47/02, L1-47/02, O1-47/02, K1-47/02, P1-47/02 and D1-47/04 exploration wells. The discoveries resulted a combined aggregate main flow rate of 13,339 BOPD. Since exploration drilling activities began in March 2005 up to December 2010, there were 20 exploration wells and 6 appraisal wells drilled in the Area 47. Out of 20 exploration wells drilled, it has oil discovery in 18 wells, and 2 discoveries from appraisal wells. This accounted for more than 80% success rate.
5	The Indonesian Minister of Energy and Mineral Resources, has signed off the **consent letter for Donggi-Senoro gas allocation** on June 17th, 2010.
6	MedcoEnergi's partner in Tunisia, Pioneer Natural Resources Anaguid Ltd. **announced a successful drilling of Mona-1 well, located at Anaguid Exploration Permit in South Tunisia** on October 26th, 2010. The well was drilled and tested at initial gross production rate of approximately 4,077 MBOEPD at 32/64" choke. MedcoEnergi held a 40% participating interest in Tunisia through Medco Tunisia Anaguid Ltd. Pioneer is the operator of the block.

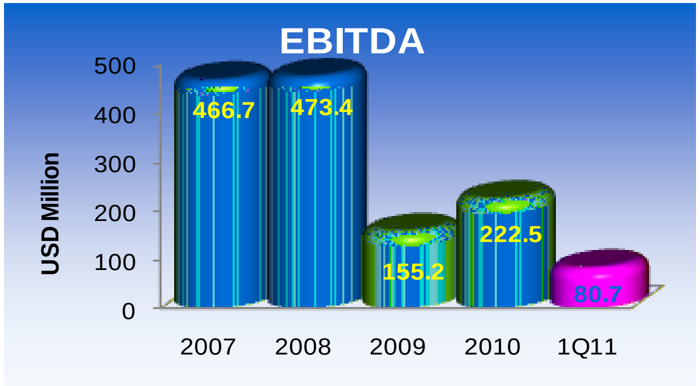
Corporate Updates

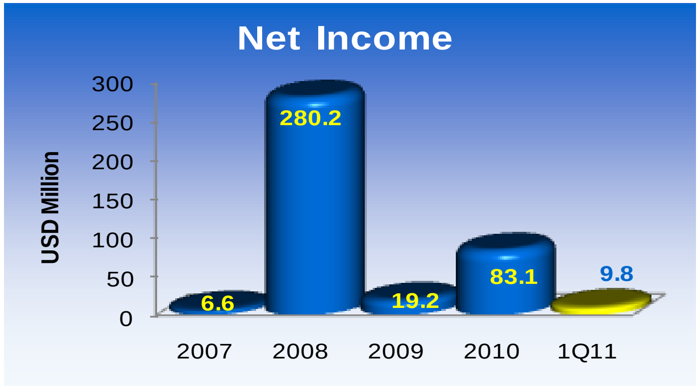
7	On October 28th 2010, MedcoEnergi **received Contract Extensions for three of its PSC blocks** from the Government of Republic of Indonesia. Contract Extensions were given for South and Central Sumatra PSC until 2033, Block A PSC in Aceh until 2031 and Bawean PSC located at offshore East Java until 2031.
8	MedcoEnergi has **signed a loan facility agreement of USD 120 million with Mitsubishi Corp.** to help finance the Donggi-Senoro LNG Plant (DS-LNG) in Senoro-Toili, Sulawesi. The loan facility was secured on December 31st, 2010 from MedcoEnergi's DS-LNG consortium partner Mitsubishi Corp. through its wholly-owned subsidiary PT Medco LNG Indonesia (MLI), while MedcoEnergi as the holding company will act as guarantor.
9	On January 24th, 2011 MedcoEnergi announced that **the Final Investment Decision (FID) for Senoro-Toili Gas and LNG Projects has been reached**. In conjuction with the FID, the company also managed to pare down its participating interest in DS-LNG from 20% to 11.1% through dilution which is in accordance to the Company's strategy in developing its Key Projects.
10	MedcoEnergi has completed the **divestment of 100% shares of Tomori E&P Limited (TEL) to Mitsubishi Corp. for USD 260 million** on January 31st, 2011. The transaction refers to the Company which has recently acquired 20% undivided working interest of Senoro-Toili Production Sharing Contract (PSC) from PT Medco E&P Tomori Sulawesi (MEPTS) on December 22nd, 2010 both of whom are wholly-owned subsidiaries of PT Medco Energi Internasional Tbk. (MEI). With the acquisition of TEL, MEI still hold a 30% stake in Senoro-Toili PSC through MEPTS.
11	Tunisian Minister of Industry and Technology granted MedcoEnergi **the Durra Concession located in Anaguid Block, Tunisia** for 30 years starting 24 March 2011. The acreage of Durra concession is 40km2 and the participating interests are held by Pioneer Natural Resources Anaguid Ltd. (now OMV Anaguid Ltd.), Medco Tunisia Anaguid and Entreprise Tunisienne d'Activités Pétrolières (ETAP). MedcoEnergi also received extension permit for the Anaguid Block up until 8 June 2012.

Business Performance:
Financial & Operational KPIs

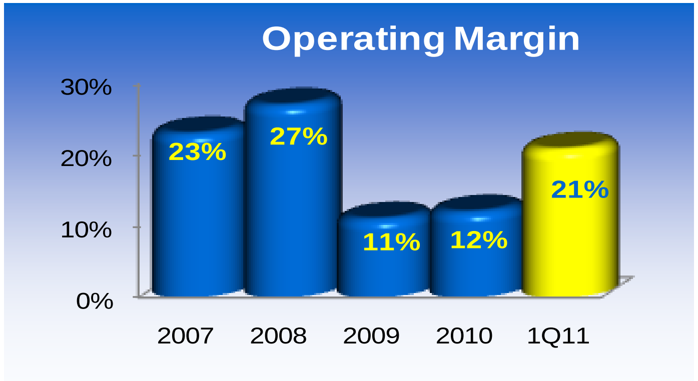
Financial KPIs

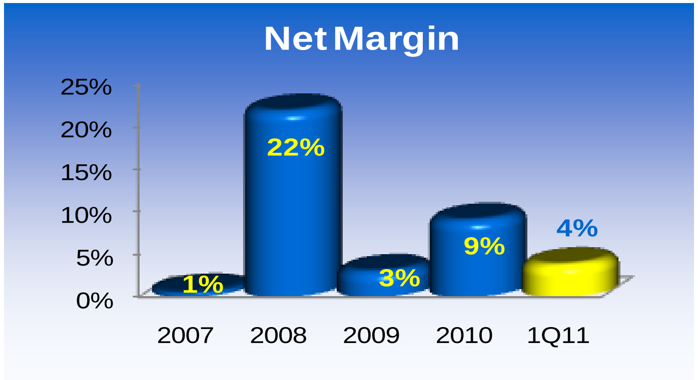
Financial Highlights (USD mm)	1Q11	1Q10	Δ%
Revenue	255.1	186.0	37.2
Gross Profit	89.4	73.1	22.4
Income from Operations	53.1	45.7	16.2
EBITDA	80.7	64.5	25.1
Earnings Before Tax	28.9	18.7	54.1
Net Income	9.8	8.8	11.0
Equity	824.4	719.6	14.6
Total Assets	2,244.2	2,085.4	7.6
Total Liabilities	1,419.8	1,344.2	5.6
Market Capitalization	1,100.1	950.6	15.7
EPS (USD/share)	0.0033	0.0030	10.0

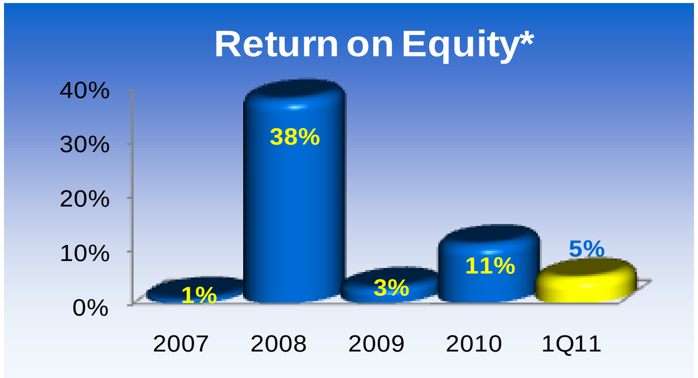




Financial KPIs (cont'd)







*annualized

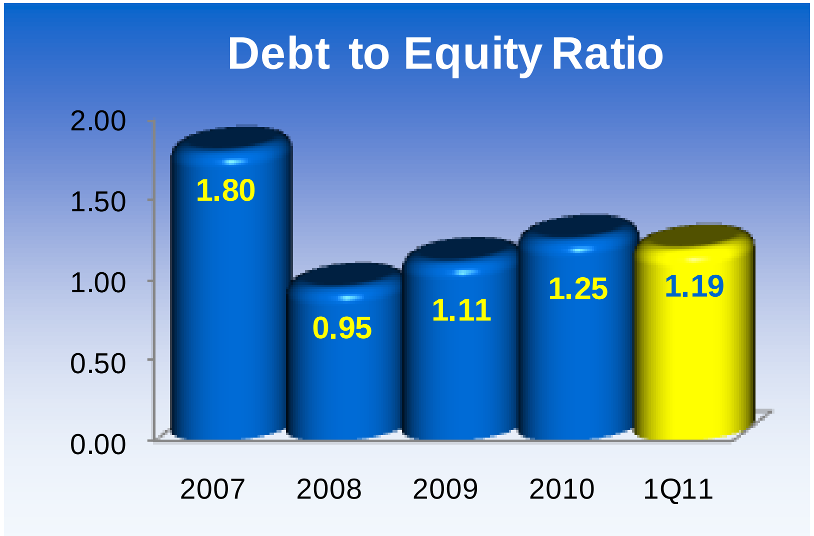
Profitability Ratios (%)	1Q11	1Q10	Δ%
Gross Margin	35.1%	39.3%	(10.8)
EBITDA Margin	31.6%	34.7%	(8.8)
Operating Margin	20.8%	24.6%	(15.3)
Net Margin	3.8%	4.8%	(19.1)
Return on Equity - Annualized	4.8%	4.9%	(3.1)

Efficiency Ratios (x) - Annualized	1Q11	1Q10	Δ%
Revenue/ fixed assets	0.93	0.71	31.2
Revenue/ net working capital	2.27	2.22	2.5

Investment Ratios (x)	1Q11	1Q10	Δ%
CapEx/ Revenue	0.12	0.22	(47.6)
CapEx/ Depreciation	1.08	2.21	(51.0)

Financial KPIs (cont'd)

CONSOLIDATED DEBTS (in USD mn)	1Q11	1Q10	Δ%
A. Total Bank Loans	**660.0**	**517.0**	**27.7**
Current Portion	169.4	147.3	15.1
Non Current Portion	490.5	369.7	32.7
B. Other Obligations	**321.2**	**351.5**	**(8.6)**
Rupiah Bonds (due in 2012 and 2014)	171.7	163.7	4.9
MTN (due in 2011 and 2012)	149.5	99.6	50.0
USD Notes (Paid in 22 May 2010)	0.0	88.2	n.m.
Total	**981.1**	**868.5**	**13.0**



Capital Structure (x)	1Q11	1Q10	Δ%
Net debt/total equity	0.83	0.79	4.8
Net debt/(net debt + equity)	0.45	0.44	2.6

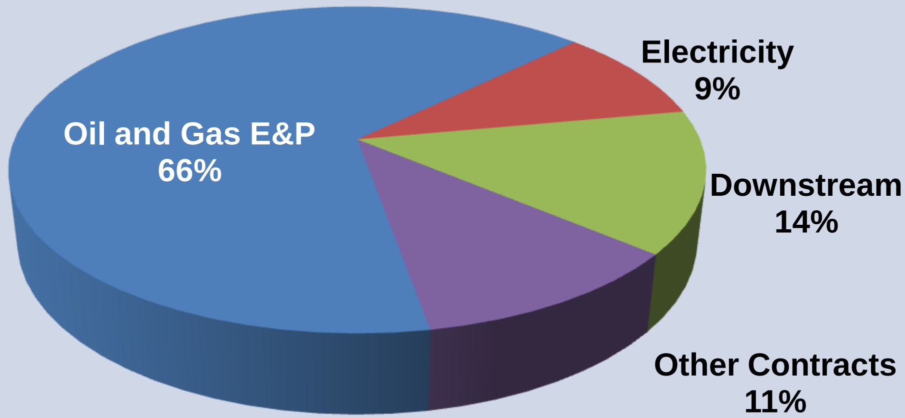
Liquidity & Solvability (x)	1Q11	1Q10	Δ%
Cash Ratio	0.60	0.63	(4.6)
Quick Ratio	1.60	1.52	4.7
Current Ratio	1.90	1.70	11.6
Debt to Equity Ratio	1.19	1.21	(1.4)
Net Debt to Equity Ratio	0.83	0.79	4.8
Total Liabilities/Total Equity	1.72	1.87	(7.8)

Coverage Ratios (x)	1Q11	1Q10	Δ%
Interest Coverage Ratio	4.33	4.15	4.2
Net debt/EBITDA - Annualized	2.11	2.20	(4.0)

Breakdown by Business Segments

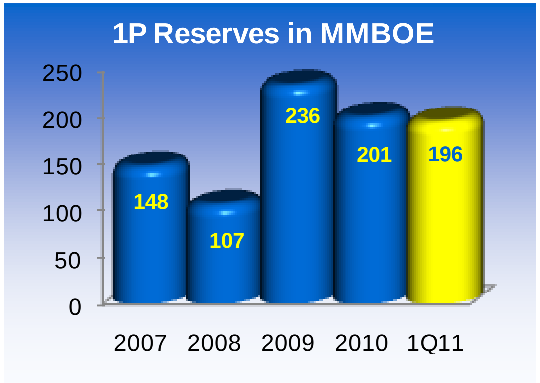
MEDCOENERGI

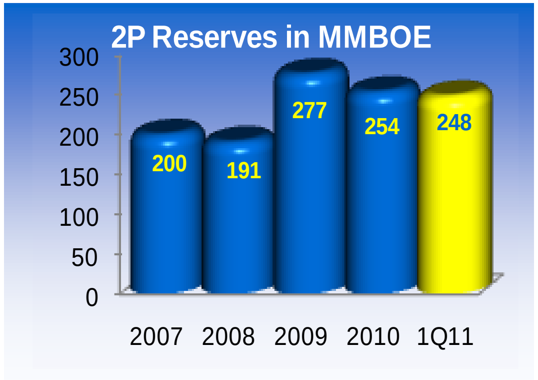
Segmental breakdown, 1Q11 Revenues

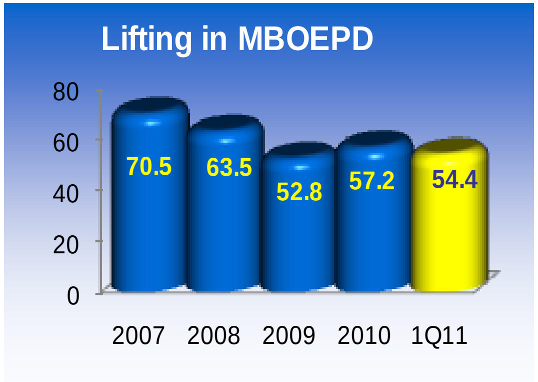


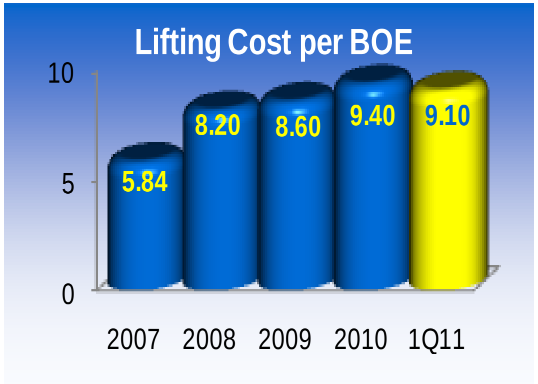
Business Segment (in USD mn)	1Q11 Revenue	1Q10 Revenue	Δ%
Oil and Gas, Exploration & Production	167.1	125.8	32.8
Electricity	23.9	17.8	34.2
Downstream	35.8	18.9	89.9
Other Contracts	28.3	23.5	20.5
Consolidated Revenue	**255.1**	**186.0**	**37.2**

Breakdown by Business Segments (cont'd)









Oil and Gas E&P	1Q11	1Q10	Δ%
Proved Reserves - 1P (MMBOE)	196.3	230.6	(14.9)
Proved and Probable Reserves - 2P (MMBOE)	248.4	271.6	(8.5)
Oil Lifting / MBOPD	27.5	31.0	(11.5)
Gas Sales / MMCFD	157.7	139.6	13.0
Total Oil and Gas (MBOEPD)	54.4	54.9	(0.9)
Average Oil Price, USD/barrel	106.6	78.7	35.5
Average Gas Price, USD/mmbtu	3.7	3.5	5.7
Revenues (mn USD)	167.1	125.8	32.8
Cost of Sales (mn USD)	94.9	65.8	44.3
Net Income (mn USD)	24.8	34.0	(27.2)

Breakdown by Business Segments (cont'd)

MEDCOENERGI

Electricity	1Q11	1Q10	Δ%
Power Production - IPP / GWH	309	239	29.3
Power Production - O&M / GWH	2,504	2,352	6.5
Revenues (mn USD)	23.9	17.8	34.2
Cost of Sales (mn USD)	15.9	12.9	23.3
Net Income (mn USD)	1.28	1.16	10.5

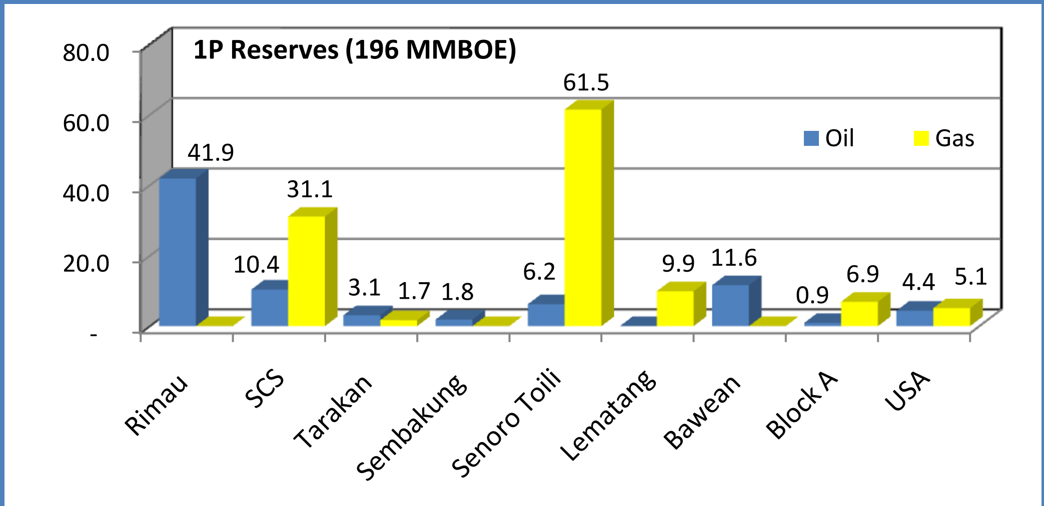
Downstream	1Q11	1Q10	Δ%
Fuel Distribution / KL	42,183	32,389	30.2
Average HSD Price / Rp per liter	7,681	5,593	37.3
Ethanol Production/ KL	2,718	2,006	35.5
Average Ethanol Price, USD / KL	607.4	547.0	11.0
LPG Sales / MT per day	41.7	41.0	1.8
LPG Price/ USD per MT	803	672	19.5
Revenues (mn USD)	35.8	18.9	89.9
Cost of Sales (mn USD)	33.8	17.9	88.7
Net Income (mn USD)	(3.2)	(2.6)	22.6

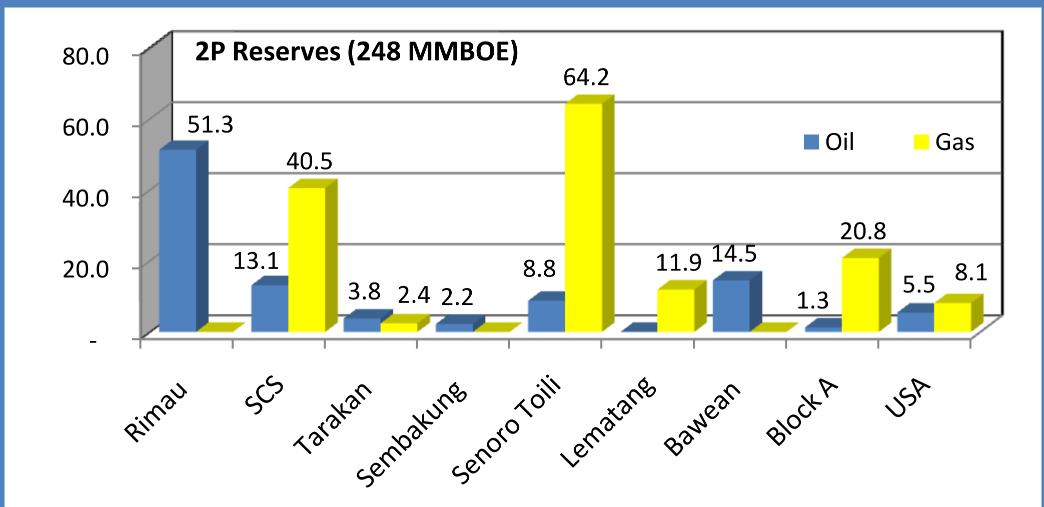
Other Contracts	1Q11	1Q10	Δ%
Revenues (mn USD)	28.3	23.5	20.5
Cost of Sales (mn USD)	21.1	16.4	28.9
Net Income (mn USD)	3.4	2.6	31.3

Business Development:
Reserves & Exploration Program

Reserves Profile 1Q11

"The combination of oil and gas reserves on Medco's portfolio will help sustain production life for years to come"





- **1P or Proved reserves**: Reserves claimed to have a reasonable certainty (normally at least 90% confidence) of being produced.
- **2P or Proved and Probable reserves:** Reserves claimed to have a lower certainty (at least 50% confidence) of being produced due to operational, contractual, or regulatory uncertainties.
- **Contingent Resources:** Discoveries not yet considered fully ready for commercial development due to certain contingencies.
- As of 1Q11, both Medco's 1P reserves and 2P reserves are comprised of **40% oil** and **60% gas**.

→ Most of 2P reserves and Contingent Resources are **technically proven** – conversion to proved reserves is pending certain milestones of commerciality factors e.g. government approvals, final POD etc.

- Libya-47
- Senoro Toili
- Bangkanai
- Simenggaris

Contingent Resources

217.2 MMBOE

71% oil, 29% gas

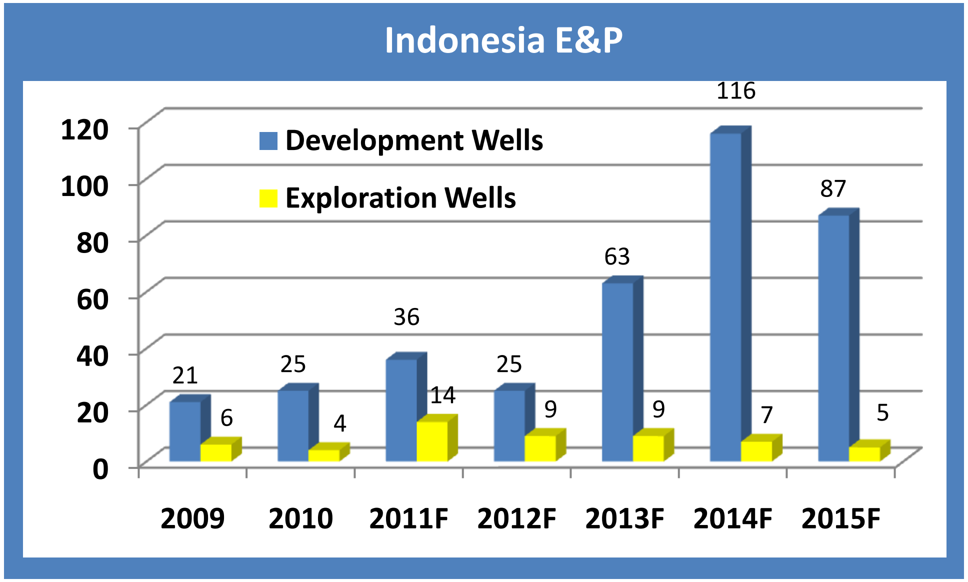
Potential Additional Reserves

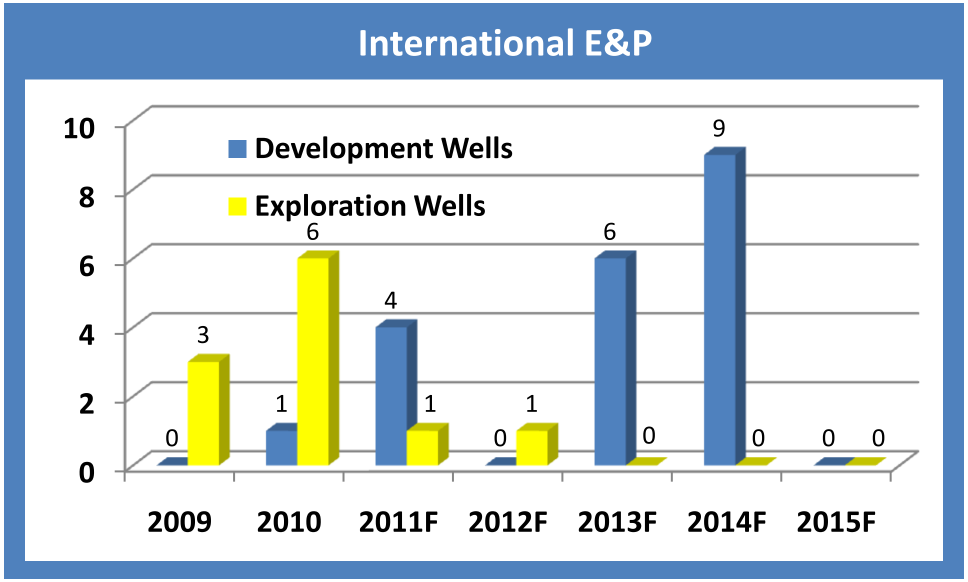
"Medco will book its technically proven discovery from major projects as proved reserves upon achievement of certain milestones."

Major Projects Assets	Est. Contingent Resources	Key Milestones
Libya-47	175,850 MBOE	❖ Acquired 50% working interest in 2005 ❖ Obtained reserves estimation from D&M in 2008 ❖ Submitted POD to Libyan National Oil Corporation (NOC) in late 2008 ❖ Secured operatorship and exploration extension in April 2010 ❖ **FID: pending POD approval by the NOC**
Senoro Toili	27,128 MBOE	❖ Established operating company in 2007 ❖ Signed GSA in early 2009, with an amendment in late 2010 ❖ Change of working interest-ownership in the Senoro Toili PSC from 50% to 30% ❖ Migration of 71.3 mmboe contingent resources to 2P, leaving 27.1 mmboe for domestic market allocation ❖ **FID has been announced on 24 January 2011**
Subtotal	**202,978 MBOE**	
Total 2P + contingent resources	**456,443 MBOE**	

Exploration Program

"To help arrest the decline and replenish reserves due to production of existing and new assets, Medco will do more exploration drillings in the future."





	2004	2005	2006	2007	2008	2009	2010
Oil and Gas Capex	235.09	140.57	156.51	312.64	284.30	198.61	126.94
Reserve Addition, MMBOE	(6.53)	39.74	4.34	30.26	(9.88)	154.00	32.19
Actual 3 Year Avg F&D $/BOE	10.98	9.41	14.18	8.20	30.48	4.56	3.46
Actual 3 Year Avg RRR	0.37	0.52	0.41	0.86	0.31	2.49	2.75
Reserves Life Index, years	5.84	6.37	6.90	6.50	7.21	6.53	12.27

Capex Profile

"During the next 3 years Medco will spent substantial amount of Capex to start develop its Major Projects following the approval of their Final Investment Decisions."

E&P CAPEX	2009	2010	2011 F	2012 F	2013 F	3-YR F
Exploration Capex	33.5	38.5	89.8	86.9	67.4	244.1
Development Capex	165.1	88.4	148.6	263.4	301.9	713.9
TOTAL E&P CAPEX	198.6	126.9	238.4	350.3	369.3	958.0
Non E&P Capex	70.7	17.0	194.8	125.7	63.9	384.4
TOTAL CAPEX NET	269.3	143.9	433.2	476.0	433.2	1,342.4

Capital Generation Strategy

"Asset optimization/divestment strategy is in place to reshape Medco's asset portfolio."

Funding Requirement

- Debt service
- Capex (for major projects)

Balance Sheet Management

Asset optimization:
- Divestment/farm-out
- Capex rationalization as a result from divestments

Optimum Capital Structure

- Lower financing
- More equity & cash proceeds from assets optimization

Asset Optimization

- Strategic minority divestment in subsidiaries.
- Divestment of maturing assets (where Medco does not hold operatorship).
- Prioritize capex allocation for major projects, accompanied by regular review of cost and schedule.
- Limited funding for selected exploration activities and new incubator business for future growth.
- Cost containment and reduction program.
- Explore opportunistic-driven projects (icl. potential acquisitions) with immediate value generation.

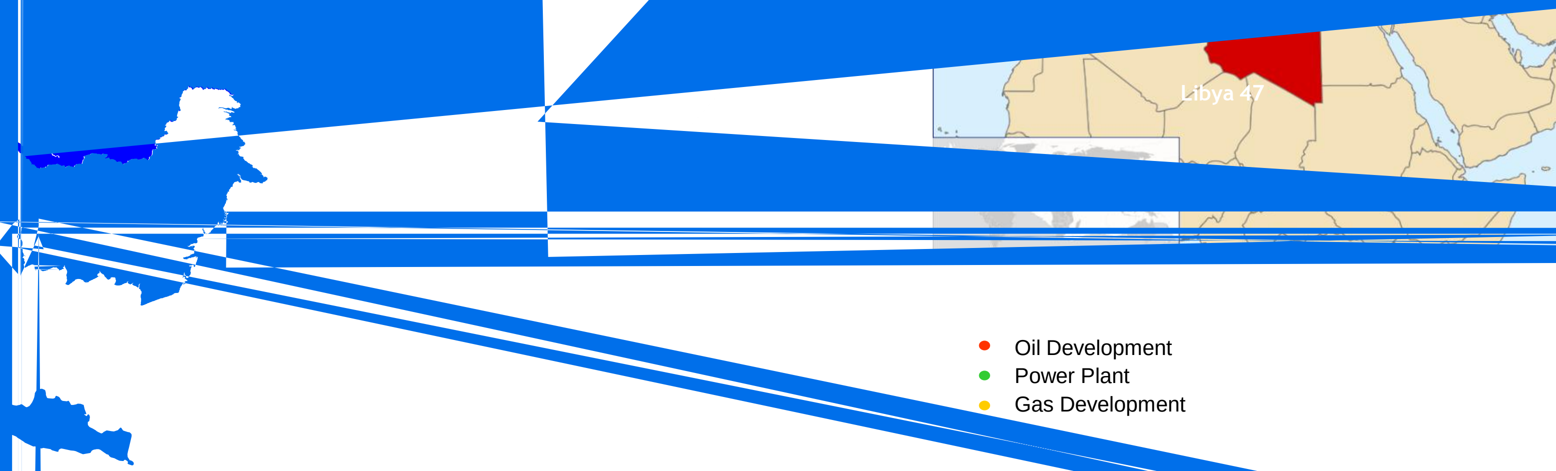
Liability/Financing Plans

- Continue discussion with ECA and multilateral agencies, which less affected by recent credit crunch, to finance major projects.
- Utilize the underlying assets/reserved –based lending for selective E&P assets.
- Continue to explore various financing options (bank facilities, capital market instruments) with competitive price.
- Balance the proportion of debt at corporate and subsidiary level, project finance at assets level.

Highlights:
Projects Initiatives

Projects Initiativ

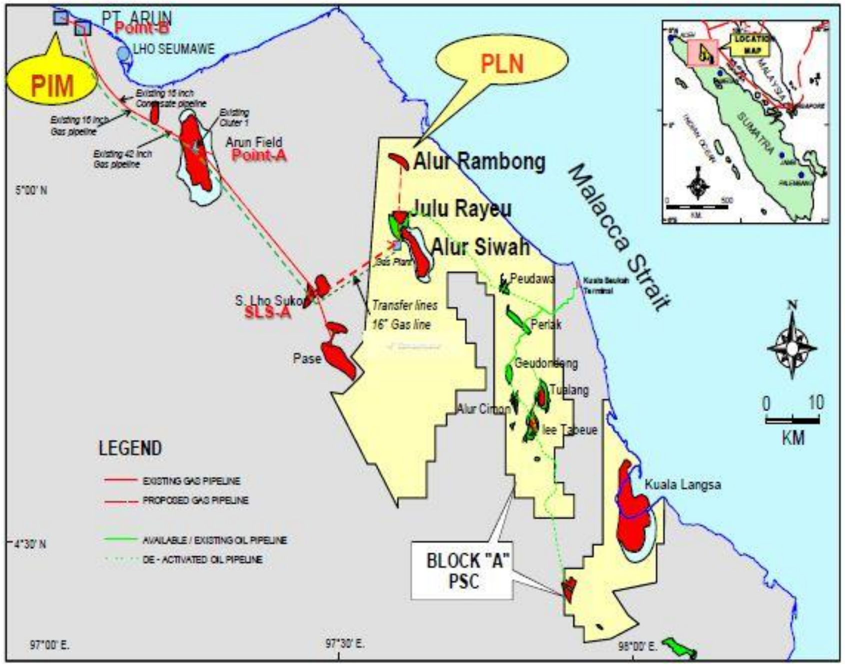
Major Projects Portfo

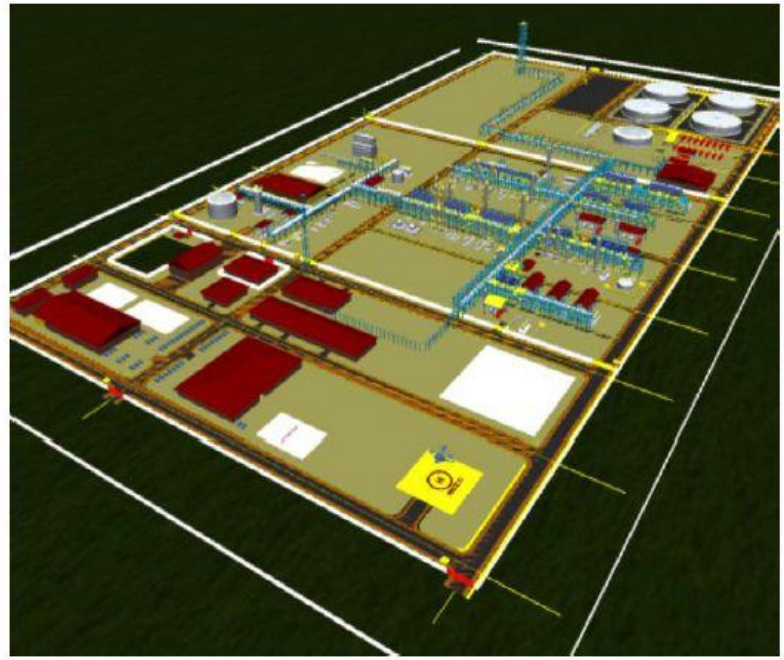


PROJECTS		Project Descriptions	% ownership	Partners	Page
Block A	15	Gas field development up to 110 MMscfd	41.67%	Premier, Japex	25
Rimau		Oil field - Enhanced Oil Recovery	95%	PD-PDE	26
Seno		Gas field development up to 250 MMscfd	30%	Pertamina	27
DS		LNG plant , single train of 2.1 mtpa capacity	11.1%	Pertamina, Mitsubishi	27
L		Oil field development of 50,000 - 100,000 bopd	50%	Verenex (LIA)	28
	15	Geothermal power plant, 3x110 MW	37.25%	Kyushu, Ormat, Ito	

Projects Initiatives (cont'd)

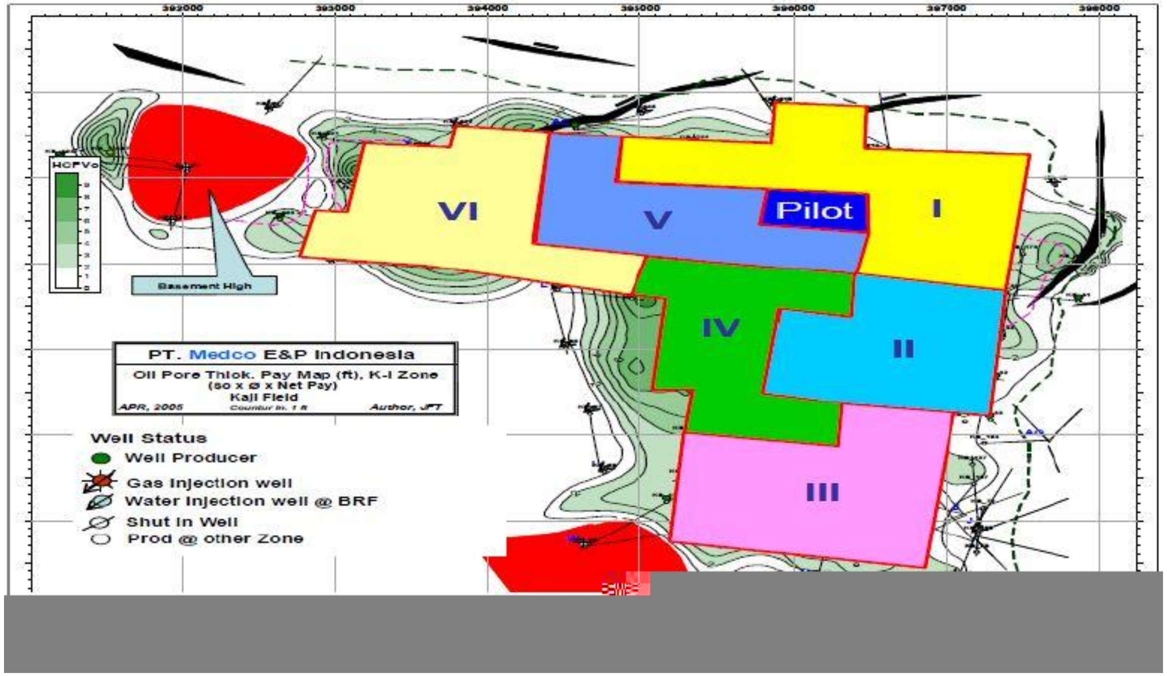
MEDCOENERGI





Block A

- ❖ Objective : Monetize 121.7 BCF 2P gas contingent resources;
- ❖ Project Scope: 2 x 60 MMSCFD gas plant and associated pipeline
- ❖ Project Status:
  - FEED completed; continue preparing EPC tender documents;
  - Complete pre-sanctioned review by independent consultant to improve project readiness prior to FID;
  - GSA with Pupuk Iskandar Muda ("PIM") and PLN have been signed in 2007 and 2008, respectively. Gas prices for both buyers have been approved by MESDM in 2009. GSA with PIM has been effective on 12 November 2010;
  - Obtained PSC Extension up until 2031 from the Government;
  - Final Investment Decision is targeted to be reached on 4Q11.



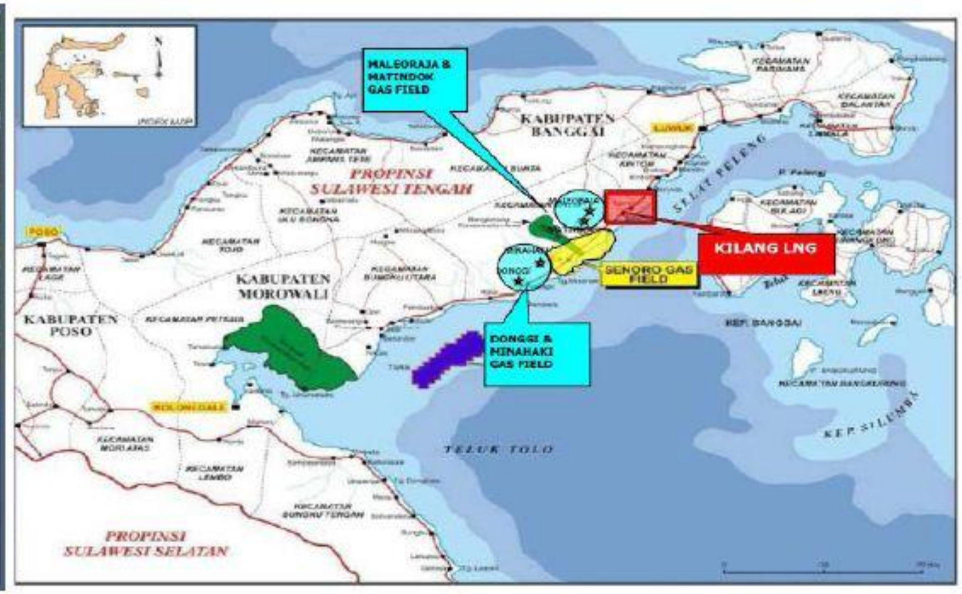
Rimau Enhanced Oil Recovery Project

- Objective : Increase oil production volume from existing reservoir by using new EOR technique
- Project Scope : Implementation of pilot project Enhance Oil Recovery (EOR) to increase around 60MMBOE Original Oil In Place (OOIP) in 2013
- Project Status:
  - Obtained budget approval from BPMIGAS, major contracts are awarded and site preparation work started.
  - This pilot project is a step to full expansion, contains 6 pattern drilling;
  - Capex will be internally funded from operation.

Projects Initiatives (cont'd)

MEDCOENERGI

Senoro Gas/LNG Development



Objective : Commercialize 1.96 TCF of gross 2P reserve and contingent gas resources through LNG Product

Upstream:

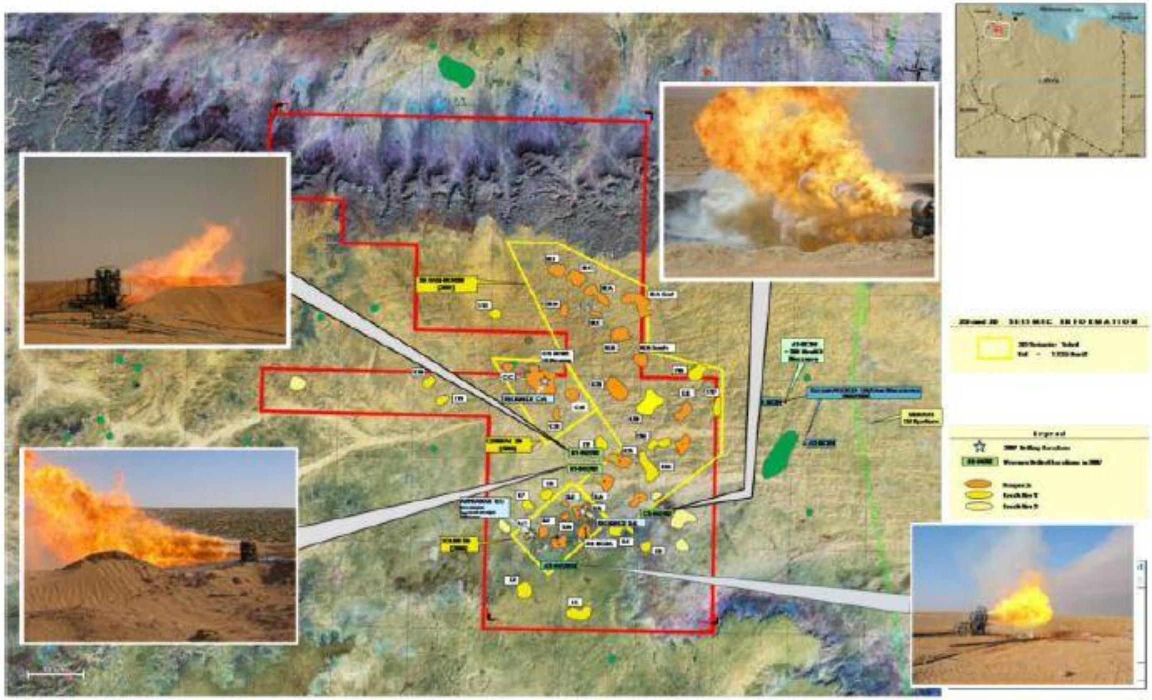
- Project Scope: currently build 250 MMSCFD plant and associated pipelines,
- Project Status:
  - Final Investment Decision approved;
  - Change of working interest-ownership in the Senoro Toili PSC on 31 January 2011 from 50% to 30%;
  - Received US$260mn from the 20% sale to Mitsubishi;
  - Financing – negotiations with local banks.

Downstream:

- Project Scope : Build 2.1 MT per annum LNG facilities
- Project Status:
  - Final Investment Decision approved;
  - Dilution Agreement has been signed on 31 December 2010 and upon its effectiveness will change the shares-ownership from 20% to 11.1%;
  - Secured US$120mn loan facility from Mitsubishi for financing.

Projects Initiatives (cont'd)

Libya Block 47



❖ Objective : Development of area 47 oil discovery in Libya with Gross Contingent Resources of 352 MMBOE
❖ Project Scope : Produce 50-100 MBOPD production facilities with associated pipelines
❖ Project Status :
  - Total 26 wells drilled, 20 exploration wells and 6 appraisal wells;
  - Successful exploration results with aggregate flow of 123,025 bopd based on 17 exploration and 2 appraisal wells;
  - Obtained operatorship replacing Verenex and extended exploration period until 31 March 2011;
  - Continue exploring financing in the form of reserve based lending.
  - Maintain monitoring on the latest situation in Libya's uprising.

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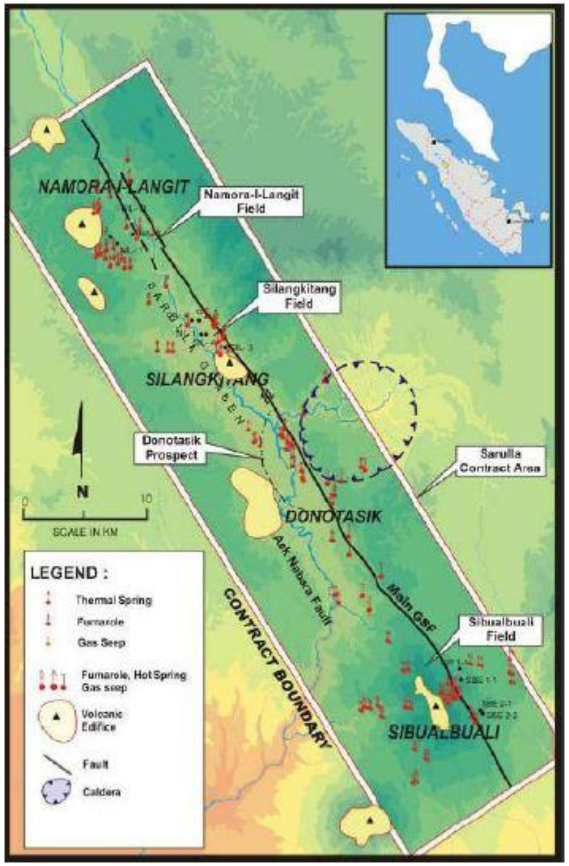
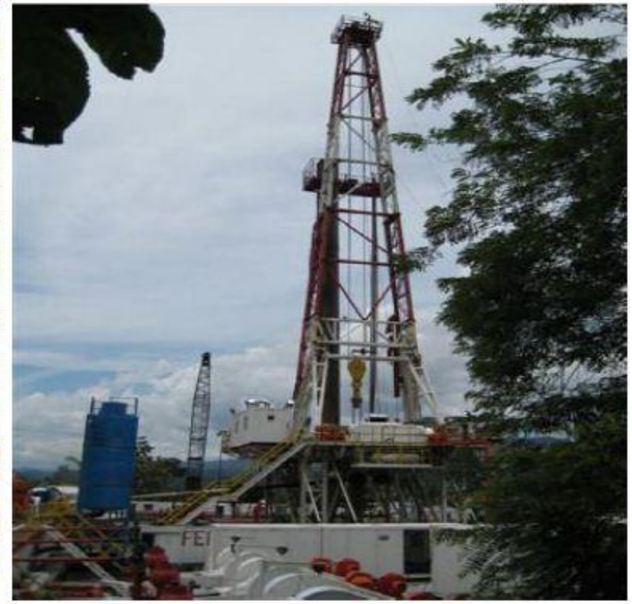
Sarulla Geothermal





- Objective : Develop renewable energy resources in Geothermal sector by building strategic alliances with Kyushu, Ormat, Itochu
- Project Scope : Build geothermal power plant 3x110MW in Sarulla North Sumatra, using combined cycle unit and Ormat Energy Converter
- Project Status :
  - Electricity Tariff – renegotiate related agreements with PLN;
  - Engineering, Procurement & Construction (EPC), Drilling, O&M contract – preparing for negotiations and finalization;
  - Financing – positive response from JBIC/ADB and other commercial banks to provide funding.

Disclaimer

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