MEDCOENERGI

1H14 Investors' Update

PT Medco Energi Internasional Tbk.

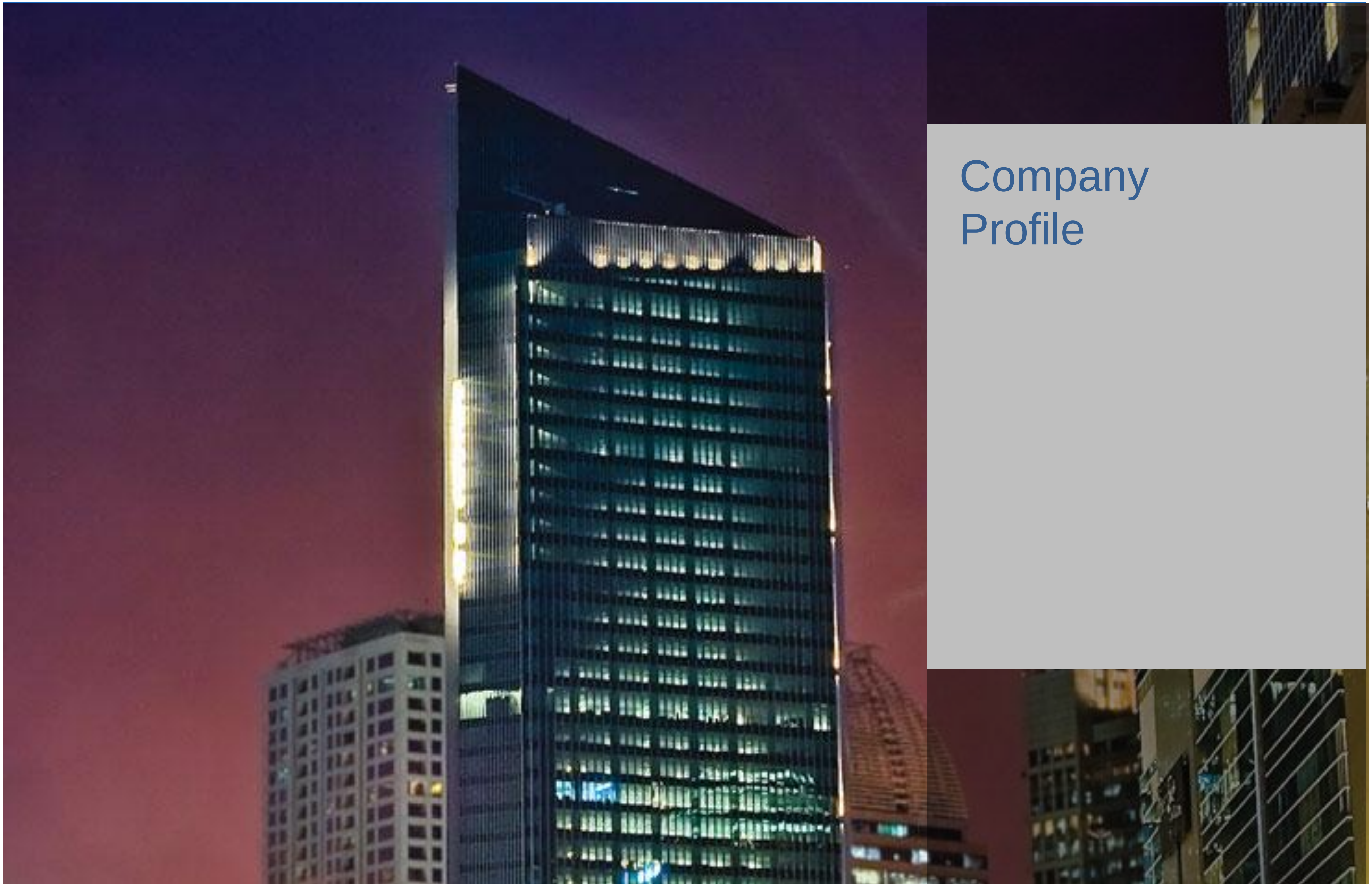
ACT NOW!

July, 2014
www.medcoenergi.com
Energy Company of Choice

MEDCOENERGI

Table of Content

This document contains certain results of operation, and may also contain certain projections, plans, strategies, policies and objectives of the Company, which could be treated as forward looking statements within the meaning of applicable law. Forwards looking statements, by their nature, involve risks and uncertainties that could cause actual results and development to differ materially from those expressed or implied in these statements. PT MEDCO ENERGI INTERNASIONAL TBK. does not guarantee that any action, which should have been taken in reliance on this document will bring specific results as expected.



Company Profile

Business Strategy

1

Strengthen the portfolio of producing assets, including acquisitions.

2

Increase the reserve life index through exploration activities.

3

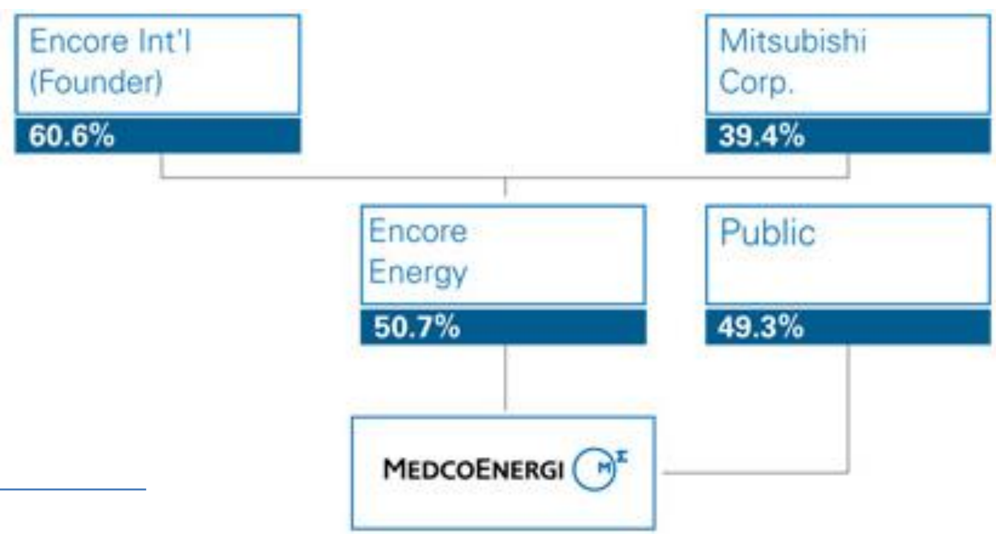
Complete all Major Projects as planned

4

Accelerate the growth of non-oil and gas assets through strategic partners.

Shareholdings Structure

PT Medco Energi Internasional Tbk. is a publicly listed integrated energy company with focus in exploration and production of oil and gas business. MedcoEnergi also has other energy related businesses in coal mining and have minority stakes in High Speed Diesel trading, and power generation to Perusahaan Listrik Negara (PLN).



MEDCOENERGI

Organizational Structure

Board of Commissionser

President Director & CEO

Lukman Mahfoedz

Board of Medco Energi Internasional Tbk

Director & Chief Financial Officer

Lany D. Wong

Director & COO E&P

Frila Berlini Yaman

Director & Chief Planning Officer

Akira Mizuta

Chief Business Support Officer

Johannes Kustadi

Chief International E&P and New Venture Officer

Faiz Shahab

Director & COO Power & Mining

Budi Basuki

MEDCOENERGI

Success Stories

1980
Established as Meta Epsi Pribumi Drilling Company

1994
Initial Public Offering in Indonesia

1995
Acquired 100% shares of Stanvac Indonesia from Exxon/Mobil

1996
Discovered largest inshore oil reserve of the decade (Kaji-Semoga)

2004
"Go International" by acquiring Novus' assets

2005
Awarded EPSA IV PSC Contract for Area 47 Libya

2006
Awarded Oman Service Contract. Increased production up to 100% in 5-years time

2007
Discovered oil in Area 47, Libya; found resources about 350 MMBOE in 2-years time since then

2009
LNG Sales Agreement signed with Japanese & Korea buyers, gas to be supplied from Senoro-Toili Block

2010
Obtained 20-year extension for 3 PSC contract area in Indonesia (South Sumatra, Block A and Bawean)

2011
Obtained Commerciality approval on Area 47, Libya with 90% exploration success ratio

2012
Acquired 25% in Block 9 Malik, Yemen

First coal sales shipment to China

2013
Secured Project Financing for Senoro for USD 260 million.

Received Gold PROPER Award for Rimau Block for three consecutive years (2011, 2012, 2013)

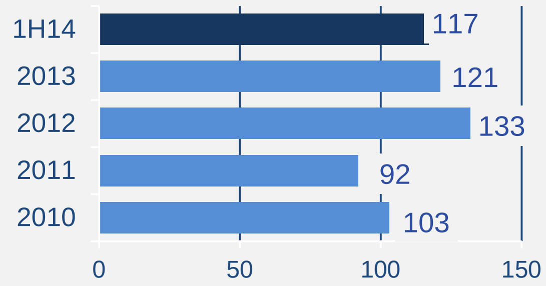
2014
Acquired 90% shares in Moonbi Energy Ltd. holder of PPL 470 in Papua New Guinea.

Acquired participating interest in 8 working areas in Tunisia pending approval.

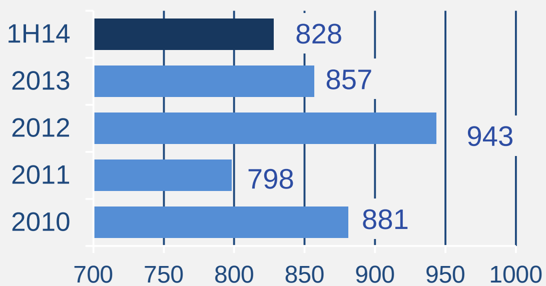
Company's Performance

Operational Performance

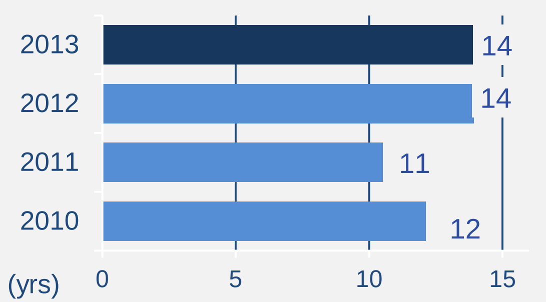
2P Oil Reserves in MMBO



2P Gas Reserves in BCF



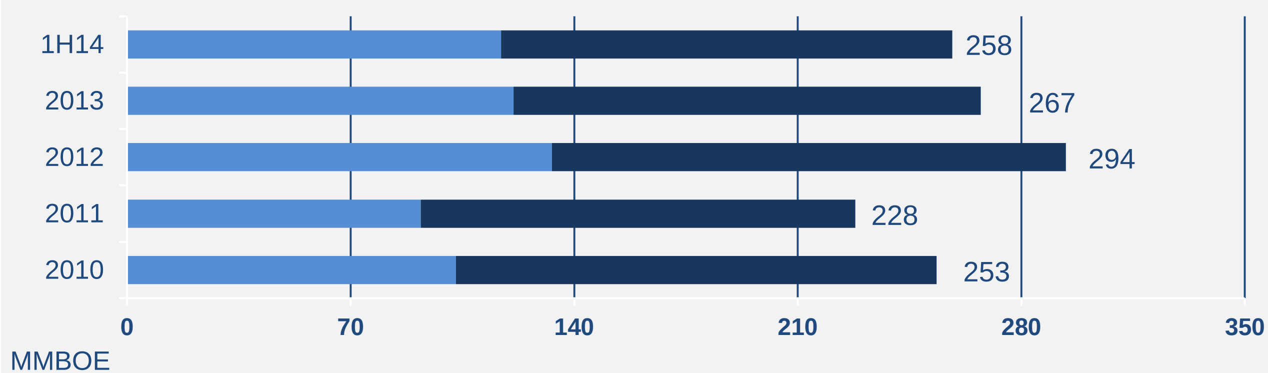
2P Reserves Life Index



Oil and Gas E&P	1H13	1H14	Δ%
Proved Reserves - 1P (MMBOE)	216.0	192.9	(10.7)
Proved and Probable Reserves - 2P (MMBOE)	282.8	258.4	(8.7)
Oil Lifting / MBOPD	24.8	20.6	(16.8)
Oman Service Contract / MBOPD	9.0	8.7	(3.8)
Oil Lifting including Oman Service Contracts	33.8	29.3	(13.3)
Gas Sales / BBTUPD	153.2	134.3	(12.4)
Total Oil and Gas Production (MBOEPD)*	53.8	49.3	(8.5)
Average Oil Price, USD/barrel	108.5	110.2	1.6
Average Gas Price, USD/mmbtu	5.2	6.6	26.7
Coal Sales, MT	204,999	277,072	35.2
Average Coal Price, USD/MT	82.5	77.4	(6.2)

*excluding Oman Service Contracts

2P Oil and Gas Reserves in MMBOE



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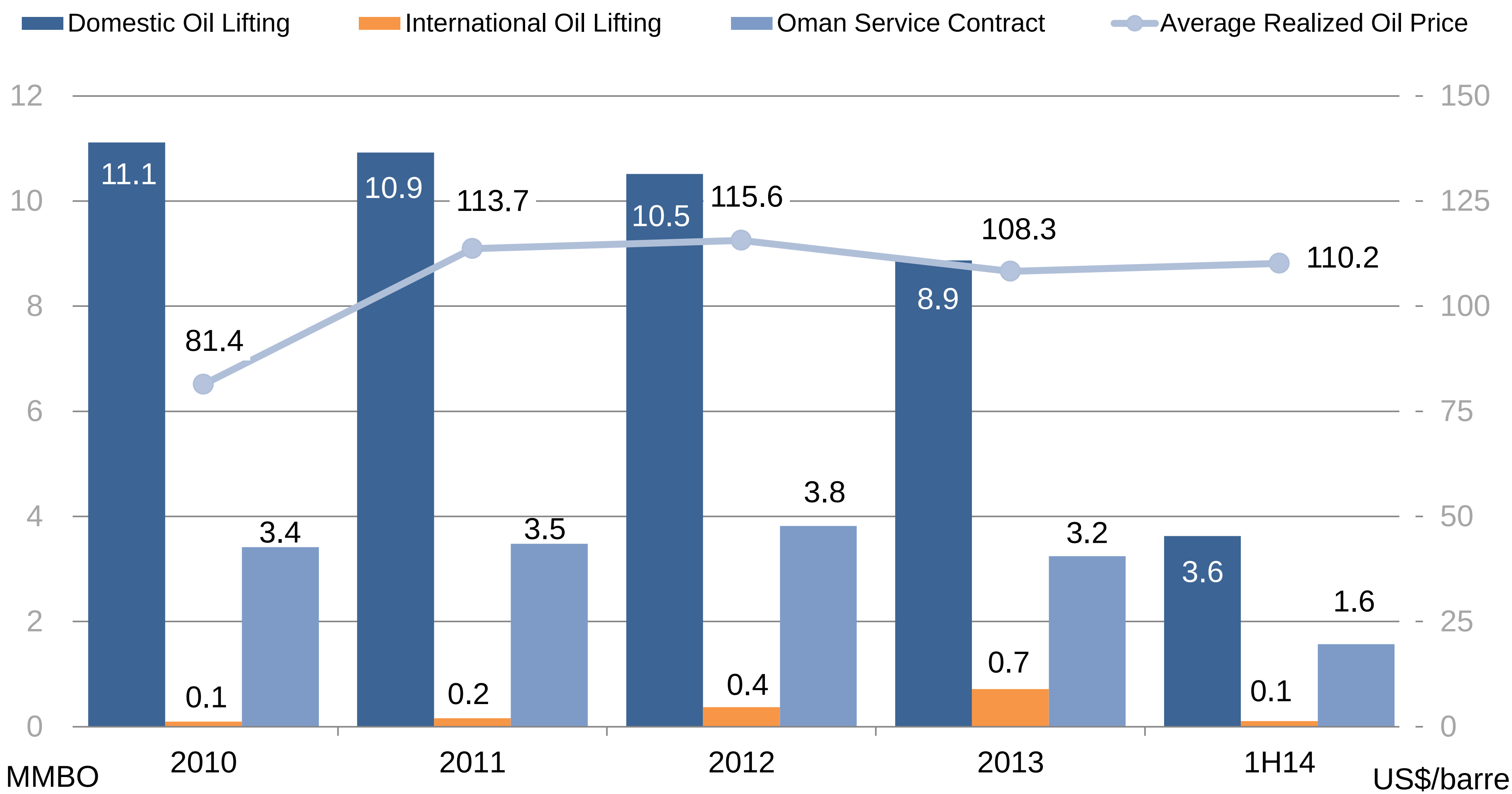
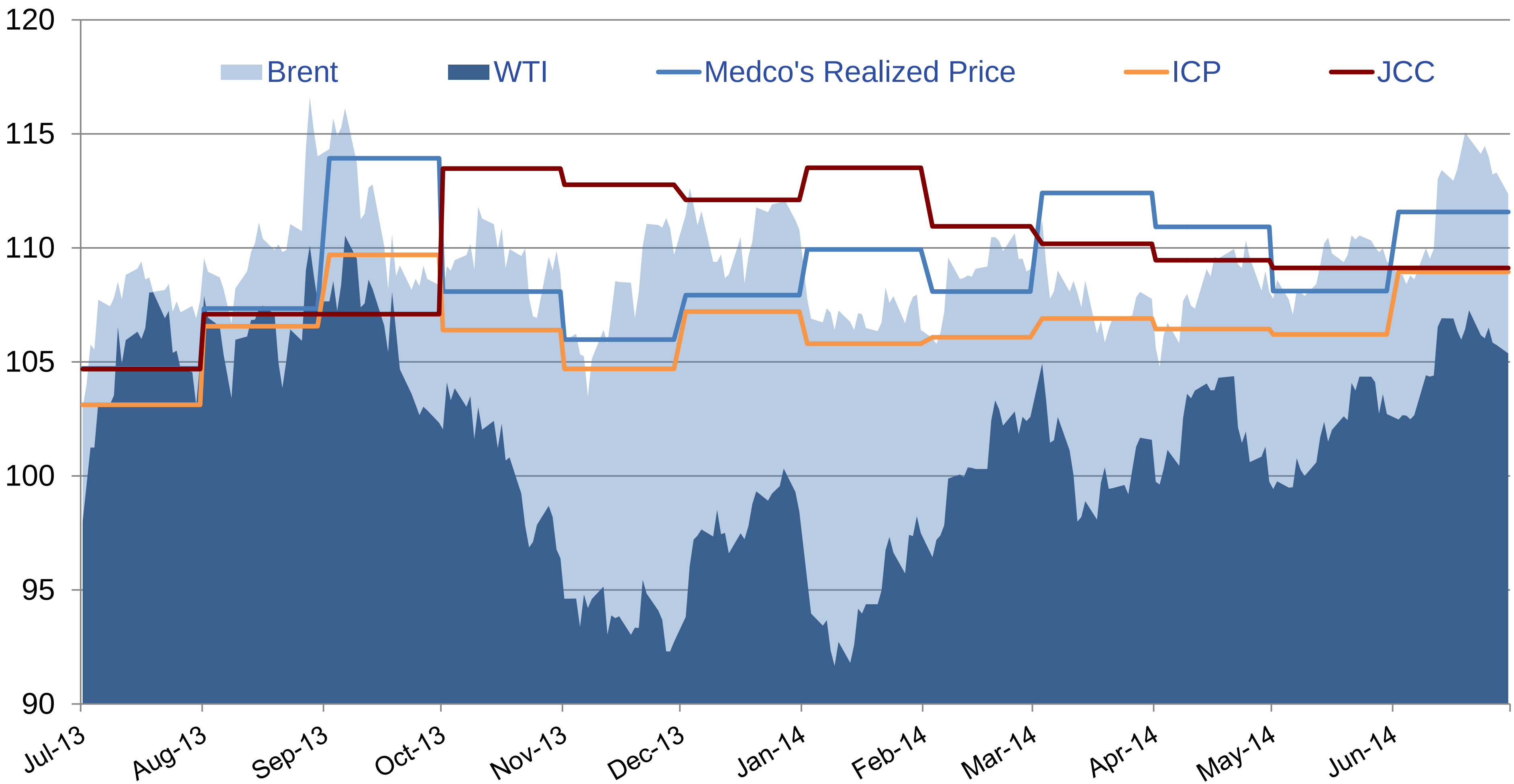
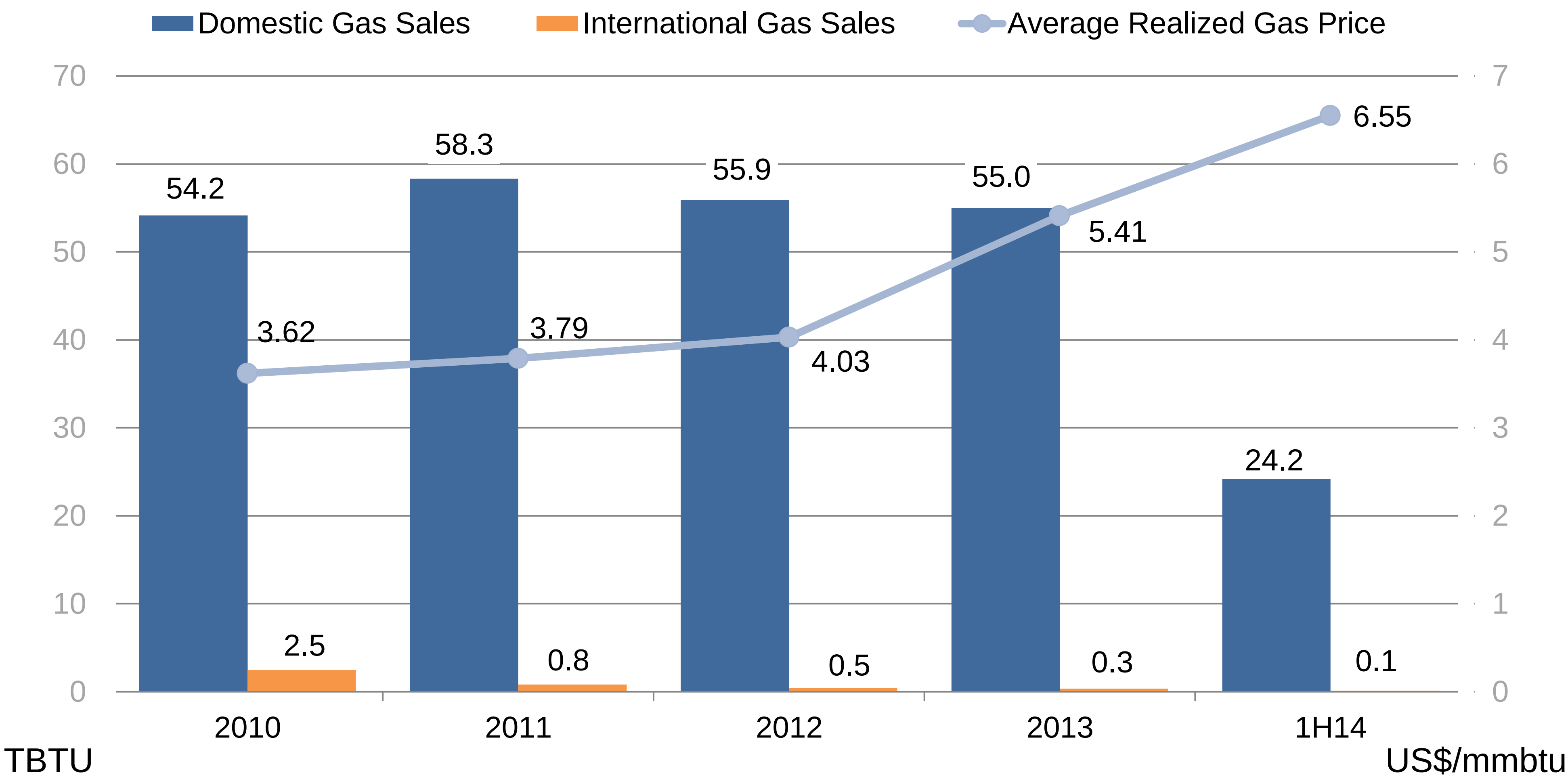
Oil Lifting and Service Contract



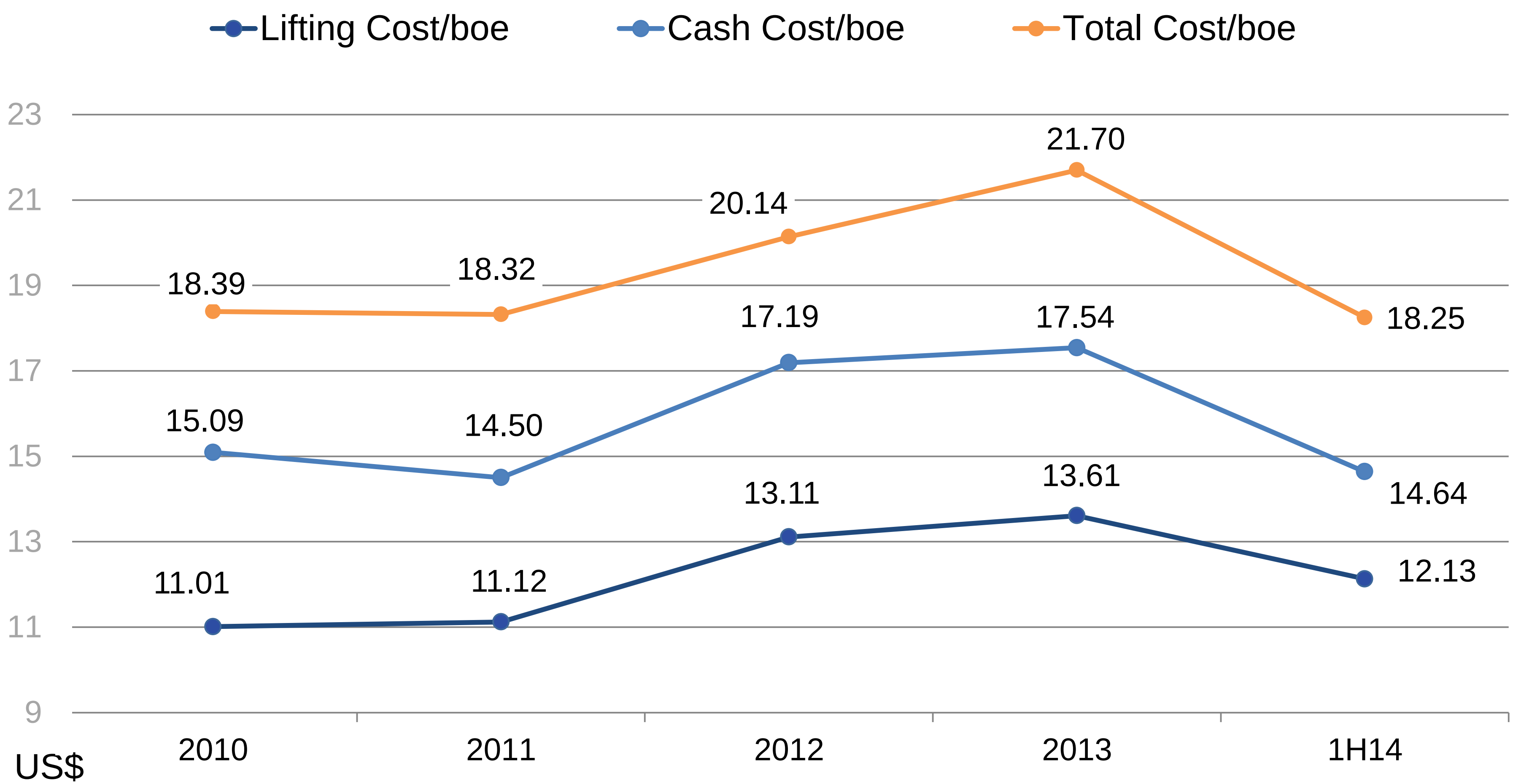
Oil Price Comparison (US$/barrel)



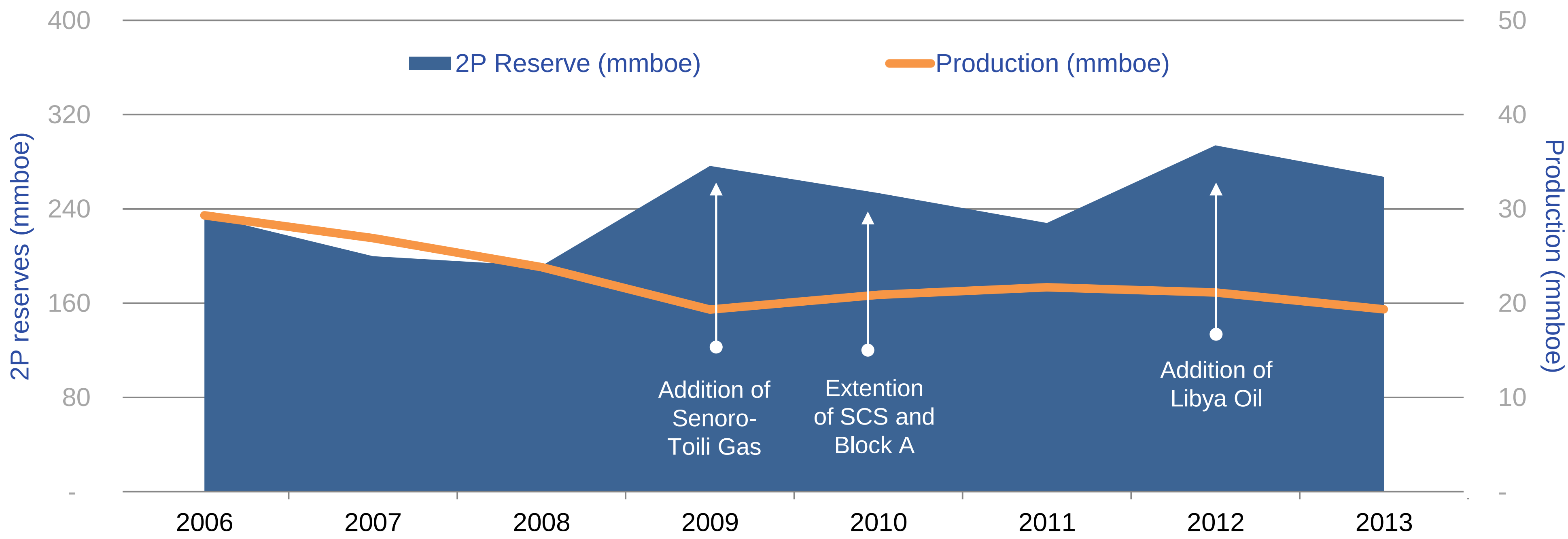
Gas Sales


Domestic Gas Sales
International Gas Sales
Average Realized Gas Price
70
60
50
40
30
20
10
0
7
6
5
4
3
2
1
0
54.2
58.3
55.9
55.0
24.2
2.5
0.8
0.5
0.3
0.1
3.62
3.79
4.03
5.41
6.55
2010
2011
2012
2013
1H14
TBTU
US$/mmbtu

Oil and Gas Costs



Production Track Record



Production Track Record	2009	2010	2011	2012	2013
Oil and Gas Capex $mn	198.61	126.94	143.14	189.21	219.5
2P Reserve Addition, MMBOE	113.20	46.77	(3.66)	87.02	(7.34)
Actual 3 Year Avg F&D $/BOE	5.66	3.30	3.00	3.53	7.26
Actual 3 Year Avg RRR	2.01	2.88	2.53	2.04	1.22
2P Reserves Life Index, years	14.32	12.13	10.52	13.92	13.82

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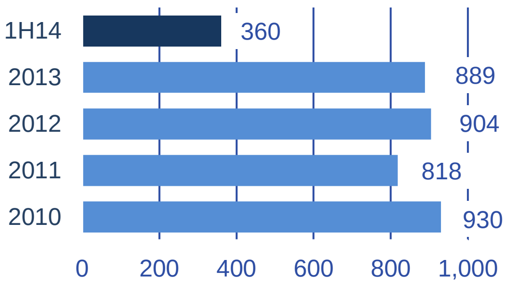
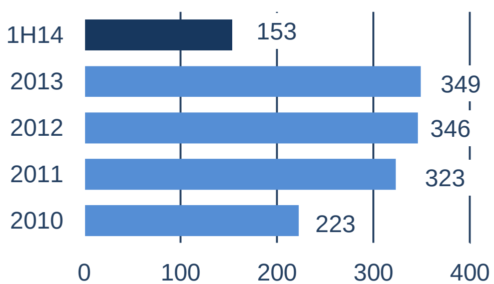
Financial Performance

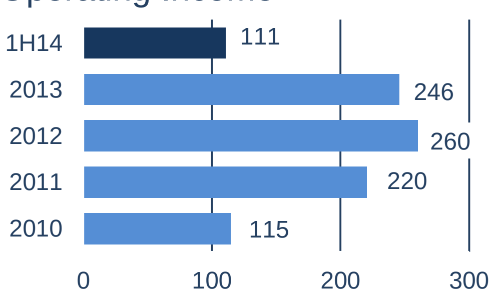
Revenues
USD Million



EBITDA
USD Million



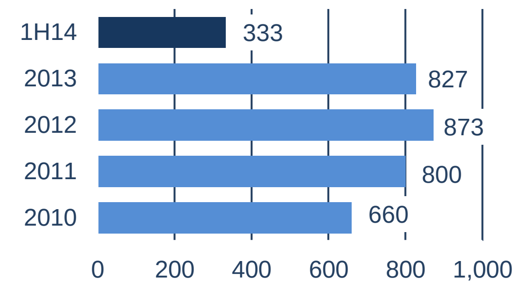
Operating Income
USD Million



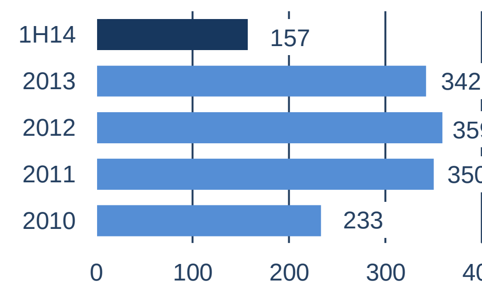
Financial Highlights (USD mm)	1H13	1H14	∆%
Revenue	426.7	360.4	(15.5)
• Oil and Gas	398.7	333.3	(16.4)
• Non Oil and Gas	28.0	27.1	(3.4)
Gross Profit	171.5	152.0	(11.4)
Operating Income	122.8	110.6	(9.9)
EBITDA	167.8	153.0	(8.8)
Earnings Before Tax	95.2	82.0	(13.9)
Net Income	**5.1**	**8.7**	**71.5**
Cash and cash equivalents	403.2	247.4	(38.6)
Total Assets	2,582.9	2,571.2	(0.5)
Total Liabilities	1,755.7	1,657.4	(5.6)
Equity	816.7	905.2	10.8
Market Capitalization	567.2	988.4	74.3
EPS (USD/share)	0.0017	0.0026	52.9
Capex*	125.0	134.6	7.7

*including DS-LNG

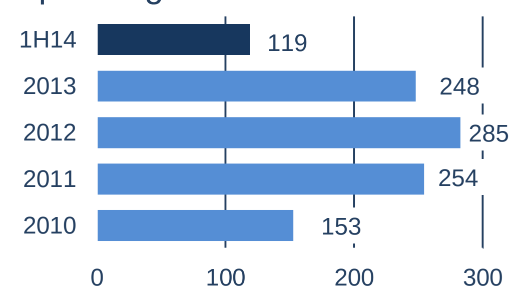
Revenues Oil and Gas
USD Million



EBITDA Oil and Gas
USD Million



Operating Income O&G
USD Million



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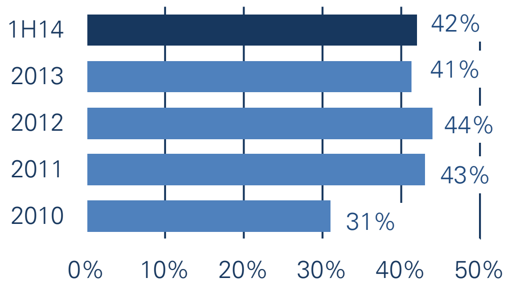
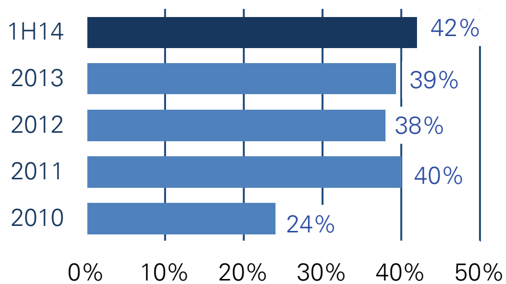
Financial Performance (cont'd)

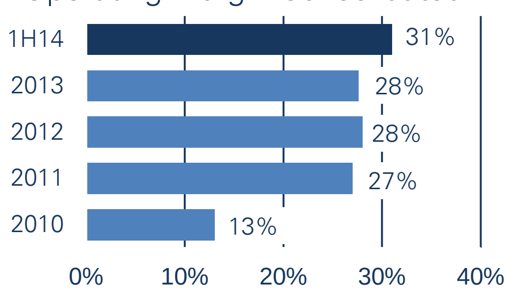
Gross Margin Consolidated



EBITDA Margin Consolidated

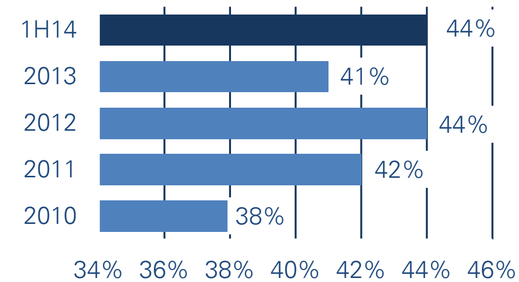


Operating Margin Consolidated

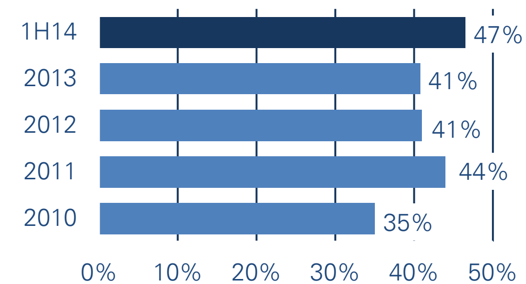


Profitability (%)	1H13	1H14	Δ%
Gross Margin	40.2%	42.2%	4.9
EBITDA Margin	39.3%	42.5%	8.0
Operating Margin	28.8%	30.7%	6.6
Net Margin	1.2%	2.4%	103.0
Return on Equity - Annualized	1.2%	1.9%	54.7
Efficiency Ratios (x) - Annualized	**1H13**	**1H14**	**Δ%**
Revenue/ fixed assets	0.78	0.59	(24.1)
Revenue/ net working capital	2.22	1.45	(34.9)
Liquidity (x)	**1H13**	**1H14**	**Δ%**
Cash Ratio	0.75	0.84	11.3
Quick Ratio	1.56	2.39	53.6
Current Ratio	1.72	2.69	56.6
Investment Ratios (x)	**1H13**	**1H14**	**Δ%**
CapEx to Revenue	0.29	0.37	27.5
CapEx to Depreciation	2.78	3.17	14.2

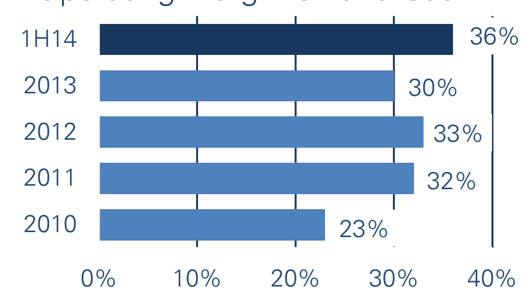
Gross Margin Oil and Gas



EBITDA Margin Oil and Gas



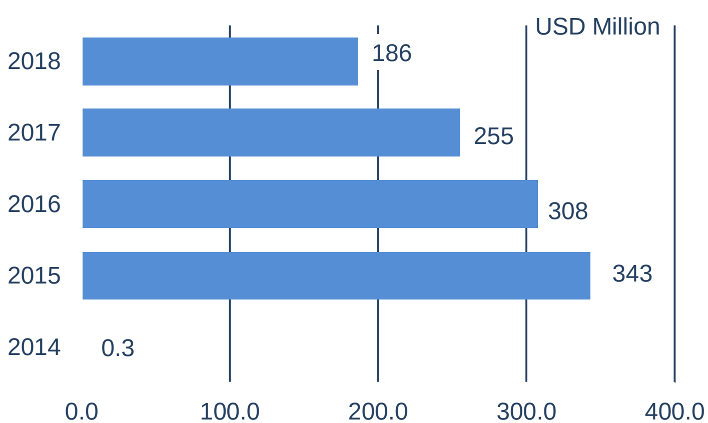
Operating Margin Oil and Gas



Financial Performance (cont'd)

CONSOLIDATED DEBTS (in USD mn)		1H13	1H14	Δ%
A. Total Bank Loans		**512.4**	**596.3**	**16.4**
Current		111.1	50.3	(54.8)
Non Current		401.3	546.0	36.1
B. Other Obligations		**706.6**	**491.8**	**(30.4)**
Current:	MTN	29.9	-	n.m.
	Rupiah Bonds	99.6	-	n.m.
Non Current:	Related Party	127.1	103.3	(18.7)
	Rupiah Bonds	350.5	291.1	(16.9)
	USD Bonds	99.4	97.4	(2.1)
Total		**1,219.0**	**1,088.1**	**(10.7)**

Debt Maturity Profile



Leverage Ratios (x)	1H13	1H14	Δ%
Debt to Equity Ratio	1.49	1.20	(19.5)
Net Debt to Equity Ratio	1.00	0.93	(7.0)
Total Liabilities / Total Equity	2.15	1.83	(14.8)
Coverage Ratios (x)	1H13	1H14	Δ%
Debt to EBITDA - Annualized	3.63	3.56	(2.1)
Net debt/ EBITDA - Annualized	2.43	2.75	13.0
EBITDA to Interest Coverage Ratio	4.29	4.13	(3.9)
Capital Structure (x)	1H13	1H14	Δ%
Net debt to (net debt + equity)	0.50	0.48	(3.6)
Debt to Capital	0.60	0.55	(8.8)

Business Activities

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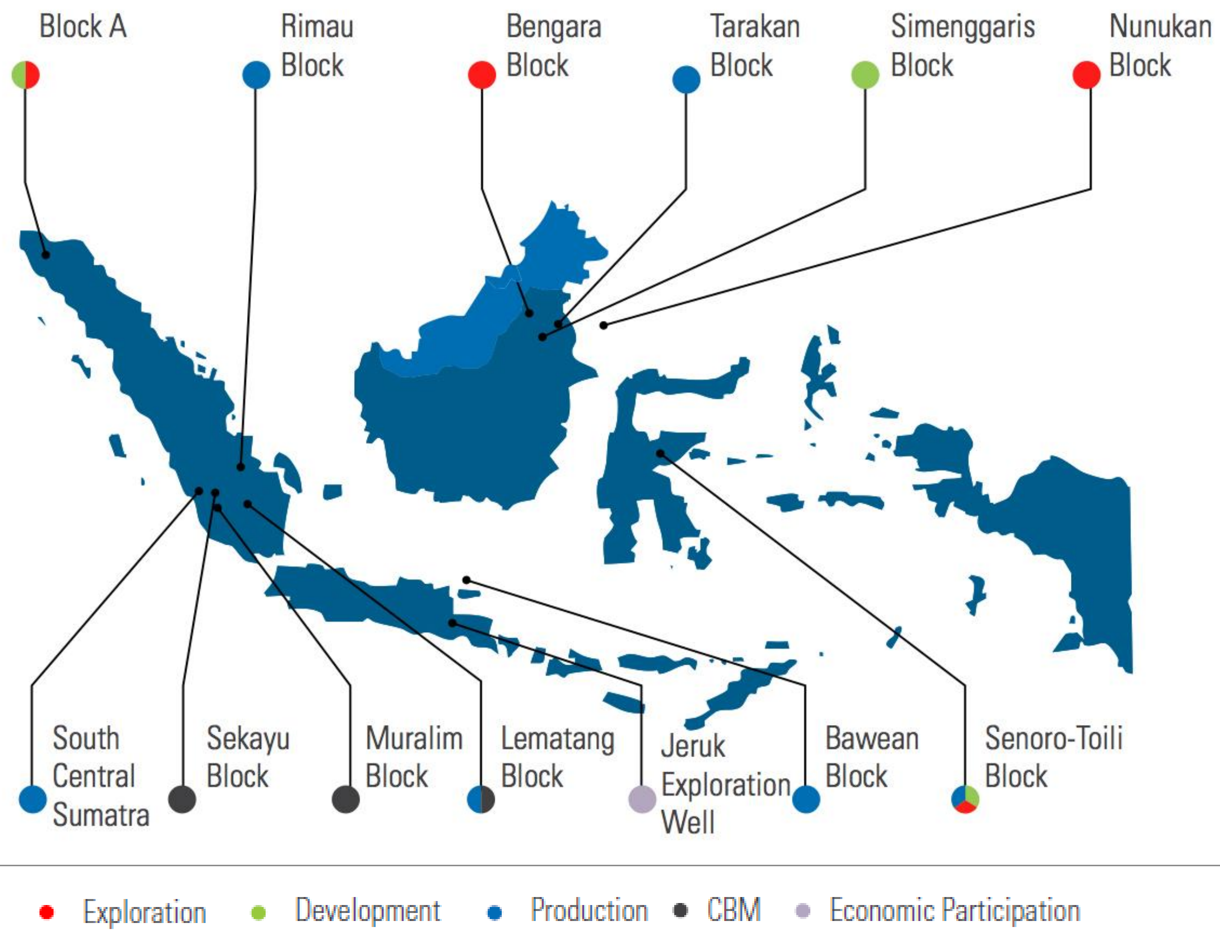
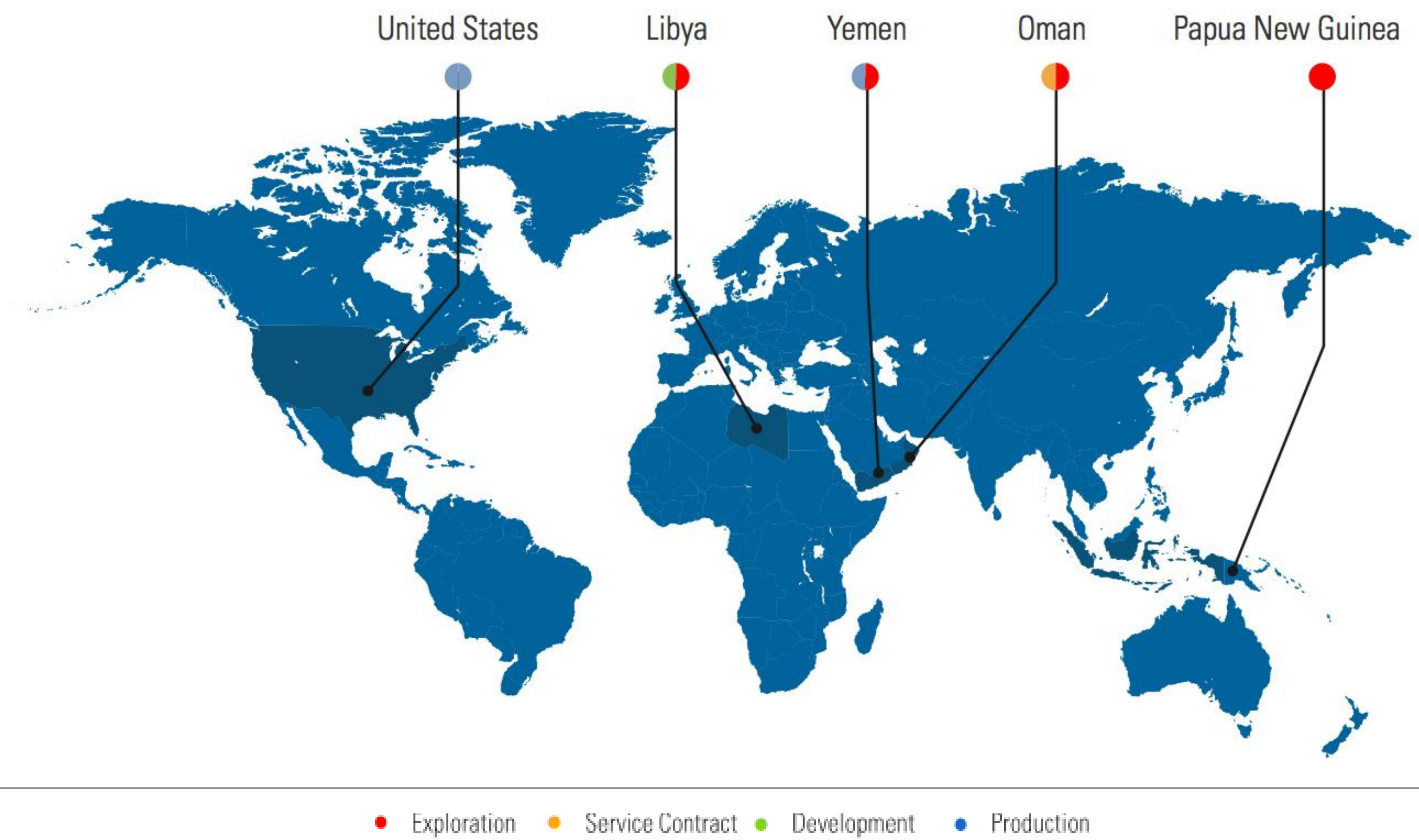
Oil and Gas E&P (Indonesia)



In Indonesia, Medco operates 9 blocks, maintains working interests in 1 block operated by strategic partners, and holds economic participating interest in an exploration field. Moreover the Company also holds 3 CBM contracts.

Oil and Gas E&P (International)

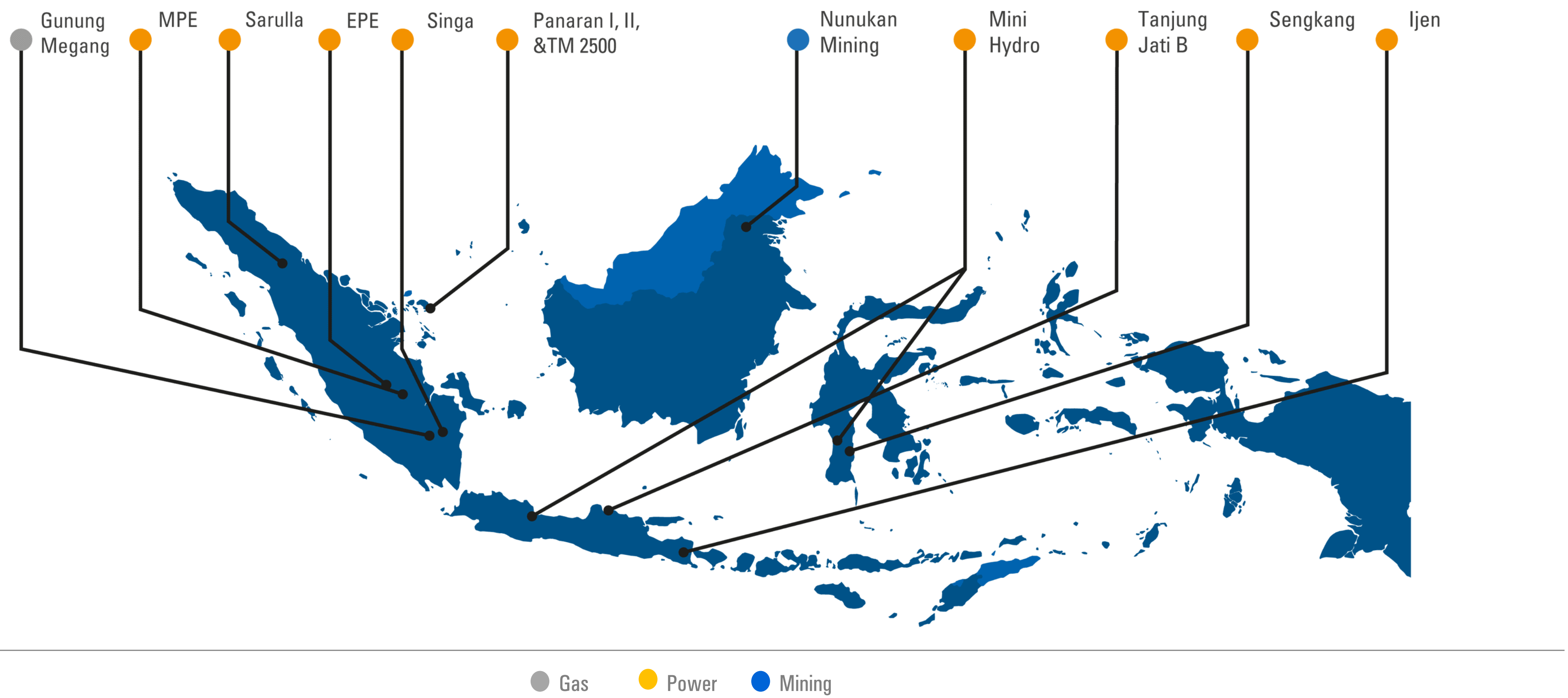
"Large portfolio, domestic and international, offers diversification of opportunities and risks across broader geological formation."



Medco's international operations spread across 8 assets in the Middle East, North Africa and the US.

Other Energy Related Business

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



Other Energy Related Business (cont'd)

Operated through Medco Power Indonesia, with an ownership structure of Saratoga Power (51%) and MedcoEnergi (49%), the company's businesses include:

- 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 190 MW
- 1 Operation & Maintenance Contract in Tanjung Jati B Coal Plant, Central Java 1,320 MW
- Engineering, Procurement and Construction contracts

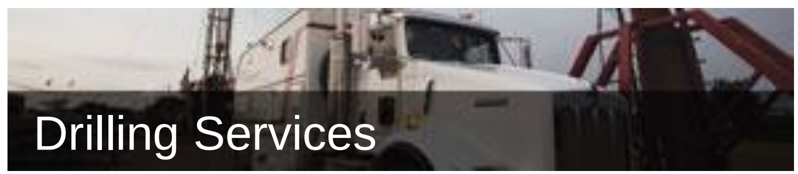
MedcoEnergi believes electricity remains an attractive business and can provide added value to the Company in the future by pursuing new projects such as:

- A Combined Cycle Power Plant or CCPP project in Panaran I through Mitra Energi Batam (30MW)
- Build and operate Simple Cycle GasTurbine Power Plant of 70 MW in Tanjung Uncang, Batam upgradeable to 110 MW (CCPP)
- Two geothermal projects in Sarulla, North Sumatra (3x110MW) and Ijen, East Java (2x55MW)
- Mini hydro projects in West Java and Sumatera with total targeted capacity of 45MW.

The addition of these new assets will help drive Medco Power Indonesia's installed capacity grow to more than 800 MW within next 5 (five years).

- Operates two Mining Rights at Nunukan, East Kalimantan. Production started in February 2012
- 1 Block already in production, with first coal cargo shipment on October 2012
- Peak production estimated at 500,000 ton per year

Booster Compressor and 17.5km pipeline at Gunung Megang South Sumatra



PT Exspan Petrogas Intranusa provides well services / workover rigs and Electric Wireline Logging (EWL) for oil & gas operations

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Capex Profile

"During 2014-2016 Medco will spent substantial amount of Capex to start develop its Major Projects following the approval of their Final Investment Decisions and PSC contractors appointment"

E&P CAPEX	2014 F	2015 F	2016 F	3-YR F
Producing Assets	116.0	165.8	152.7	434.4
Exploration Capex	51.5	82.1	43.8	177.4
Development Capex	64.4	83.7	108.9	257.0
Development Assets	269.3	358.0	195.4	822.7
Senoro Upstream	153.5	52.0	50.6	256.1
Others	115.9	306.0	144.8	566.7
Exploration Assets	18.4	10.7	13.2	42.3
Donggi-Senoro LNG	27.3	12.2	-	39.5
TOTAL E&P CAPEX	431.0	546.6	361.2	1,338.9
Non E&P Capex	10.1	25.7	14.2	50.0
TOTAL CAPEX NET	441.1	572.4	375.4	1,388.9

*Net Working Interest to MedcoEnergi. Forecasted figures, subject to change. Capex for producing assets will be funded internally through cost recovery, while capex for development will be funded proportionately through equity and debt.

Exploration Program: Domestic

"Estimated potential resources addition for Domestic and International (2014 – 2019) :
554 MMBOE net unrisked resources or 153 MMBOE net risked resources"

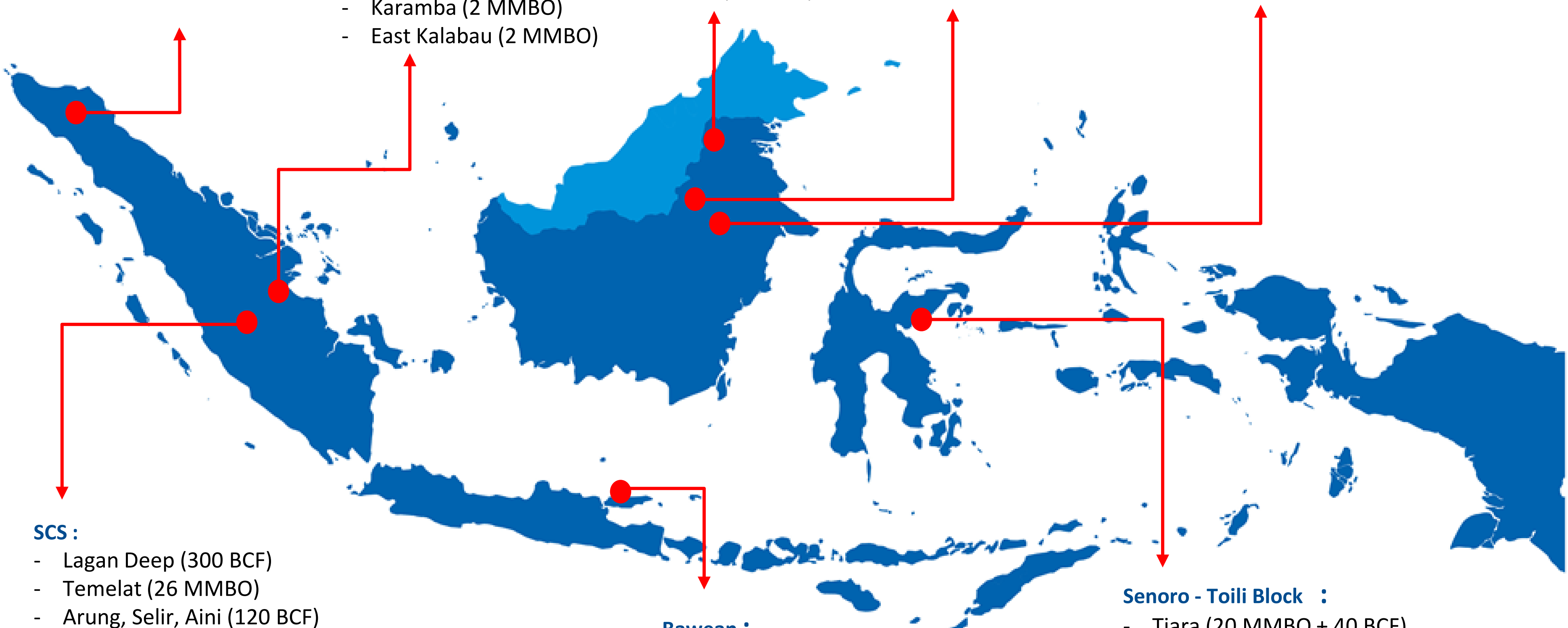
Block A :
- Matang (200 BCF)

Rimau :
- Salina (2 MMBO)
- Karamba (2 MMBO)
- East Kalabau (2 MMBO)

Bengara :
- Tetianan (150 BCF)

Tarakan :
- Safira (15 MMBO)

Simenggaris :
- Simenggaris Well (5 MMBO)



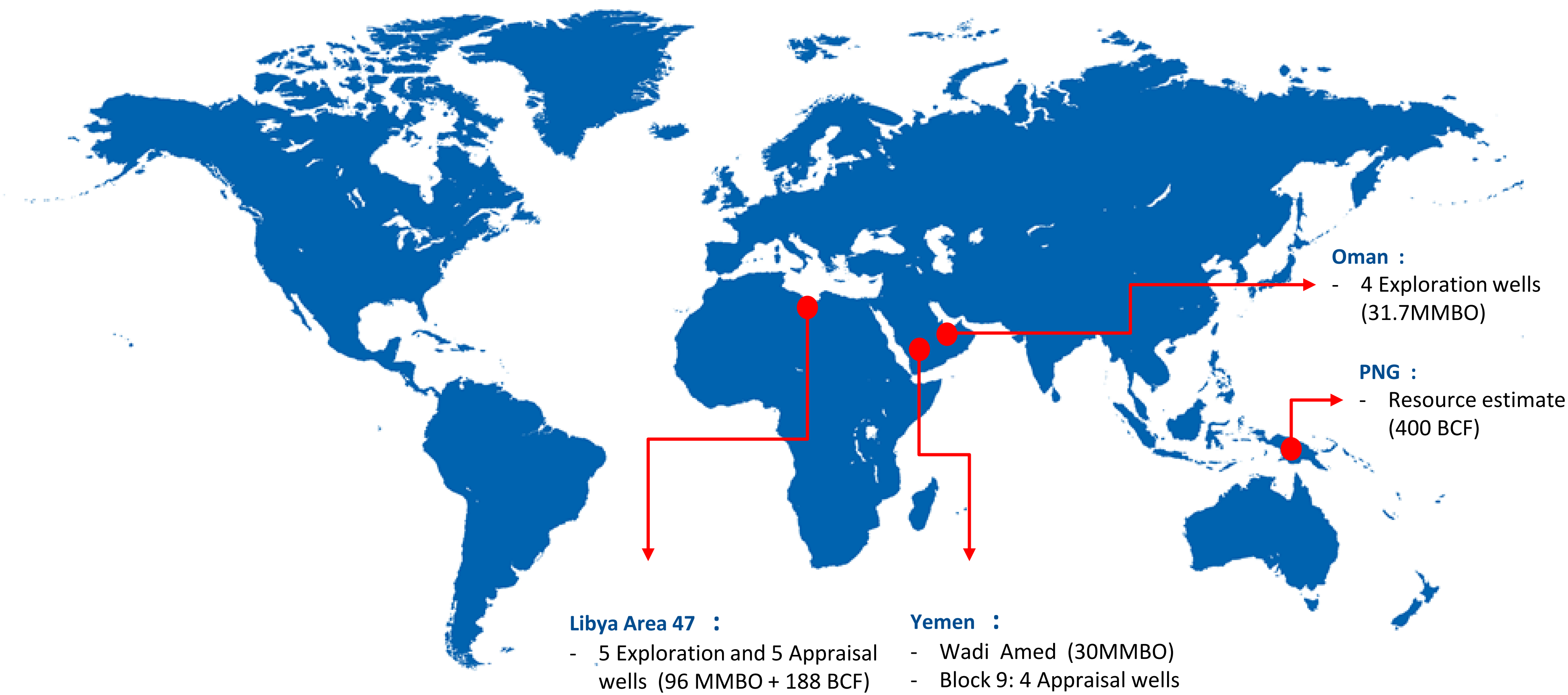
SCS :
- Lagan Deep (300 BCF)
- Temelat (26 MMBO)
- Arung, Selir, Aini (120 BCF)
- Rambutan Deep (250 BCF)
- Nola, Noga, Wali (330 BCF)

Bawean :
- Bunku well (10 MMBO)

Senoro - Toili Block :
- Tiara (20 MMBO + 40 BCF)
- Grupa (30 MMBO + 400 BCF)
- South Tiara (10 MMBO + 20 BCF)

Exploration Program: International

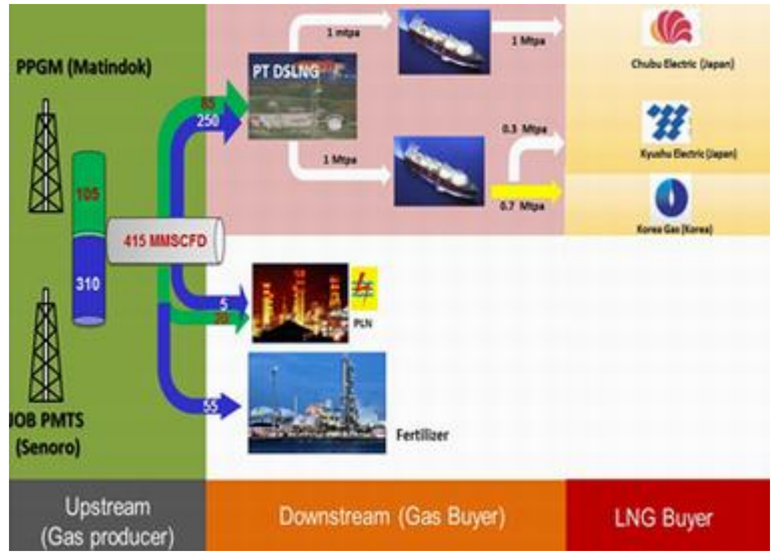
"Estimated potential resources addition for Domestic and International (2014 – 2019) :
554 MMBOE net unrisked resources or 153 MMBOE net risked resources"



Major Projects Development

Projects	Summary	% Ownership	Partners	Page
Senoro	Gas field development up to 310 MMscfd	30%	Pertamina, Mitsubishi, Kogas	26
DSLNG	LNG plant, single train of 2.0 mtpa capacity	11.1%	Pertamina, Mitsubishi, Kogas	29

Senoro Upstream Project



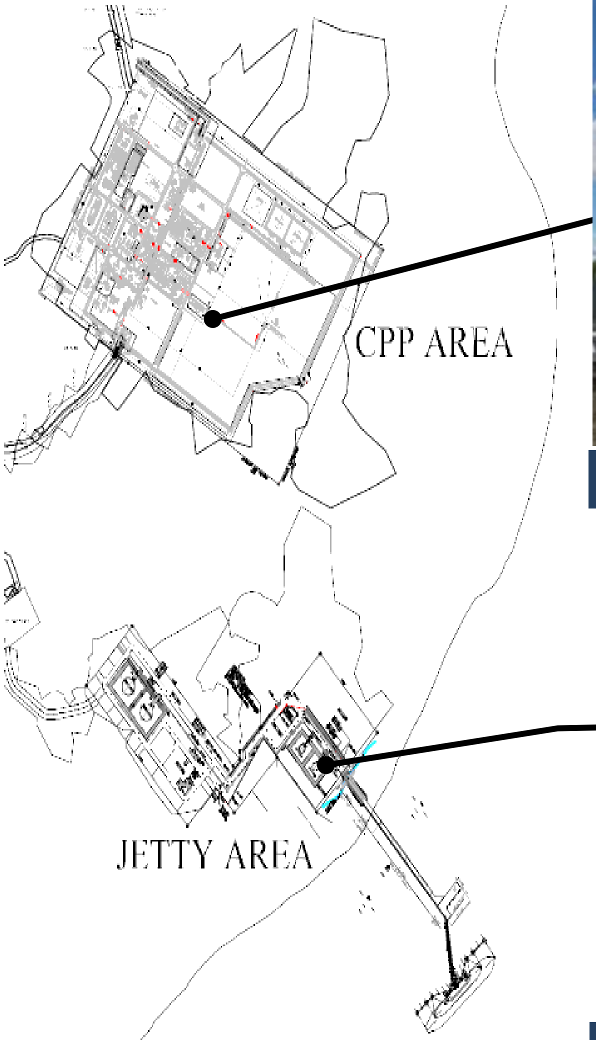
Working Interest Structure:

Pertamina 50%
MedcoEnergi 30%
Mitsubishi & Kogas 20%

Upstream Status:

1. Objective: Commercialize 1.96 TCF of gross 2P reserve and contingent gas resources through LNG product
2. Scope: Build 310 MMSCFD plant, target Commissioning by end of 2014
3. Status:
   - Overall Progress is 80.82% as of June 2014.
   - Completed batch drilling on 8 wells and another 2 wells underway
   - Obtained Project financing for Senoro project from Standard Chartered and Bank Mandiri on July 31, 2013.
   - Material offloading facility is ready and functioning
   - Completed all ISES Planning requirement as required by CP of Senoro Project Financing
   - GSA with Panca Amara Utama has been signed on March 13, 2014

Facilities Pictures



Tank Erection

Sub-Station Building

Flowline

Main Pipe rack

Facilities Pictures

Shelter Gas Custody Transfer Metering Package, Erection

Control Room, Cable Tray Installation

Anchor Flange at KP 23+000

Pipeline Works at KP 4+500

Backfilling at KP 22+000

Sandblasting/Painting T-6077 at Senoro#5

Dikewall, continue

Piping Works

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DSLNG Downstream Project

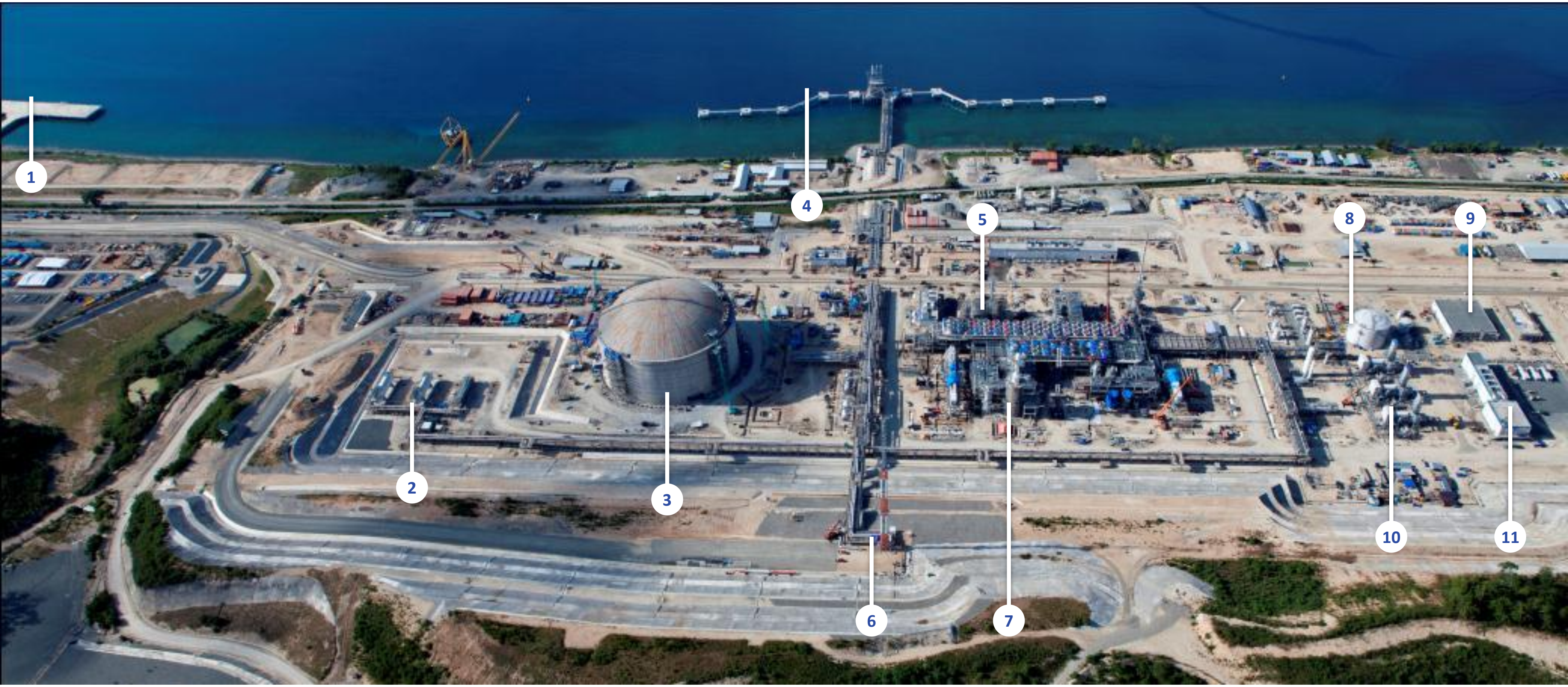
Ownership Structure:

Mitsubishi & Kogas 59.9%
Pertamina 29%
MedcoEnergi 11.1%

Downstream Status:

1. Objective: Commercialize 1.96 TCF of gross 2P reserve and contingent gas resources through LNG product
2. Scope : Build 2.0 MT per annum LNG facilities, target completion of plant facilities by end of 2014.
3. Status:
   - Achieved 30 million safety man hours
   - LNG Plant EPC progress currently reached 98.9% as of June 2014
   - Plant Commissioning targeted in 3Q-2014
   - Project Finance signing targeted in 3Q-2014

Facilities Pictures



1. Material Offloading Facility
2. Refrigerant Storage
3. LNG Tank
4. LNG
5. Air Fin Coolers
6. Flare
7. MCHE
8. Firewater Tank
9. Main Control Room
10. Gas Turbine Generators
11. Main Substation

MEDCOENERGI

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